

November 8, 2013



The Honorable Members of the City Commission  
1101 Poyntz Avenue  
Manhattan, KS 66502

## **Regarding: The 2014 City Budget**

Dear Honorable Members of the Manhattan City Commission:

The management team presents to the City Commission the 2014 City Budget. City Administration, Department Heads, and employees have worked hard to prepare the annual budget that will guide City operations for next year. I would like to express my thanks to the City Commission for its guidance and work on the 2014 Budget, as well as the several Advisory Boards, organizations, and citizens who provided valuable input into the 2014—2019 Capital Improvement Program and budget process. Manhattan was designated a new CSA by the US Census Bureau in 2013 continuing to receive significant accolades such as... and one of the thriving young metropolitan areas in the country with a Combined Statistical Area (CSA) regional population of 135,823 (2012 estimate) and optimism about our future.

## **2014 BUDGET OVERVIEW AND HIGHLIGHTS**

The Manhattan area continues its growth with low unemployment. In 2013, the community property valuation increased approximately 4.8% overall with 4.7% in Riley and 5.5% in Pottawatomie Counties as development of both residential and commercial property continues throughout the City. If not for this new valuation growth, a small decline in the total valuation would have been realized from existing properties.

The 2014 City Budget is \$130,785,167 ; or an increase of almost \$8.9 million over 2013. However, nearly all of this increase is non-operational in nature. The enterprise fund budgets have increased by almost \$2.2 million to fund the federally mandated expansion of the Wastewater Treatment plant and also expansion and modernization of the Water Treatment Plant along with Wellfield expansion improvements. The Bond & Interest Fund has increased by \$3.1 million. However, nearly 90% of this increase is due to the proceeds of a quarter-cent special sales tax approved by voters for the Sunset Zoo Nature Exploration Center and City Park, Northview and CICO pools sales taxes that have been collected and must be reserved for the future principal and interest payments on the bond issues. None of the above items have any impact on property taxes. The Riley County Police Department and Manhattan Library have increased expenditures which together total \$399,071. The remaining budget increase for 2014 can be attributed to community-wide growth.

The City's General Fund reflects about a 4.8% increase or \$1,256,214 over the 2013 budget. The proposed increases are due to additional expenses associated with a partial year of staffing for the new fire station, increased costs for employee benefits, as well as utility increases in the gas, electricity, fuel and street lighting line items. Despite this budget increase in the General Fund for 2014, property taxes supporting the General Fund have an increase of \$682,014 over 2013. For the past four years, the mill levy in the General

Fund has actually decreased. The Commission utilized economic development funds to help keep the mill levy stable.

The 2014 Budget includes seven (7) new positions. Five (5) of those positions were proposed in the General Fund. Those positions included one (1) information system support specialist, one (1) airport maintenance technician, one (1) office assistant for the airport, one (1) chief training officer for Fire Department, and one (1) assistant city attorney.

Within the Enterprise Funds, two (2) new positions are budgeted. One (1) of the positions is for an additional maintenance technician for sewer maintenance that will be funded through the Wastewater Fund. The other one (1) position is for a GIS analyst, which will be funded through the Wastewater, Water and Stormwater Fund.

The following highlights key initiatives and developments in the City of Manhattan anticipated to begin, continue, or are to be completed in 2014.

- The Downtown Redevelopment project continues to progress as construction of the mixed-use building within the South End is nearing completion. Businesses are anticipated to announce and open in the first or second quarter of 2014. The Holiday Inn Express is anticipated to begin construction in the South End to the east of the mixed-use building in the second quarter of 2014. The North End is nearly complete with only two retail spaces remaining. Taco Johns is anticipated to start construction in 2014, and one remaining speculative building to the west of Taco Johns at the corner of 3<sup>rd</sup> Street and Leavenworth Avenue.
- Revenues associated with the Downtown Redevelopment STAR and TIF bonds are keeping pace with projections. To date, the City has been able to retire \$7.380 million of STAR bonds earlier than anticipated.
- In May of 2013, the Commission approved an economic development agreement with CivicPlus, a local company specializing in cost-effective website solutions to enhance community engagement for public sector clients. CivicPlus is projected nearly 40% growth in 2012 and plans to add 250 new high wage jobs over the next ten years. The company will make a capital investment of at least \$8.85 million in a new minimum 50,000 square foot five-story office facility in downtown Manhattan. The incentive package includes a \$750,000 forgivable loan and partial tax abatement. CivicPlus is currently under construction and anticipates completing construction in the 3<sup>rd</sup> or 4<sup>th</sup> quarter of 2014.
- Site preparation, design, and pre-construction services continue for the National Bio and Agro-Defense Facility (NBAF). Construction of the Central Utility Plant began in 2013 and will continue through 2014. The City of Manhattan has earmarked \$5 million in Economic Development Funds for infrastructure improvements needed for the site. Of this amount, \$2.3 million has been approved by DHS and expanded for utility relocations of water, electricity, and gas infrastructure. Sanitary sewer lines to serve NBAF will begin in 2014.
- American Eagle Airlines is thriving at the Manhattan Regional Airport (MHK) with twice daily regional jet service to Chicago O'Hare International Airport and three daily non-stop flights to Dallas/Fort-Worth International Airport. The City of Manhattan also added two flights per week to Mesa, AZ with Allegiant Air Service. Flights are scheduled to start in November of 2013. The State

has agreed to re-allocate \$1 million in air service / revenue guarantee funds to Manhattan to support the expansion of additional air service. Additional airlines and / or additional flights will remain a focus in the coming year.

- Construction has commenced at the City of Manhattan Airport for a \$16 million terminal expansion. Phase 1 of the terminal expansion (\$9M) is underway and anticipated to progress into most of 2014. Phase 2 of the terminal expansion will be considered upon completion, and will be dependent on Federal financial support. The new terminal will nearly quadruple the square footage of the terminal building.

### **BUDGET PROCESS**

The budget represents the single most important document the City will prepare in a given year. The budget has been organized in such a manner to clearly convey information of importance to the City Commission, citizens and other stakeholders. The budget serves as the following:

- **A Policy Document:** The budget is an expression of City Commission policy. City Commission policy is implemented by the appropriations made, the projects funded, the staffing levels authorized, and the goals and objectives promoted and tracked.
- **A Financial Plan:** The financial planning emphasis of the budget is the most familiar aspect of this annual document. The budget sets out how expenditures are to be made and specifies anticipated revenues and other resources to fund those expenditures. This document also delineates the financial policies that guide our financial affairs and describes the formulation and implementation of the budget. The budget is balanced in all funds, meaning that total resources in each fund are equal to or greater than total expenditures.

The annual budget also includes the proposed capital expenditures for equipment, vehicles, and projects greater than \$5,000 for the budget year. The Capital Improvement Program is a long-term capital purchase planning document that attempts to balance future needs with future revenue. The out-years of the current Capital Improvements Program (CIP) are challenged with desired expenditures likely being much more than projected future revenues will support.

- **An Operations Guide:** In addition to listing revenues and expenditures, the budget also includes missions and goals outlining an overview of the broad range of City services provided to citizens. The operations guide of the budget focuses on financial planning and achieving results.
- **A Communications Device:** Through the budget, the City communicates its annual priorities. The budget contains graphics, tables, summaries, and directions that are designed to assist citizens, the City Commission, and others in getting needed information quickly and easily. The annual budget, as well as many other related documents, has been made available online ([www.cityofmanhattan.info](http://www.cityofmanhattan.info)). Similar to other City services, there is continuous scrutiny to improve the budget to make it more useful and functional.

Every year a budget calendar is set and closely followed, allowing for greater transparency and participation. The 2013 budget calendar reflects the timeline that was essential to the 2014 Budget process:

- January 18, 2013—2014-2019 Capital Improvements Program citizen request forms were distributed to Advisory Boards/Media/Citizens as well as City Departments.
- January 11, 2013 - City Commission held a goal setting session to set strategic goals for the upcoming year.
- February 12, 2013—City Commission work session was held to discuss budget calendar, current revenue assumptions and 2014 revenue projections.
- During January and February, advisory boards and citizens had the opportunity to submit Capital Improvement Program requests.
- During April and May, internal meetings were held to formulate the proposed 2014-2019 CIP and 2014 Budget.
- May 28, 2013—City Commission first work session held on proposed Budget and 2014-2019 Capital Improvements Program with primary concentration on 2014 proposed capital expenditures.
- June 11, 2013—The second City Commission work session on 2014 Budget and 2014-2019 Capital Improvements Program was held.
- June 25, 2013—The third City Commission work session on 2014 Budget and 2014-2019 Capital Improvements Program was held focusing on outside agency requests for the 2014 Budget.
- July 9, 2013—The fourth City Commission work session on 2014 Budget and 2014-2019 Capital Improvements Program was held.
- July 26, 2013—Notice of Public Hearing for 2014 Budget and Capital Improvements Program was published.
- August 6, 2013— The City Commission held the official public hearing on the 2014 Budget and 2014-2019 Capital Improvements Program and approved first reading of the ordinance adopting the 2014 Budget.
- August 20, 2013 – The City Commission approved the second reading of the ordinance adopting the 2014 Budget.
- September 3<sup>rd</sup>, 2013—The Manhattan Urban Area Planning Board determined that the 2013-2018 CIP is in conformance with the City’s Comprehensive Plan.

## **BUDGET REVENUE AND EXPENDITURE SUMMARY**

The following provides highlights regarding the City’s major sources of revenue and expenditures:

### **REVENUES**

#### **Property Taxes**

Assessed valuation figures provided by the Riley and Pottawatomie County Clerks indicate that the 2013 assessed valuation has increased by \$22,157,327 or 4.8% over 2012.

City Administration continues to believe it is important to capture at least part of the property taxes from new businesses, office facilities and residential properties in order to maintain current service levels in the City’s General Fund.

However, in an effort to meet the City Commission’s goal of keeping the City’s mill levy rate flat, those property taxes were not captured by City services that are under the control of the City Manager. Overall, the increase in property taxes for City services was \$972,715. The increase in property taxes for City agencies governed by separate boards, including RCPD and the Library, totaled \$243,568.

**Franchise Fees**

Franchise fees compensate the City for the use of the public rights-of-way by private utilities. Franchise fees range from 3% to 5% of gross revenues for the gas, electric, and cable television utilities, and are \$1.20 per access line for the telephone utility company. Overall, franchise fee revenues are budgeted at \$2.9 million for 2014.

**Local Sales Tax**

Impact from the economic recession did have an effect, although minor, on Manhattan’s local City sales tax during 2009 and 2010. However, sales tax receipts for 2011 improved and are projected to continue into 2012 and 2013. The 2014 budget maintains a 1% increase in sales taxes over 2012 actual receipts. The following table reflects the City’s sales tax forecast:

	----- Actual -----				----- Budget -----	
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>TOTALS</b>	<b>\$8,917,150</b>	<b>\$8,862,999</b>	<b>\$9,317,923</b>	<b>\$9,782,786</b>	<b>\$9,694,133</b>	<b>\$9,880,688</b>

Although sales taxes are difficult to predict and are highly elastic since they are consumer-driven, the expansion of businesses across the community and the previous troop build-up at Ft. Riley indicate that the City’s sales tax revenues should remain stable and increase slightly in 2014.

**Investment Income**

Investment income has been declining dramatically since mid-2007 when interest rates plummeted to all time lows. At the same time the cash balances in several City funds began to decline. The following table reflects past receipts and future projections for investment income across all budgeted funds:

	----- Actual -----					----- Budget -----	
	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>TOTALS</b>	<b>\$1,114,191</b>	<b>\$505,738</b>	<b>\$96,483</b>	<b>\$99,998</b>	<b>\$91,991</b>	<b>\$65,719</b>	<b>\$31,223</b>

**Utility Fees**

*Water Fund*

In 2010, City staff and Springsted, Inc. conducted a “Cost of Services” study of the existing City water rate structure, and recommended a modification of the rate structure to ensure the costs of the water utility are equitably spread across all customer classes. The City Commission approved gradually flattening the City’s declining water rate structure over a 5-year period, beginning in January 2011.

Based on utility growth and consumption in 2012 and to-date in 2013, City Administration is currently recommending a 4% increase in water rates for 2014. Generally, these planned rate increases will not affect the monthly water bills of many residential users, but they will have an impact on the City’s larger water customers. All proposed water rate increases will be implemented, in large part, to provide revenue to pay for the \$1.27 million annual KDHE loan payment for the water treatment plant and well field improvements project. The water treatment plant expansion and modernization cost approximately \$17 million. An expansion to the City’s well field and construction of an additional raw water line to the plant is also part of this project.

*Wastewater Fund*

Federal and state mandates requiring new treatment methods and a major wastewater treatment plant expansion have required wastewater rate increases over several years. One half of the \$23.5M Wastewater Plant upgrade and expansion project cost is due to new federal nutrient reduction requirements.

Although rate increases have been substantial for the past few years due to these improvements, City Administration is recommending a much smaller rate increase of 3%, which will be effective January 2014.

*Stormwater Fund*

The City’s Stormwater Fund remains in stable financial condition as the result of recent rate increases. However, City Administration is recommending a 3% increase to stormwater rates in January, 2014. There are a number of stormwater projects citywide that will be necessary to construct given the continued growth across the community.

The Finance Department forecasts potential increases to utility rates as part of an ongoing analytical program. Larger utility rate increases have been avoided through the management of all enterprise funds and appropriate scheduling of projects in light of available resources, particularly in the Stormwater Fund.

The following table provides historical and current utility rate increases per unit:

<i>AVERAGE UTILITY USER</i>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
	----- <b>Increases</b> -----				
Water Rates (3-20 units)	\$ 0.15	\$ 0.14	\$ 0.00	\$ 0.00	\$ 0.00
Wastewater Rates (over 2 units)	\$ 0.40	\$ 0.40	\$ 0.36	\$ 0.08	\$ 0.09
Stormwater Rates – Residential	\$ 0.25	\$ 0.19	\$ 0.20	\$ 0.17	\$ 0.13
Stormwater Rates – Commercial	<i>(Rate is based on the square footage of the commercial enterprise)</i>				

**Municipal Court Fees**

Due to the City assuming prosecution of certain misdemeanors in Municipal Court and the increase in caseloads, Municipal Court revenue historically has increased although revenues slowed in 2009 and 2010. There was a slight revenue increase in 2011 and revenues in 2013 are estimated to come in slightly higher than budgeted. As a result, 2014 budgeted Municipal Court revenues were increased by \$35,300.

**EXPENDITURES**

**Personnel**

The City is able to offer quality services to our citizens as a result of our people. The 2014 proposed General Fund budget includes the same salary increases that were provided in 2013 with a 1.7% cost of living adjustment for employees along with a 2% merit pool, retirements, reclassifications and promotions for qualifying positions.

### **Contractual Services and Commodities**

The City contracts with the Chamber of Commerce to perform economic development recruitment in the amount of \$143,080 and also to serve as a liaison for Ft. Riley military affairs in the amount of \$40,000.

### **Outside Agencies**

The budget submitted by the Riley County Police Department Law Board requires an additional \$305,090 in City funding over the 2013 budget. The Manhattan Public Library budget increased by \$93,882 over the 2013 budget.

In addition, a number of other outside agencies requested funding in 2014 from the City Commission during the budget process. The chart on the following page indicates the funding provided in the 2014 budget.

### **Special Revenue Outside Agencies**

	<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>2014</u></b>
Riley County Police Department	\$13,054,500	\$14,144,590	\$14,449,680
Manhattan Public Library	2,481,954	2,621,116	2,714,998
Downtown Manhattan, Inc.	45,000	45,000	45,000
Convention and Visitors Bureau	1,266,231	1,225,634	1,285,197
Special Alcohol Funding	439,658	429,566	440,162
Aggieville/Downtown BID	113,563	125,000	131,955

### **General Fund Outside Agencies**

	<b><u>2012</u></b>	<b><u>2013</u></b>	<b><u>2014</u></b>
Social Service Agencies	373,600	354,920	378,400
Flint Hills Area Transportation Agency	54,882	52,138	53,024
Crime Stoppers (*)	5,000	0	0
Manhattan Center for the Arts (**)	46,000	43,700	0
Wolf House Museum (***)	5,000	4,750	0

**TOTAL      \$17,925,581      \$19,046,414      \$19,498,416**

(\*) Beginning in 2013, the Crime Stoppers budget will be provided through the Riley County Police Department.

(\*\*) In 2014, the Manhattan Art Center budget has been funded from EcoDevo Fund.

(\*\*\*)In 2014, the Wolf House Museum budget has been funded from EcoDevo Fund.

### **Capital Outlay**

The Capital Improvement Program (CIP) is a multi-year plan for capital expenditures needed to replace, expand, renovate, and improve infrastructure, systems, vehicles, and equipment. The *total* cost of CIP in 2014 are approximately \$24.3 million. This is approximately \$10.8 million more than was programmed for 2013.

The overall CIP *budget impact* in 2014 is \$1,235,386 more than it was in 2013. A portion of this increase can be attributed to several capital projects from the City's utility funds that are no longer categorized as improvements, but rather programmed in the budget as maintenance items.

The 2014-2019 CIP incorporates a substantial investment in the City's infrastructure and programs while also leveraging significant state and federal funding. The following are some highlights from various departments for 2014.

Fire:

- \$30,000 to replace vehicle extrication equipment. This will be funded by the Fire Equipment Reserve.
- \$25,000 for replacing gas detectors and a Haz-Mat ID upgrade. The equipment will be funded through the Fire Equipment Reserve.

Airport:

- \$3,400,000 to reconfigure and expand the short-term parking lot next to airport terminal. This project is anticipated to be financed by a G.O. Bond. Parking revenues may be implemented, subject to City Commission approval, to offset the debt service payments along with Phase II of the terminal expansion.
- 1,453,000 to begin the second phase of the terminal building construction. This amount represents the local share (27%) of the Federal Aviation Administration grant match. The local match for this project will be funded by a G.O. Bond.

Parks and Recreation:

- \$20,000 for an outdoor exercise yard for education animals at Sunset Zoo funded by the Special Sunset Zoo Fund.
- \$384,020 for construction of additional parking spaces at Sunset Zoo. The project will be funded by a G.O. Bond.
- \$75,000 for road repairs at Anneberg Park.
- \$250,000 for Cico and City Park tennis court reconstruction will be funded from the Special Park & Recreation Fund.

Public Works:

- \$2,500,000 to extend a water line and construct a water storage tower for Blue Township. This will be funded from Water Fund by a G.O. Bond.
- \$100,000 from the Stormwater Fund for a levee preliminary design work.
- \$220,000 for Kimball and Seaton Ave. road drainage improvements.
- \$35,000 to upgrade existing traffic signal controllers funded by Special Street and Highway Fund

**Bond and Interest Fund**

The City's portion of capital debt will continue to increase in the foreseeable future. The annual principal and interest payments on a growing number of city-wide improvement projects and city participation in benefit districts may also continue to increase in 2014.

The Bond & Interest tax levy decreased in 2014 by 1.531 mills due to the passage of the new 2012 Special Election Riley County Sales Tax and the utilization of cash carryover. However, in 2015, given the maturing of current outstanding temporary notes, it will be necessary to increase this levy. Some of the major projects in the 2014 Bond and Interest fund include debt service for the Conference Center, the Parking Garage, the Discover Center Exhibit Design, and several benefit district improvements.

City Administration remains committed to not bonding smaller capital projects if at all possible through the use of temporary note authority. Continuous efforts are also made to retire as much or more principal debt than is incurred each year, with the exception of special assessment debt. However, given the successful progress of the Downtown Redevelopment project in conjunction with the continuous growth of the City, debt service within this fund is forecasted to increase in the near future. It is important to note that the City's debt service is paid from a variety of revenue sources, most of which has dedicated primary revenue streams. Only about 7% of the debt service is paid from property taxes.

## **FUTURE INITIATIVES**

In 2014, the City will undertake an update to the Manhattan Urban Area Comprehensive Plan, which is the official policy guide for future decisions regarding growth and the future use and development of land. The update is critical to address a range of issues facing Manhattan and the urbanizing fringe areas around the City that are directly related to the opportunities presented by Fort Riley Military Post, Kansas State University, and National Bio and Argo-Defense Facility.

The update will identify additional long-term growth areas, as well as higher density redevelopment areas, transportation and connectivity, land use, and growth management. The project also includes updates of the Transportation chapter of the Comprehensive Plan and the Utility Master Plan. In addition, both Riley and Pottawatomie Counties have identified this project as a benefit to their long term planning efforts and have committed their financial assistance and active participation in the project.

The City continued its membership in the Flint Hills Regional Council, a voluntary service association of local governments from Clay, Dickinson, Geary, Morris, Riley, Pottawatomie and Wabaunsee counties and their respective municipalities and unincorporated areas. Through open communications, shared data resources and professional expertise the Council provides leadership support, cooperation and technical assistance across all government and civic sectors of these counties and beyond.

In 2013, the City partnered with Junction City and Geary, Pottawatomie and Riley Counties to create the Flint Hills Metropolitan Planning Organization (FHMPPO). The FHMPPO allows the region to cooperate in planning transportation projects and strategies as per State and Federal regulations. The organization is housed and managed within the offices of the Flint Hills Regional Council.

The City will continue to seek the synergies available through joint partnerships and cooperation with other municipalities and government entities. Currently, the City is engaged in the Intergovernmental Support Partnership to seek the mutual benefit of agreements that team with Fort Riley, Junction City, Riley County and Geary County for joint training opportunities and equipment sharing. This not only serves the interests of Manhattan citizens, but the interests of citizens in the region.

### **Economic Development**

In 2002, the voters of Riley County passed a 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. On November 6, 2012 the voters decided to renew the sales tax during the general election for an additional ten years. The City Commission has committed to use the funds for economic development initiatives including traditional incentives, infrastructure projects, and property tax relief. It will be the future focus of the City Commission and City Administration to use these funds in the most advantageous way possible.

Funds from the current economic development sales tax are being directed toward several different industry sectors. One of the largest investments is the City's \$5 million commitment toward the National Bio and Agro-Defense Facility (NBAF). This facility will be a state-of-the-art bio-containment facility for the study of foreign animal, emerging and zoonotic (transmitted from animals to humans) diseases that threaten the U.S. animal agriculture and public health. Design and site preparation for the facility is underway while construction of the building is not anticipated to be complete until 2019 with facility operations beginning by 2020. The impact to the Manhattan community during construction is expected to be significant with more than 1,600 construction jobs created during the four to five year timeframe. Once the facility is fully operational, it will support 560 direct and indirect jobs in the Manhattan area.

In May 2012, the City Commission approved an economic development agreement with CivicPlus, a local company specializing in cost-effective website solutions to enhance community engagement for public sector clients. CivicPlus is projecting nearly 40% growth in 2013 and plans to add 250 new high wage jobs over the next ten years. In May 2013, the City issued IRBs in an amount not to exceed \$15 million to finance a new five-story 50,000 square-foot office/commercial facility in downtown Manhattan. The incentive package includes a \$750,000 forgivable loan and partial tax abatement. CivicPlus held a groundbreaking ceremony in early 2013, started demolition work in May of 2013, and is currently under construction. They have also renovated a significant amount of existing downtown space.

### **Infrastructure Investment**

The most significant infrastructure improvement finishing up is the K-18 improvement project from Ogden to Manhattan. This \$96 million project will be financed by funds from the 2009 American Recovery and Reinvestment Act (ARRA). The K-18 project will include three interchanges, one of which will support the airport; four bridges; a four-lane freeway; and drainage improvements. The project was identified to support the significant population and economic growth that has occurred between Fort Riley and Manhattan. Total estimated economic impact is \$121 million. The City has also agreed to contribute \$1.5 million toward the interchange near the airport. Other infrastructure improvements are anticipated on North Manhattan Avenue at the K-State Research Park where a three-story office building will house the relocation of the Kansas Department of Agriculture from Topeka to Manhattan is schedule to be completed by mid-2014.

Other intersection improvements are scheduled along Tuttle Creek Boulevard at McCall Road, Leavenworth Street, and the US-24 / mall entrance. Street maintenance also continues to be a high priority City wide and will be a topic of considerable discussion in the future for more funding. Expansion of water infrastructure to Blue Township will enhance continued growth in western Pottawatomie County. Stormwater improvements are scheduled for the ditch along Tuttle Creek Boulevard from Bluemont Avenue to McCall Road, as well as at CICO Park with detention basins. The round a bout at 4<sup>th</sup> and Bluemont is anticipated to receive a sculpture of a Kaw Indian.

### **Communication and Service to Citizens**

Modifications to the City's website were unveiled in 2013. The update was needed in order to connect to our citizens in the most efficient way possible. There are several online resources for citizens including utility payments, parks & recreation registrations, citizen requests or comments, and a media center to allow 24/7 viewing of current and past City Commission meetings. Additional resources are being researched and planned for implementation in 2014.

The Citizens' Academy will continue providing quality adult education to citizens by highlighting each department and function of City government. 2014 will mark the seventeenth-year anniversary of the beginning of this successful program.

The City continually works to expand the modes through which citizens can access information regarding the latest topics discussed at the City Commission meetings. Citizens are also now able to directly share their thoughts on the City's operating budget through the newly created Budget Information Center. This center is located on the City's website and provides up-to-date, detailed information and links related to all budgeted funds within the City.

### **CONCLUSION**

As the 2014 Budget was developed, all parties involved worked hard to discuss, deliberate, and provide for the challenges of continued new growth while maintaining quality services to our citizens at a reasonable cost. I believe that the 2014 Budget will serve the citizens of Manhattan well, being responsive to our growing population and planning for our future.

Respectfully,

A handwritten signature in black ink that reads "Ron R. Fehr". The signature is written in a cursive style with a large initial "R" and "F".

Ron R. Fehr  
City Manager