Budget

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could do to keep the mill levy flat. "I think we owe it to the community to do everything that we possibly can to avoid this mill levy increase," Commissioner Kristine Polian told staff.

But Toomay said that would come with tradeoffs. "If we don't want to have a mill levy increase and we want fire expansion, we would have to make cuts in other areas to accomplish that," she said.

Earlier this year, the commission saw a list of proposed cuts that departments compiled, including position cuts in certain departments, severe reductions in sustainability and equity efforts and cutting certain policing roles like school resource officers and downtown foot patrol, among dozens of other possibilities.

"We provided what some of those cuts would be in one of our budget presentations," Toomay said. "And so we have any number of different opportunities to look at any number of our programs and make those cuts. We have time to have that conversation in the coming weeks."

They will be working to answer the commission's questions, too – some take more resources and time than others, but Toomay said the discussions can keep going through Sept. 15, when the budget is slated to be adopted.

"We have until Sept. 15 to make sure that they have all the information they need to make this ultimate decision of adopting the budget," she said.

'IT'S NOT SUSTAINABLE'

LDCFM expansion is about improving a city service, but other parts of the budget are about making things more sustainable, staff said.

One of those is the roughly $15 million in new spending on compensation and benefits, about half of which would go toward the city's contribution to the employee healthcare fund.

Toomay said the healthcare fund wasn't in an emergency situation – there was no danger that claims wouldn't be paid. But she also said that the city had been spending down fund balance for years, and that recent claims data wasn't "going in the direction we were hoping."

"It's not sustainable, just like we've had other conversations, to continue to spend down your fund balance," she said. "So we have to align our revenue coming in with our expenses going out."

The city also wants to make the fund balance in its general fund more sustainable. That balance "relates to our credit rating, obviously being able to utilize those dollars in economic downturns like we saw with COVID, and things like that," Porter said.

The city has a goal of enough reserves to cover 90 days of operations, and a report provided to the commission ahead of Tuesday's meeting said the fund balance in the general fund was approaching that level "for the first time in several years."

Porter said the city still hadn't hit the goal, and that she didn't know "if we have an active plan" to hit it. The more important thing, she said, was that it stayed above 60 days, which is the minimum in the city's policy.

Sales tax revenues are also "projected conservatively," the budget report said, but the city does anticipate "growth tied to ongoing development, resulting in an approximately 4% increase (in collections) over the 2026 Revised Budget."

Sales tax revenues are one of the city's biggest funding sources, but they haven't always turned out the way budget-makers wanted. In 2022 and 2023, as the Journal-World reported, the city made more aggressive estimates of its sales tax collections, only to have the real collections come in below what was projected. That was a driving factor in the millions of dollars of budget reductions the city was wrestling with in 2025.

In light of these past years, the Journal-World asked Toomay on Wednesday whether she considered the 2027 projection conservative.

"I think that's a subjective word, but yes, I would say it's conservative," Toomay said. "We hope it's conservative."

TRANSIT SALES TAX

The budget also assumes that voters will raise the city's transit sales tax from 0.2% to 0.3%, and the commission had some things to say about that on Tuesday.

"I'm all about fees," Commissioner Mike Dever said. He wanted to have conversations about whether fares could be part of the solution for the currently free-to-ride bus system's problems.

But transit director Felice Lavergne said Wednesday that the issue wasn't about whether buses would stay free. "The conversation is about, does Lawrence want to have a transit system?"

"If this were a problem fares could fix, we would be having a really different conversation," Lavergne said.

As the Journal-World has reported, the idea of the sales tax vote is to give the transit system a chance to build its savings in preparation for future years when expenses will grow faster than revenues. Lavergne and Toomay said Wednesday that the big problem for Lawrence Transit starts in 2029, when the city's contract with its current bus service provider ends.

The city will be able to fulfill its contractual obligations through 2028 at the current sales tax level, Toomay said, but when the new contract is negotiated, if the sales tax isn't raised, "we'd have to renegotiate a new contract for a lesser amount of service."

Transit budgets are set up to use federal matching funds, and Lawrence doesn't have to use sales tax to fund the match. But Toomay said not using sales tax would require the city to find money elsewhere, and fares wouldn't generate enough revenue on their own.

"If we wanted to maintain our existing service levels, we would have to make that up from some other source," she said.

AL-GHAFRY'S ARRIVAL

There's one more factor to take into account in this year's budget process: Lawrence's new, incoming city manager.

Midway through the budget process, Majed Al-Ghafry is expected to arrive and take over from Toomay. His contract specifies that he must start work within 60 days of his June 9 hiring date, which would put his arrival in early August at the latest.

"That transition will happen kind of right in the middle of this, so we will have to work through that," Toomay said. "I anticipate he's obviously going to be sitting in the chair answering these questions, but I'll go back to the chair I was sitting in, Brandon (McGuire, assistant city manager) and I and Alley and Mary (Bisbee, budget analyst) will go back to answering questions if he wants us to do that."

When asked about preparing the budget while in an interim role, Toomay said that she had confidence in the result, and that the budget process involves much more than just the city manager.

"There are organizational changes that I think the new city manager should make," Toomay said. "Obviously, the new city manager is an important part of that organization, but so are the other 900 folks that show up to work every day.

"And so I think that there are management decisions that happen on a day-to-day basis that I'm absolutely willing to make and have made, and that the recommended budget came under my signature, and that's an example of that. Those were recommendations I was willing to put my name on and put forward."

'I WISH IT WERE THAT SIMPLE'

Some members of the community have asked about whether the city can make cuts around the margins, instead of to its core services – cuts to things like coffee for staff, for instance. And Toomay said there is, in fact, low-hanging fruit in any budget.

The question is how much of a difference cutting it will make.

"There is always room for us to save money," Toomay said. "Do we want to tell employees that they have to bring their own coffee from home? We can do that."

But she also said, "I am confident that we would not be recommending a mill levy increase if we still thought we could get there by just attacking the low-hanging fruit."

Much of that idea, she said, comes from someone looking at city finance the way they look at their personal finance.

"So many of us have our household budget," she said. "So many of us are part of an organization, you might be the treasurer of your church or whatever, where you have a budget and you follow that budget, and if you don't have enough you make cuts.

"I wish it were that simple," she said.

If a household budget were like the city budget, McGuire said, it would look strange, like one person's income going into an account that by law could only be used for groceries, or their partner's income being only for mortgage payments.

"All of those things, I think, create a barrier that makes it more challenging for the public to understand the budget and to trust us," Toomay said.

But city communications director Cori Wallace said she'd been pleased with the feedback from members of the public so far. At Tuesday's meeting, she said, "I think for the first time, I heard a budget conversation from the community's side that was reasonable."

On Tuesday, Toomay called the mill levy increase a "last resort," and on Wednesday she said she meant that. She hopes the community understands that city staff weighed the alternatives and came up with what it really believed was best.

"I've been doing this in some version for so many years, and it really is an honor for me to do it in this community, because I live in this community, so I feel the impact of these decisions, as well," Toomay said. "And I take that responsibility really seriously.

"And I mean it when I say that recommending a mill levy increase – last resort is what I said, but that is what I really think. We're to the point that if we want to provide this expansion of service level, we need a revenue stream to support that. And we also want all of the other services we provide in this community, because that's what makes Lawrence Lawrence.

"I'm probably still struggling a little bit to find the right words," she added. "But it is a responsibility I hold dear and take seriously, and I hope the community does understand that."

County

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"There's very little interest in what we do, even though the need is still there and growing," Bariya said. "So, hopefully the Commission and the city will see value in the work that we do and support us."

On the STA Care Center's website, a letter to the community has been posted in hopes of acquiring additional donations to keep the facility's doors open. People interested in donating can visit https://www.stacarecenter.org/.

"(W)e are turning towards our community for help because the impact of halted, delayed or reduced services by our agency could be a devastating reality for many survivors of sexual assault and abuse in Douglas, Franklin and Jefferson Counties," the website said.

INCREASE TO VEHICLE FEES

As the Journal-World reported, a new Kansas law passed this year, Senate Bill 325, that authorizes county commissioners to increase vehicle registration transaction fees up to $10 to help fund motor vehicle services. While the county treasurer can increase the fee to $5, any amount greater than that needs to be approved by the County Commission.

Currently, the county charges a $3 fee for all transactions handled in person at the Treasurer's Office, and in the county staff's proposed budget, they've increased the fee to $5 so some property tax dollars currently being used by the Treasurer's Office can be allocated elsewhere. The new fee would apply to all transactions, whether county residents renew their vehicle registration tags online or in-person.

Increasing the fee beyond $5 is an option for counties so the Kansas Legislature can see if the increase is actually needed for motor vehicle operations and what counties do with the additional funding. In 2030, transaction fees cannot exceed $5, according to state law.

County Administrator Sarah Plinsky said the $5 fee would cover a lot of motor vehicle operations and part of key staff's salaries, but it would not cover employee benefits. Benefits would still need to be funded with property tax revenue.

"In essence, the fee is not supporting the benefits for any of the employees," Plinsky said. "That's still being borne by property tax dollars that go into the employee benefits fund."

To cover all motor vehicle operations and employee benefits in 2027, County Treasurer Adam Rains said the fee would have to increase to $10. If commissioners do increase the fee amount over $5, it would begin in 2027 and expire Dec. 31, 2029.

County commissioners may decide to increase the fee if they want to free up additional funding in the general fund – the county's largest operating fund. Last week, county staff told the Journal-World that it was already challenging putting together a proposed budget with a flat mill levy and the assessed valuation increase at 4.9%.

REVIEW OF ZONING AND CODES

County commissioners also heard about the next step in the county's efforts to improve the clarity and structure of the county's land use regulations. As the Journal-World reported, the county has partnered with the City of Lawrence and consulting firm Clarion Associates to complete a comprehensive review of two sections of the county code – Chapter 11, Subdivision Regulations, and Chapter 12, Zoning and Planning.

While the results of the review will not produce a new zoning ordinance, it will assess how effectively the current regulations are working and outline an implementable roadmap for future updates.

Following a preliminary review shared with county commissioners in March, the consultants have identified four main problem areas: outdated and sometimes unclear zoning rules; increasing pressure from rural land divisions on roads and services; inconsistent guidance from Plan 2040, the city-county comprehensive plan; and a confusing, overlapping city-county planning process.

To continue these efforts, Douglas County Zoning and Codes has requested $300,000 in additional funding to go towards restructuring and modernizing the zoning and subdivision regulations. The rewrite will immediately start once the final diagnostic review is completed, and the process is estimated to take at least two years. This request was funded in the county staff's proposed budget for 2027.

Commissioner Erica Anderson asked why the county was pursuing a partnership to assist with rewriting the county code instead of completing the work internally. Tonya Voigt, director of zoning and codes, said the last time the county updated the code, it took four years for staff to do it alone.

Deputy County Administrator Sean Pederson said the final diagnostic report from the review is nearing completion and should come before county commissioners soon.

WHAT'S NEXT?

Douglas County staff has proposed a $201.5 million budget, holding the property tax rate flat at 40.669 mills, as the Journal-World reported. One mill is equal to one dollar per $1,000 of a property's assessed value. With the proposed budget, a homeowner with a $600,000 home would pay $2,805 in property taxes to the county under the proposed mill levy. A $300,000 home would have a bill of $1,405 and a $200,000 home would incur $935 in taxes.

The tax a property owner pays is determined by both the mill levy and the property's assessed value, so even if tax rates stay steady or are lowered, rising property values might still cause tax bills to go up for many residents. The total assessed property valuation increased by 4.9% in 2026, compared to a 5.7% increase the previous year.

County commissioners officially concluded their budget hearings on Thursday. Today, commissioners will follow up with Consolidated Fire District No. 1 staff for its 2027 budget. Then, commissioners will begin discussing their priorities for the county's budget as they prepare for deliberations next week.

The public is welcome to attend in person or join virtually on Zoom. There is no opportunity for public comments during hearings or deliberations. The details from the meeting and recordings will be available on the county's YouTube page.

The full 2027 proposed budget can be accessed on the county's website at dgcoks.gov/administration/budget.

Events

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The Penguin Project: "Disney Alice in Wonderland Jr.," 2:30 p.m., Theatre Lawrence, 4660 Bauer Farm Drive. Musical theater production with youth cast ages 10-21 with disabilities. See www.theatrelawrence.com/youth-shows for ticket information.

Score Lawrence Soccer Celebration and Viewing Party, 3 p.m., South Park, 1141 Massachusetts St. Followed by FIFA World Cup Quarterfinal: Argentina vs. Switzerland, 8 p.m., at Maceli's (1031 New Hampshire St.) and various other venues around Lawrence.

Lawrence Barn Dance Association: Contra Dance, music by Cambia with The Lost Keys, caller Jill Allen, doors 6:45 p.m., 7 p.m. beginners lesson, 7:30-10 p.m. dance, Woodlawn Elementary School, 508 Elm St. See lawrencebarndance.org for details and admission fees.

SUNDAY, JULY 12

Restoring Our Landscapes Community Group, 11 a.m.-12:30 p.m., Meeting Room A, Lawrence Public Library, 707 Vermont St.

Yoga at the Library, 11:30 a.m.-12:30 p.m., Lawrence Public Library auditorium, 707 Vermont St. Beginners welcome; bring a mat if you have one.

Sunday Jayhawk Jukebox Series: The Lost Keys, 2-3 p.m., Dole Institute of Politics, 2350 Petefish Drive. Free and open to the public; no tickets required.

Commemorative Program for Rick "Tiger" Dowdell and Nick Rice, 2-3 p.m., Watkins Museum of History, 1047 Massachusetts St. Presentation on new historical markers of fatal police shootings in July 1970 and related events.

Repair Studio, 2-4 p.m., Lawrence Public Library auditorium, 707 Vermont St. Bring broken items, meet with fix-it mentors to troubleshoot repairs.

Skill Share: How to Read a Sewing Pattern, 4-5 p.m., Lawrence Public Library Auditorium, 707 Vermont St. No registration required; program begins immediately after the Repair Studio.

Concerts at the Campanile, 5-6 p.m., Memorial Drive and surrounding area, KU campus. Free weekly carillon concert. Best sound is at least 200 feet from the tower.

MONDAY, JULY 13

Bilingual duo 123 Andrés, 10:30-11:15 a.m., Lawrence Public Library Auditorium, 707 Vermont St. For children of all ages.