

Independent Analysis of City of Lawrence's Budget: Community Engagement and Transparency

Executive Summary

- The City engaged our community early this year about solving the \$6.5M deficit they anticipate in 2026. ([More budget information can be found here.](#))
- The City's engagement tool required participants to eliminate the budget deficit by making 49 budget decisions, only covered 24% of the budget, was difficult to use, and yielded some biased results.
- The City's Strategic Plan commits them to fiscal transparency, but our coalition researchers did not find that their budget data met this commitment.
- Our coalition believes our community deserves more opportunities to learn and provide feedback about the City budget, but the City is not providing these opportunities.
- So our coalition is independently hosting [A Community Conversation about the Lawrence Budget](#) on June 5 (6-8pm, Lawrence Public Library auditorium).

Budget Community Engagement Challenges

In February, the City of Lawrence provided community engagement opportunities for residents to “express their priorities for the budget” and address the City's expected \$6.5M deficit next year. Participants could participate in an online exercise, called *A Balancing Act*, that required them to balance the City's budget.

The City engaged our community earlier in the budget process this year than ever before, and they transparently shared the input they gathered with the City Commission. Our research also indicates that the City's engagement tool was limited in its scope and so challenging to use that it discouraged participation.

Community Engagement Tool Difficult to Use

A Balancing Act participants had to make funding decisions about 49 elements of the City to express their priorities about the budget. They also had to open 63 pop-out windows to get all the details needed to understand them. And they couldn't submit any comments without completing this complex exercise to eliminate the \$6.5 million deficit.¹

Residents found the City's budget engagement exercise:

- to be overwhelmingly complex,
- required extensive time, reading, and comprehension,
- grouped budget cuts together so that you sometimes couldn't support one important program without sacrificing another,
- didn't allow you to save your progress so you had to complete the whole exercise before your browser reset the page, and
- didn't provide opportunities for questions and discussion.

We heard from multiple residents who started this exercise but did not complete it because of these challenges. And in spite of these challenges, more than 600 people did complete the exercise, and City staff transparently shared their results with the City Commission.²

Bias in Question Construction

Our research suggests that the rating system used in the Balancing Act questions produced some biased results.

Each City service was assigned a current Service Level between 1 and 5. Level 1 represented “the lowest level of service that the City can reasonably provide” and Level 5 represented the highest. Most of the services in the Balancing Act questions were rated at a Service Level 3, right in the middle, while others were rated at Service Levels 2 and 4.

Municipal Services & Operations - Levee Maintenance: \$440,000
Should funding and service levels for this item be changed?

☐ Increase to service level 5
☒ Maintain current service level
☐ Decrease to service level 3
☐ Decrease to service level 2
☐ Decrease to service level 1

More Details: Municipal Services & Operations - Levee Maintenance

This program is responsible for levee gate operations and maintenance, slope integrity and management (rip rap), and emergency response 24-hour patrols.

Service Level 4 description: **USACE compliance with all regulations, not actively monitoring exceptions/encroachments.** Asset management: documented by location in computer. With order tracking and some documentation of condition. Complying with scheduled Preventative Maintenance Programs. Minimal mowing/trimming. Minimal maintenance to levee surface. Minimal erosion/track on slopes. Minimal rip-rap replacement program. **Increased rip-rap replacement program. Rip-rap to prevent erosion!**

Municipal Services & Operations Levee Maintenance

Phoenix logo indicates current service level provided by City

Sample question of a City service rated a Level 4, from *A Balancing Act*.

Police - Patrol: \$20.6m
Should funding and service levels for this item be changed?

☐ Increase to service level 5
☐ Increase to service level 4
☐ Increase to service level 3
☒ Maintain current service level
☐ Decrease to service level 1

More Details: Police - Patrol

This program responds to calls for service that include, but are not limited to, accidents, theft, burglary, robbery, property damage, welfare checks, domestic violence, medical, and others. This includes state and federal mandated reporting. Patrol attempts to eliminate opportunity for misconduct through police presence in areas of expected crime. This program is responsible for enforcing state law and city code. Patrol is the first line of response in any critical incident within the city.

Service Level 2 description: **Response times for all incidents longer than regional average.** Staffing levels: appropriate only for response to in-progress incidents with violence. Dependency on other law enforcement agencies. **Response times for high priority calls of regional average or faster (e.g. 10 min).** Staffing levels: adequate to respond to multiple incidents and other lower priority level calls for service simultaneously. Ability to respond to traffic-related calls and perform proactive traffic enforcement. Adequate staffing for some ongoing training events. School Resource Officers in high schools and some middle schools. **Response times for lower priority calls at regional average or faster (e.g. 15 min).** Additional foot patrol, bicycle, community engagement, specialized traffic enforcement. Adequate staffing for officers to follow-up on investigations. Proactive traffic enforcement. Time for additional specialized training for staff. Best Time Center Center to support Patrol in the efficient use of resources. School Resource Officers in high schools and all middle schools. Dedicated special units (Traffic, Community Engagement). Proactive community-oriented policing.

Police Patrol

Phoenix logo indicates current service level provided by City

Sample question of a City service rated a Level 2, from *A Balancing Act*.

Our research suggests that the Level of Service designations the City selected influenced our community's input.

- Participants indicated greater support for maintaining the budgets of 12 of the 13 services rated Level 2, whereas
- Participants indicated a greater willingness to reduce the budgets of 5 of the 6 services rated Level 4.³

Therefore, rating a service at Level 2 made it more likely that the community would support a service's budget and made those services appear to be higher priorities for our community. Rating a service at a Level 4 increased the community's willingness to reduce its budget and made those services appear to be lower priorities.

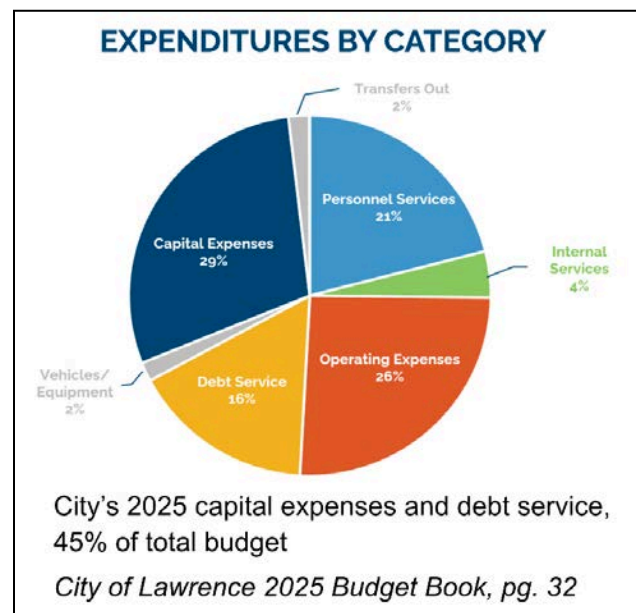
Capital Expenses and Debt Payments Not Included in Community Engagement

A significant shortcoming of the City's community engagement exercise was that residents could only express their priorities about 24% of the City's total budget. This part of the budget covers our City's annual operating expenses, which fund services such as our police force, fire medical services, and Parks and Rec programming.⁴

Our community was not given the opportunity to provide input about the City's capital investments and debt payments, which make up 45% of the City's 2025 budget.⁵

Instead, these capital investments are selected and prioritized by a committee made up of specific City staff and appointees of the City Manager.⁶ For bigger projects, staff may work on planning them for years, and the City Commission may approve multiple preliminary steps before the project's costs are even announced.

Then staff often puts the project's funding on the Commission's consent agenda, which means they vote without the public having an opportunity to comment on it.



If an item is on the Commission's regular agenda, the public can comment on it. To know if a debt-financed project is coming before the Commission, community members have to do:

- monitor the Commission agendas, which are only available five days before the Commission's meetings,
- open an agenda item report and scroll through several pages to find the "Fiscal Impact" section,
- know that "GO bonds" or "revenue bonds" means the project is a capital investment that the City is borrowing money to fund.

Additionally, by the time the Commission is voting on funding, there's little chance that community input would prompt changes because the City is already deeply committed to the project.

Cori Wallace, the City's Communications Director, points out that many of the City's capital investments have their own community engagement opportunities.⁷ For example, the City offered three surveys and multiple meetings with the community about their pool renovation project last summer . . . although our [coalition's research](#) demonstrated that the City's original renovation plan did not align with the data they collected through these community surveys.

Community members and organizations can submit capital project proposals to the City, but even though this process is technically designed for public participation, submitting an application is exceptionally difficult. There is no information publicly available about this application process and timeline, except during a four-week window before the application is due. During this short time, applicants have to organize, coordinate, and write a substantive proposal, which includes working with City staff and gathering technical and financial details. Additionally, community-submitted projects are rarely funded.⁹

Finally, all of these opportunities for community members to provide input about capital investments are project-specific. The primary public discussion about the City's total plan for capital investments, and therefore the debt our City is taking on each year, is scheduled for one City Commission meeting held annually in the middle of June.⁸ In spite of this lack of community involvement, the City's policies state that one of their objectives is to "encourage community engagement in the annual CIP [Capital Improvement Plan] process and public understanding of the City's capital improvement needs."¹⁰

Lack of Transparency and Lack of Easy Access to Information

The City's commitment to Responsible Fiscal Stewardship states that they will provide "transparent, easy access to relevant, accurate data for budgeting and decision making."¹¹

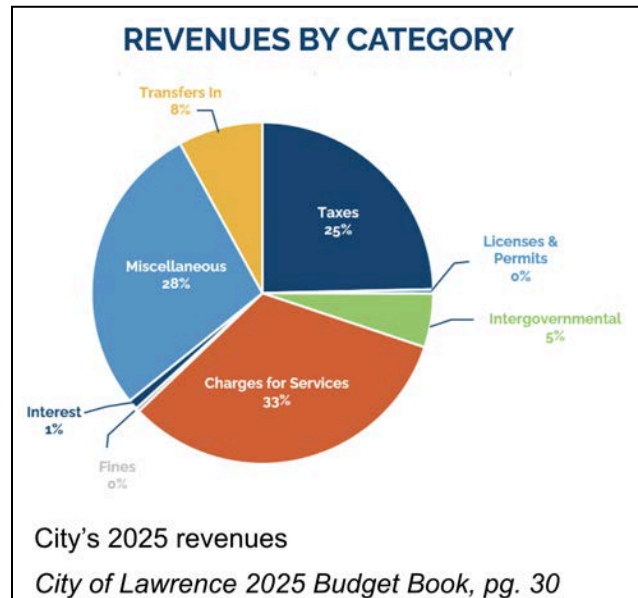
Unfortunately, we do not believe their budget information is transparent and easy to access. We are educated and resourceful citizens who spent many hours with hundreds of pages from the City documents listed at the end of this article, and we found it very difficult to research and understand the City's current and historical spending patterns. We also submitted questions to the City, and while we received answers to some of them, many of our questions went unanswered.

These are some examples of the City's lack of transparency around their budget.

- Our coalition asked, on more than one occasion, how much the City's current debt is and what their expected debt payments will be, but we have not received answers about this. Instead Kristine Polian, a municipal finance expert and City Commission candidate, helped us find the City's current debt from publicly-available records within one day.¹²
- Starting in 2023, the City's budget books stopped listing the total budgets for previous years in their revenue and expenditures charts, so one can't easily compare total budget changes from year to year.¹³

- The City frequently uses the term “Miscellaneous” to capture huge sections of the budget.

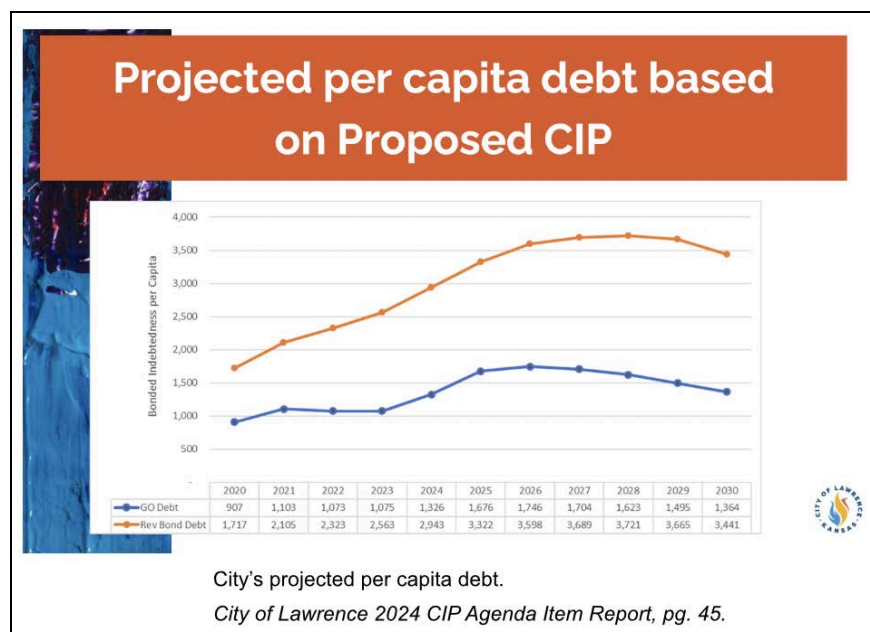
- 28% of the City’s 2025 revenue is labeled “Miscellaneous”, making this a bigger revenue source than sales tax and property tax combined. The description for this category of revenue lists six small sources of revenue, but doesn’t mention the debt-financed revenue that makes up 93% of this category.¹⁴



- The entire \$81.4M in revenue for the Capital Improvement Fund is categorized as miscellaneous. This category actually reflects debt-financed revenue.¹⁵

- In 2024, 80% of the \$66.3M account that pays for debt service was from miscellaneous sources.¹⁶

- The accounts associated with capital expenses and debt services were given entirely different titles in some of their documents, making it impossible to compare some numbers across different documents.¹⁷
- The 2023 and 2024 reports on the City’s capital expenses included a chart showing how much debt the City was carrying per person, but that chart was eliminated from the 2025 report so we could not use the City’s documents to determine their current debt per capita.¹⁸



- The 2025 Budget Book has a section called Capital Improvement Plan Impact on Operating Budget. Rather than providing detailed cost-benefit analyses for these multi-million dollar investments, this chart only states whether a project increases, decreases, or has no effect on operating costs. No financial numbers are provided to indicate how substantially these investments impact the operating budget, and therefore how financially valuable these investments are to our community.¹⁹
- In February of 2023, the City Commission made a significant change to our City's election cycle. Yet, two years after this decision was made, the City's 2025 Budget Book states that our City still uses the old election rules where the third-place Commission candidate got a two-year term every election cycle. Under the changed rules, the third-place vote-getter gets a four-year term during one election, but during the following election, this vote-getter doesn't get a term at all. In addition to mistakenly stating that the old system is still in effect, the 2025 Budget Book also affirms that the purpose of the old system empowered voters by ensuring "that every election has the potential to replace a majority of the Commission."²⁰

At the beginning of March, Holly Krebs took two pages of questions to the City's Finance and Budget Directors, Rachelle Mathews and Alley Porter, who graciously and patiently answered her questions. We very much appreciate their willingness to meet and discuss the budget, and thank them for their work. [We have also submitted lots of written questions to them](#), and while we have received some answers, we still have many unanswered questions.

Fortunately, our coalition has members who know how to navigate the City's websites, do this type of research, and understand these financial numbers. We volunteered many hours researching many documents to try to make sense of the big picture and distill it into understandable information for our community. We hope the budget transparency we have provided serves our community.

Summary

Our experience does not indicate that the City is fulfilling its Strategic Plan commitments to collaboratively engage our community and to provide transparent budget information. To meet these commitments, we believe the City needs to:

- provide easy-to-access and easy-to-understand information about their budget,
- offer good community engagement about their complete budget to identify our community's priorities early in their planning process, and
- use our community's feedback to shape their budget decision-making.

Our coalition hopes that the City of Lawrence honors our community's request for more transparent, educational, and collaborative discussions about their budget process. We thank them for their time, attention, and consideration.

Resources Used to Research the City Budget

- City of Lawrence 2025 budget book (245 pages)
- City of Lawrence 2025 Capital Improvement Plan report from June of 2025 (198 pages)
- City of Lawrence 2023 Annual Comprehensive Financial Report (179 pages)
- City of Lawrence, Final Official Statements, 2024-2025 (~60 pages each)
- Online Balancing Act program (63 pop-out windows) and interviews with participants
- Kansas and Missouri statutes regarding city indebtedness
- City of Lawrence's annual budget books, 2020-2024 (between 176 and 229 pages)

Endnotes

- 1 City of Lawrence, *A Balancing Act*: Helping Shape the 2026 Budget, online program.
- 2 City Of Lawrence. *Agenda Item Report*, April 01, 2025, slides 11-15, and 34.
<https://lawrenceks.civicweb.net/document/437166/Receive%20update%20on%20the%20development%20of%20the%20prelim.pdf>
- 3 City of Lawrence, *A Balancing Act*: Helping Shape the 2026 Budget, online program.
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- 4 City of Lawrence, *A Balancing Act*: Helping Shape the 2026 Budget, online program.
- 5 City of Lawrence. *2025 Budget Book*, pg 22.
<https://lawrenceks.org/wp-content/uploads/2024/12/2025-Budget-Book-FINAL.pdf>
- 6 City of Lawrence. *2025 Budget Book*, pg 184-87.
<https://lawrenceks.org/wp-content/uploads/2024/12/2025-Budget-Book-FINAL.pdf>
- 7 Wallace, C. City of Lawrence Communications and Community Relations Director. Personal communications. 08 April 2025.
- 8 City Of Lawrence. *Agenda Item Report*, April 01, 2025, slide 32.
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- 10 City of Lawrence. *2025 Budget Book*, pg 185.
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- 13 City of Lawrence. *Budget Books, Revenue and Expenditure History Charts*. 2020-2025.

- 14 City of Lawrence. *2025 Budget Book*, pg 30.
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- 16 City of Lawrence. *2025 Budget Book*, pg 77.
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- 17 City of Lawrence. *2025 Budget Book*.
<https://lawrenceks.org/wp-content/uploads/2024/12/2025-Budget-Book-FINAL.pdf>
City of Lawrence. *Agenda Item Report*, 18 June 2024, pg 4, 7, &13.
<https://lawrenceks.civicweb.net/document/418125/Discuss%20the%202025-2029%20Capital%20Improvement%20Plan..pdf>
City of Lawrence, *2023 Annual Comprehensive Financial Report*.
<https://assets.lawrenceks.org/finance/acfr/2023-ACFR.pdf>
- 18 City of Lawrence. *Agenda Item Report*, pg 262. 21 June 2022.
<https://lawrenceks.civicweb.net/document/100107/Consider%20the%202023-2027%20Capital%20Improvement%20Plan.pdf>
City of Lawrence. *Agenda Item Report*, pg 45. 20 June 2023.
<https://lawrenceks.civicweb.net/document/129170/Discuss%20the%202024-2028%20Capital%20Improvement%20Plan..pdf>
- 19 City of Lawrence. *2025 Budget Book*, pg 170-72.
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