AGENDA
CITY COUNCIL WORKSHOP - IMMEDIATELY FOLLOWING REGULAR CITY COUNCIL MEETING

7651 E. Central Park Ave, Bel Aire, KS

Video Available at belaireks.gov

June 16, 2026 7:15 PM

I. Review first draft of FY2027 General Fund Budget

  A. **Budget Workshop #3 presentation**

Notice

It is possible that sometime between 6:30 PM and 7:15 PM, immediately prior to this meeting, during breaks, and directly after the meeting, a majority of the Governing Body may be present in the Council Chambers or the lobby of City Hall. No one is excluded from these areas during these times. Video of this meeting can be streamed on www.belaireks.gov and on YouTube. Please make sure all cell phones and other electronics are turned off and put away.

FY2027 Budget Workshop 3

6/16/2026

(General Fund: Part Two)

2027 Budget Workshop 3: Agenda

Review 2027 assessed valuation estimate

Data Review

First Draft – 2027 General Fund Budget

Request feedback on First Draft

Establish mill levy and ad valorem tax dollars to be levied for the 2027 budget. Will approve resolution to exceed RNR on July 7th meeting.

2027 Budget Assessed Valuation Estimate

- 2027 Budget: Mill Levy

2027 Budget Year (2026 Tax Year)		
	2026 Budget	**2027 Budget Estimate**
Total Valuation	**$129,983,775**	**$142,543,084**

2027 Budget Assessed Valuation Estimate

What does this mean for the City?

2027 Budget Year Valuation		
	FY26	FY27
Mill Levy	41.003	41.003
Mill Value	$129,983	$142,543
Total Property Tax Dollars	$5,329,725	$5,844,694
Increase in Property Taxes from 2026 Budget		$514,969
Revenue Neutral Rate (Based on Estimate)		37.390 Mills

2027 Budget Assessed Valuation Estimate

- 2027 Budget Assessed Value Estimate: $142,543,084
- 9.66% Overall Increase from 2026

	2026 Budget Year	2027 Budget Year	Overall % Increase
Real Estate	$126,444,820	$138,885,402	9.66%
Personal Property	$325,442	$209,811	
State Assessed Utilities	$3,213,513	$3,447,871	
Total	$129,983,775	$142,543,084	

2027 Budget Assessed Valuation Estimate

- 2027 Budget: Real Estate Breakdown

	2026	2027	% Increase over 2026
Real Estate	$126,444,820	$134,831,925	**6.63%**
New Construction		$4,053,477	3.20%
Property with Changed Use		$0	0%
Territory Added		$0	0%
Real Estate Total	$126,444,820	$138,885,402	9.83%

2027 Budget Assessed Valuation Estimate

- 2027 Budget: IRB Expirations

2027 Budget Year (2026 Tax Year)	
IRB Expiration	Ad Valorem Placed Back on Tax Roll
1	$5,009
2	$3,391
3	$12,121
4	$3,442
5	($23,616)
6	$19,404
Total	$19,751

Overall, Bel Aire has approx. $19,751 coming back on the tax roll from IRB exemption changes for FY2027
0.1386 Mill Equivalent.

2027 Budget Assessed Valuation Estimate

- 2027 Budget: Mill Levy

Fiscal Year (FY)	2021	2022	2023	2024	2025	2026
Population	8448	8822	9537	10066	10250	10945
Ad Valorem Taxes Levied	$3,232,451.42	$3,397,663.15	$3,700,564.95	$4,370,516.00	$4,784,733.57	$5,257,061.40
Inflation - CPI	1.60%	5.50%	5.70%	3.90%	2.70%	3.80%
Taxes Levied Per Capita	$391.24	$402.19	$419.47	$458.27	$475.34	$512.88
Per Capita Growth due to inflation	$397.50	$424.31	$443.38	$476.14	$488.17	$532.37
Target Ad Valorem Tax for FY+1	$3,358,106.22	$3,743,224.95	$4,228,513.75	$4,792,845.24	$5,003,744.69	$5,826,829.41
Budget vs Target - Over / (Under)	$39,556.93	$ (42,660.01)	$142,002.25	$ (8,111.67)	$ 253,316.71	$17,864.59

Level Mill Levy: Will generate $5,844,694 in Property Taxes at 41.003 Mills

CPI/Growth calculation: Will generate $5,826,829 and result in a Mill levy of 40.877

Absorb IRB Additions: Will generate $5,824,934 in property taxes and result in a 40.864 Mill Levy

CPI/Growth and Absorb IRB Additions: Will generate $5,807,078 in property taxes and result in a 40.739 Mill Levy

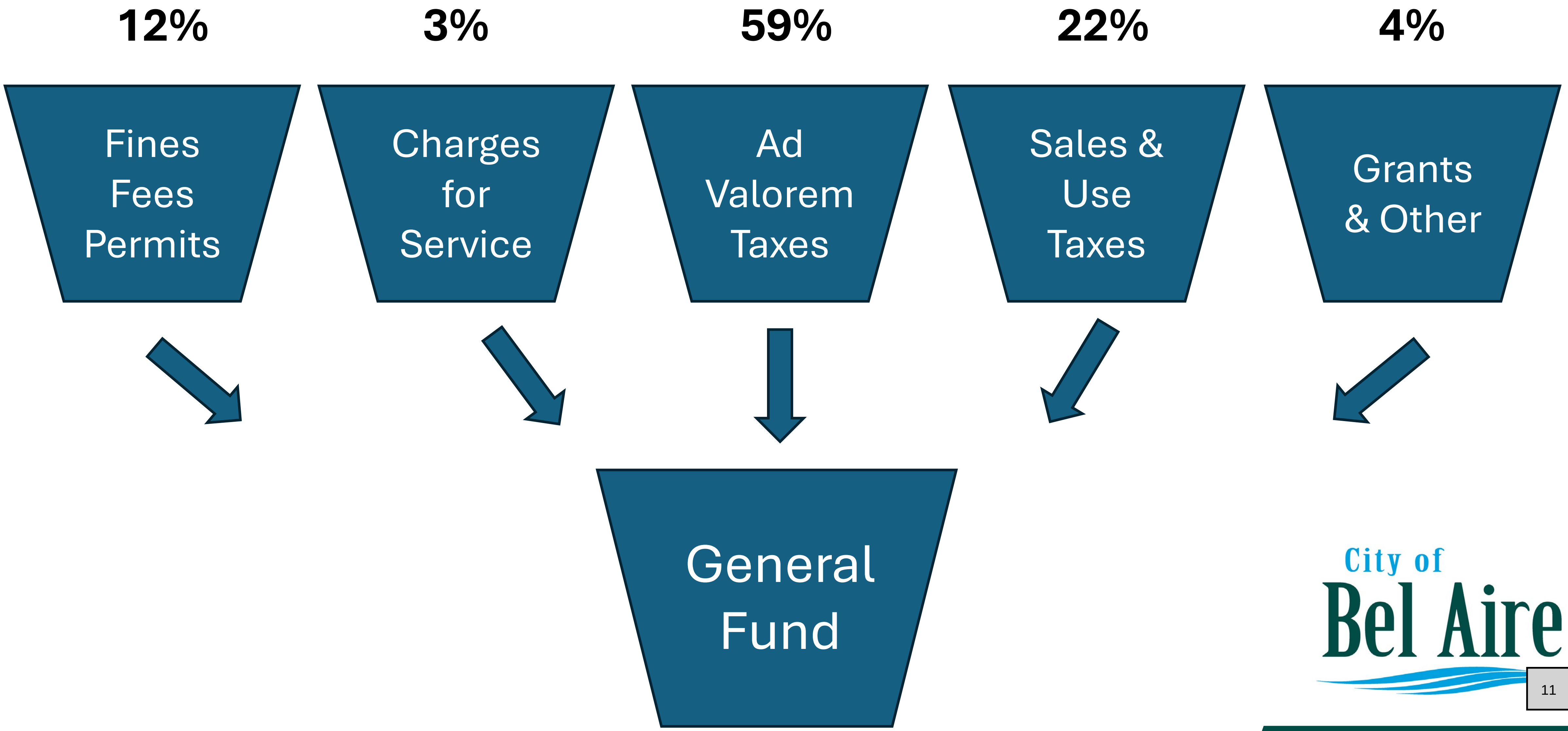
2027 Budget Assessed Valuation Estimate

- 2027 Budget: Mill Levy Scenarios

$250,000 Home	Level Mill Levy 41.003 Mill Levy	CPI/Growth 40.877 Mill Levy	Absorb IRB 40.864 Mill Levy	CPI/Growth/IRB 40.739 Mill Levy
FY2026 City Property Taxes Generated	$1,179			
2027: 6.63% Average Valuation Increase	$1,257	$1,253	$1,253	$1,249
Change from FY2026 Taxes	$78	$74	$74	$70

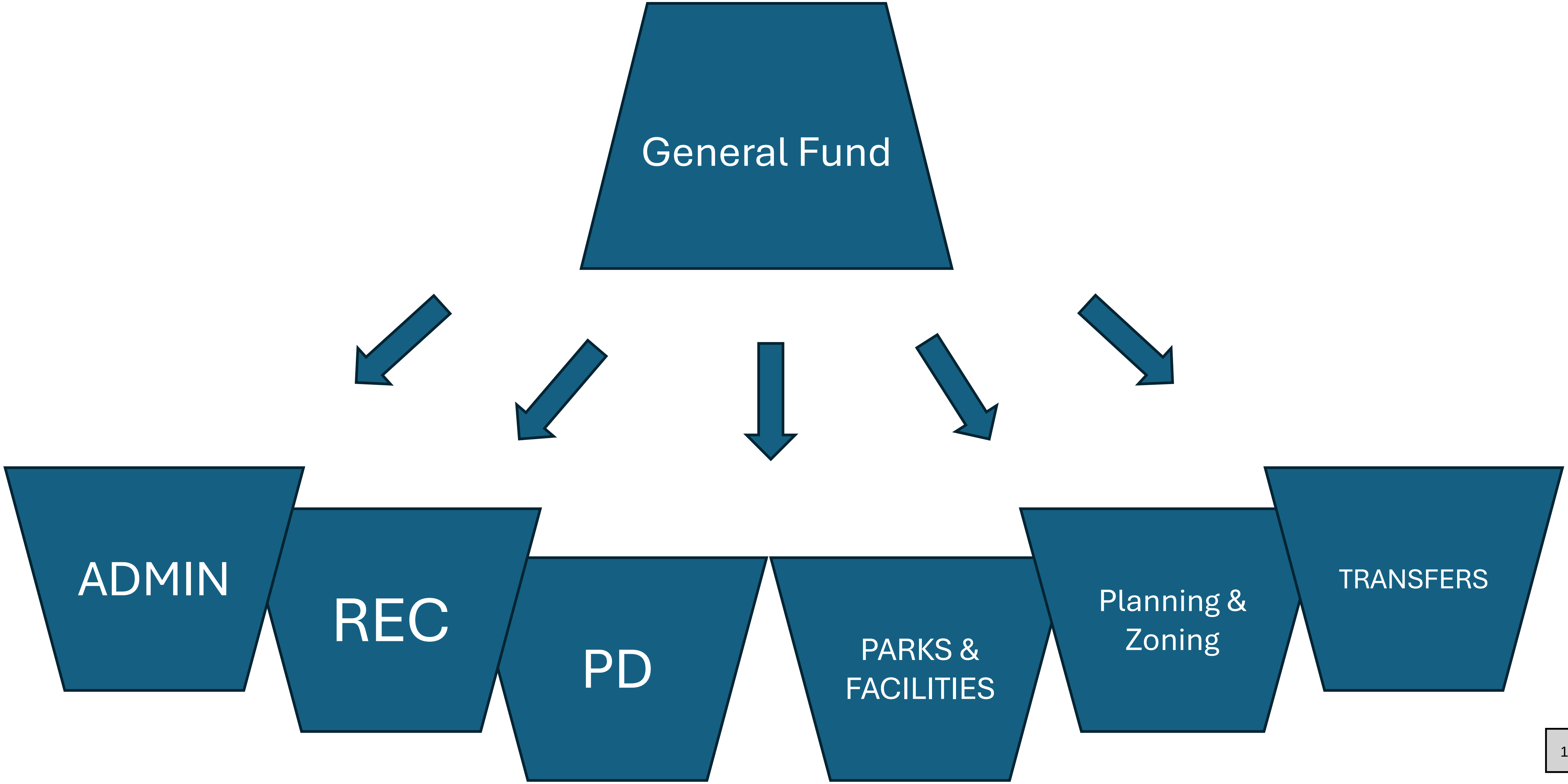
The 6.63% increase is an average of all residential and commercial properties in the City. Many properties will fall above or below this average.

GENERAL FUND – REVENUES



City of Bel Aire

GENERAL FUND – EXPENDITURES



General Fund Overview – Expenses

Department 100: Administration

Division 110: City Manager

Personnel:

- Split FTE between City Mgr. and Legal to assist with record retention project - $48,000

Contractual:

- Engineering Services - $50,000
- Legal Services - $220,000
  - These expenses have been budgeted for additional engineering and legal expenses related to the Woodlawn reconstruction project. ($270,000 total)

				Parent Budget	Comparison 1 Budget	Comparison 1 to Parent Budget	%
	2025 Total Activity	2025 Total Budget	2026 Total Activity	2026 3. Final Budget	2027 1. Dept Head	Increase / (Decrease)	
SubObjec...							
Fund: 100 - General Fund							
Department: 100 - ADMINISTRATION							
Division: 110 - CITY MANAGER							
50 - EXPENSES - PERSONNEL	297,560.44	839,060.00	136,539.25	349,640.73	398,350.00	48,709.27	13.93%
60 - EXPENSES - COMMODITIES	15,489.82	56,700.00	4,359.51	35,495.00	20,745.00	-14,750.00	-41.56%
70 - EXPENSES - CONTRACTUAL	883,363.16	967,700.00	143,088.05	271,950.00	317,920.00	45,970.00	[illegible]
80 - EXPENSES - CAPITAL PROJECTS	0.00	10,001.00	0.00	0.00	0.00	0.00	[illegible]
Total Division: 110 - CITY MANAGER:	**1,196,413.42**	**1,873,461.00**	**283,986.81**	**657,085.73**	**737,015.00**	**79,929.27**	**12.16%**

General Fund Overview – Expenses

Department 100: Administration

Division 130: Engineering

Commodities:

- Additional trainings and conferences

Contractuals:

- On-Call Engineering Services - $120,000
- Engineering Services - $50,000

SubObjec...	2025 Total Activity	2025 Total Budget	2026 Total Activity	Parent Budget 2026 3. Final Budget	Comparison 1 Budget 2027 1. Dept Head	Comparison 1 to Parent Budget Increase / (Decrease)	%
Division: 130 - ENGINEERING							
50 - EXPENSES - PERSONNEL	135,515.44	0.00	59,665.25	144,918.60	148,500.00	3,581.40	2.47%
60 - EXPENSES - COMMODITIES	3,515.51	0.00	4,031.16	4,100.00	6,160.00	2,060.00	50.24%
70 - EXPENSES - CONTRACTUAL	153,552.75	0.00	75,265.13	124,720.00	177,040.00	52,320.00	[illegible]5%
Total Division: 130 - ENGINEERING:	**292,583.70**	**0.00**	**138,961.54**	**273,738.60**	**331,700.00**	**57,961.40**	**21.17%**

General Fund Overview – Expenses

Department 100: Administration

Division140: Finance

Commodities: Training – KU CPM Course $3,400

Contractuals: Waterworth Software - $9,500

				Parent Budget	Comparison 1 Budget	Comparison 1 to Parent Budget	%
	2025 Total Activity	2025 Total Budget	2026 Total Activity	2026 3. Final Budget	2027 1. Dept Head	Increase / (Decrease)	
SubObjec...							
Division: 140 - FINANCE							
50 - EXPENSES - PERSONNEL	325,925.14	0.00	144,922.20	345,884.49	368,460.00	22,575.51	6.53%
60 - EXPENSES - COMMODITIES	11,335.91	0.00	4,463.42	8,570.00	11,990.00	3,420.00	[illegible]91%
70 - EXPENSES - CONTRACTUAL	17,225.63	0.00	43,153.40	95,882.00	111,407.00	15,525.00	[illegible].19%
Total Division: 140 - FINANCE:	**354,486.68**	**0.00**	**192,539.02**	**450,336.49**	**491,857.00**	**41,520.51**	**9.22%**

General Fund Overview – Expenses

Department 100: Administration

Division 150: Governing Body

Commodities:

- Chamber Dues? - $10,000
- Hotel and Travel Increase - $2,750

				Parent Budget	Comparison 1 Budget	Comparison 1 to Parent Budget	%
	2025 Total Activity	2025 Total Budget	2026 Total Activity	2026 3. Final Budget	2027 1. Dept Head	Increase / (Decrease)	
SubObjec...							
Division: 150 - GOVERNING BODY							
50 - EXPENSES - PERSONNEL	22,632.79	23,478.00	9,446.37	22,696.50	22,790.00	93.50	0.41%
60 - EXPENSES - COMMODITIES	34,907.12	34,800.00	27,394.06	32,975.00	36,050.00	3,075.00	[illegible]33%
70 - EXPENSES - CONTRACTUAL	21,017.22	30,000.00	13,129.11	32,500.00	33,200.00	700.00	[illegible]15%
Total Division: 150 - GOVERNING BODY:	**78,557.13**	**88,278.00**	**49,969.54**	**88,171.50**	**92,040.00**	**3,868.50**	**4.39%**

General Fund Overview – Expenses

Department 100: Administration

Division 160: Human Resources

Slight reduction from 2026 due to eliminating PT position

				Parent Budget	Comparison 1 Budget	Comparison 1 to Parent Budget	%
	2025 Total Activity	2025 Total Budget	2026 Total Activity	2026 3. Final Budget	2027 1. Dept Head	Increase / (Decrease)	
SubObjec...							
Division: 160 - HUMAN RESOURCES							
50 - EXPENSES - PERSONNEL	256,663.51	326,280.00	110,865.55	288,940.56	272,260.00	-16,680.56	-5.77%
60 - EXPENSES - COMMODITIES	19,517.58	46,100.00	6,501.79	30,595.00	31,360.00	765.00	2.50%
70 - EXPENSES - CONTRACTUAL	35,765.84	22,300.00	21,945.95	45,480.00	40,875.00	-4,605.00	10.13%
Total Division: 160 - HUMAN RESOURCES:	**311,946.93**	**394,680.00**	**139,313.29**	**365,015.56**	**344,495.00**	**-20,520.56**	**-5.62%**

General Fund Overview – Expenses

Department 100: Administration

Division 170: Legal

Personnel: Split FTE between City Mgr. and Legal to assist with record retention project - $48,000

Commodities: Slight increases due to trainings/conferences/supplies

Contractuals: Reduce legal services expense from $60,000 to $50,000

				Parent Budget	Comparison 1 Budget	Comparison 1 to Parent Budget	%
	2025 Total Activity	2025 Total Budget	2026 Total Activity	2026 3. Final Budget	2027 1. Dept Head	Increase / (Decrease)	
SubObjec...							
Division: 170 - LEGAL							
50 - EXPENSES - PERSONNEL	198,337.12	0.00	122,516.91	192,522.58	258,400.00	65,877.42	34.22%
60 - EXPENSES - COMMODITIES	14,545.79	0.00	5,037.98	14,797.00	17,546.00	2,749.00	[illegible]58%
70 - EXPENSES - CONTRACTUAL	101,794.67	0.00	19,373.99	69,583.00	64,044.00	-5,539.00	[illegible]96%
Total Division: 170 - LEGAL:	**314,677.58**	**0.00**	**146,928.88**	**276,902.58**	**339,990.00**	**63,087.42**	**22.78%**

General Fund Overview – Expenses

Department 120: Police

Division 240: Municipal Court

Personnel: Move 1 PT to FTE - $59,000

Commodities: Reduction in various items including training, dues and membership, supplies and furniture.

Diversion project anticipated for 2027

Utilization in code enforcement cases

				Parent Budget	Comparison 1 Budget	Comparison 1 to Parent Budget	%
	2025 Total Activity	2025 Total Budget	2026 Total Activity	2026 3. Final Budget	2027 1. Dept Head	Increase / (Decrease)	
SubObjec...							
Department: 120 - POLICE							
Division: 240 - MUNICIPAL COURT							
50 - EXPENSES - PERSONNEL	108,258.45	103,745.00	48,620.56	119,757.75	181,160.00	61,402.25	51.27%
60 - EXPENSES - COMMODITIES	7,299.18	6,200.00	1,804.98	4,100.00	2,975.00	-1,125.00	[illegible]44%
70 - EXPENSES - CONTRACTUAL	66,336.31	67,600.00	38,351.51	79,445.00	84,677.00	5,232.00	6.59%
Total Division: 240 - MUNICIPAL COURT:	**181,893.94**	**177,545.00**	**88,777.05**	**203,302.75**	**268,812.00**	**65,509.25**	**32.22%**

General Fund Overview – Expenses

Department 120: Police

Division 250: Police

2026 Added FT Records clerk to address operational needs

2027 No additional personnel requested

	2025 Total Activity	2025 Total Budget	2026 Total Activity	Parent Budget 2026 3. Final Budget	Comparison 1 Budget 2027 1. Dept Head	Comparison 1 to Parent Budget Increase / (Decrease)	%
SubObjec...							
Division: 250 - POLICE							
50 - EXPENSES - PERSONNEL	1,657,808.84	1,746,480.00	769,492.40	1,821,226.06	2,086,480.00	265,253.94	14.56%
60 - EXPENSES - COMMODITIES	139,120.72	171,600.00	47,146.55	213,107.00	200,517.00	-12,590.00	-5.91%
70 - EXPENSES - CONTRACTUAL	191,904.67	168,000.00	141,976.19	209,945.00	202,565.00	-7,380.00	-3.52%
80 - EXPENSES - CAPITAL PROJECTS	7,830.73	0.00	67.90	0.00	0.00	0.00	0.00%
Total Division: 250 - POLICE:	**1,996,664.96**	**2,086,080.00**	**958,683.04**	**2,244,278.06**	**2,489,562.00**	**245,283.94**	**10.93%**

General Fund Overview – Expenses

Department 130: Recreation

Division 330: Pool

Commodities: Increases for irrigation maintenance, training for CPR certifications, chemical costs

Capital Projects: Includes $35,000 for coping repair

				Parent Budget	Comparison 1 Budget	Comparison 1 to Parent Budget	%
	2025 Total Activity	2025 Total Budget	2026 Total Activity	2026 3. Final Budget	2027 1. Dept Head	Increase / (Decrease)	
SubObjec...							
Department: 130 - RECREATION							
Division: 330 - POOL							
50 - EXPENSES - PERSONNEL	30,410.96	31,575.00	3,709.95	35,325.00	37,925.00	2,600.00	7.36%
60 - EXPENSES - COMMODITIES	12,454.97	18,000.00	6,499.60	20,100.00	29,400.00	9,300.00	46.27%
70 - EXPENSES - CONTRACTUAL	8,754.93	12,600.00	5,358.96	20,475.00	19,475.00	-1,000.00	-4.88%
80 - EXPENSES - CAPITAL PROJECTS	5,382.00	20,000.00	19,402.00	50,000.00	35,000.00	-15,000.00	[illegible]
90 - EXPENSES - TRANSFERS	59,000.00	59,000.00	0.00	55,000.00	55,000.00	0.00	[illegible]
Total Division: 330 - POOL:	**116,002.86**	**141,175.00**	**34,970.51**	**180,900.00**	**176,800.00**	**-4,100.00**	**-2.27%**

General Fund Overview – Expenses

Department 130: Recreation

Division 340: Day Camp

No significant changes for 2026

SubObjec...	2025 Total Activity	2025 Total Budget	2026 Total Activity	Parent Budget 2026 3. Final Budget	Comparison 1 Budget 2027 1. Dept Head	Comparison 1 to Parent Budget Increase / (Decrease)	%
Division: 340 - DAY CAMP							
50 - EXPENSES - PERSONNEL	18,985.90	20,000.00	3,644.80	20,200.00	22,250.00	2,050.00	10.15%
60 - EXPENSES - COMMODITIES	4,771.74	5,850.00	1,950.22	5,350.00	7,850.00	2,500.00	46.73%
70 - EXPENSES - CONTRACTUAL	1,670.30	650.00	2,003.28	2,150.00	2,710.00	560.00	26.05%
Total Division: 340 - DAY CAMP:	**25,427.94**	**26,500.00**	**7,598.30**	**27,700.00**	**32,810.00**	**5,110.00**	**18.45%**

General Fund Overview – Expenses

Department 130: Recreation

Division 350: Recreation

Commodities: Increases in event planning, training/conferences/rec equipment - $13,000

Capital Projects: Awaiting discussion and direction on REC facilities

	2025 Total Activity	2025 Total Budget	2026 Total Activity	Parent Budget 2026 3. Final Budget	Comparison 1 Budget 2027 1. Dept Head	Comparison 1 to Parent Budget Increase / (Decrease)	%
SubObjec...							
Division: 350 - RECREATION							
50 - EXPENSES - PERSONNEL	309,992.03	354,300.00	140,547.11	358,574.71	368,260.00	9,685.29	2.70%
60 - EXPENSES - COMMODITIES	49,334.67	70,700.00	22,027.75	74,950.00	87,950.00	13,000.00	17.34%
70 - EXPENSES - CONTRACTUAL	89,722.00	72,200.00	47,931.11	86,163.00	80,538.00	-5,625.00	[illegible]3%
80 - EXPENSES - CAPITAL PROJECTS	14,275.66	40,000.00	15,394.41	45,000.00	0.00	-45,000.00	-1[illegible]0%
Total Division: 350 - RECREATION:	**463,324.36**	**537,200.00**	**225,900.38**	**564,687.71**	**536,748.00**	**-27,939.71**	**-4.95%**

General Fund Overview – Expenses

Department 100: Recreation

Division 360: Senior Services

No significant changes from 2026

SubObjec...	2025 Total Activity	2025 Total Budget	2026 Total Activity	Parent Budget 2026 3. Final Budget	Comparison 1 Budget 2027 1. Dept Head	Comparison 1 to Parent Budget Increase / (Decrease)	%
Division: 360 - SENIOR SERVICES							
50 - EXPENSES - PERSONNEL	62,812.02	18,000.00	29,116.07	68,492.22	68,175.00	-317.22	-0.46%
60 - EXPENSES - COMMODITIES	4,691.76	4,650.00	1,739.15	4,650.00	5,400.00	750.00	[illegible]13%
70 - EXPENSES - CONTRACTUAL	1,658.20	6,600.00	2,481.53	15,175.00	13,950.00	-1,225.00	-8.07%
Total Division: 360 - SENIOR SERVICES:	**69,161.98**	**29,250.00**	**33,336.75**	**88,317.22**	**87,525.00**	**-792.22**	**-0.90%**

General Fund Overview – Expenses

Department 140: Land

Division 440: Land Development

Commodities:

- Special assessments - $79,000
  - $42,000 of this total will expire at the end of 2026
  - $33,000 will expire at the end of 2035

Transfers:

- Land and G.O. Debt Transfers occur here. These transfers are received by the PBC Fund and the Bond and interest Fund

				Parent Budget	Comparison 1 Budget	Comparison 1 to Parent Budget	%
	2025 Total Activity	2025 Total Budget	2026 Total Activity	2026 3. Final Budget	2027 1. Dept Head	Increase / (Decrease)	
SubObjec...							
Department: 140 - LAND BANK							
Division: 440 - LAND DEVELOPMENT							
60 - EXPENSES - COMMODITIES	77,975.98	78,000.00	0.00	79,000.00	37,000.00	-42,000.00	-53.16%
70 - EXPENSES - CONTRACTUAL	17,039.22	0.00	3,742.26	13,350.00	10,150.00	-3,200.00	-23.97%
80 - EXPENSES - CAPITAL PROJECTS	362.00	0.00	0.00	0.00	0.00	0.00	0.00%
90 - EXPENSES - TRANSFERS	2,167,646.00	2,167,646.00	0.00	2,139,360.00	2,142,768.00	3,408.00	0.16%
Total Division: 440 - LAND DEVELOPMENT:	**2,263,023.20**	**2,245,646.00**	**3,742.26**	**2,231,710.00**	**2,189,918.00**	**-41,792.00**	**-1.87%**

General Fund Overview – Expenses

Department 150: Parks

Division 510: Parks

Personnel: Facility Manager Position and Seasonal Mowers added in 2026

Commodities: Increases in playground equipment replacement/maintenance, Veh and equipment maintenance, irrigation repair, uniforms/clothing (seasonal employees), various other minor increases

Capital Projects: Moved from operating to CIP

				Parent Budget	Comparison 1 Budget	Comparison 1 to Parent Budget	%
	2025 Total Activity	2025 Total Budget	2026 Total Activity	2026 3. Final Budget	2027 1. Dept Head	Increase / (Decrease)	
SubObjec...							
Department: 150 - PARKS							
Division: 510 - PARKS							
50 - EXPENSES - PERSONNEL	154,645.65	161,350.00	47,819.21	182,050.16	262,700.00	80,649.84	44.30%
60 - EXPENSES - COMMODITIES	47,437.81	57,850.00	20,666.55	62,455.00	100,750.00	38,295.00	61.32%
70 - EXPENSES - CONTRACTUAL	28,252.44	37,000.00	39,927.88	58,920.00	51,800.00	-7,120.00	[illegible]08%
80 - EXPENSES - CAPITAL PROJECTS	69,744.10	80,000.00	9,745.45	83,000.00	8,000.00	-75,000.00	-90.36%
Total Division: 510 - PARKS:	**300,080.00**	**336,200.00**	**118,159.09**	**386,425.16**	**423,250.00**	**36,824.84**	**9.53%**

General Fund Overview – Expenses

Department 160: Planning & Zoning

Division 610: Planning & Zoning

Contractual: Code updates for 2026 was $30,000 – Reduced to $7,500 in 2027 for misc. engineering service needs or additional code updates

				Parent Budget	Comparison 1 Budget	Comparison 1 to Parent Budget	%
	2025 Total Activity	2025 Total Budget	2026 Total Activity	2026 3. Final Budget	2027 1. Dept Head	Increase / (Decrease)	
SubObjec...							
Department: 160 - PLANNING & ZONING							
Division: 610 - PLANNING & ZONING							
50 - EXPENSES - PERSONNEL	423,124.64	455,750.00	190,011.09	455,485.33	450,900.00	-4,585.33	-1.01%
60 - EXPENSES - COMMODITIES	8,408.00	26,800.00	5,049.09	25,700.00	23,200.00	-2,500.00	-9.73%
70 - EXPENSES - CONTRACTUAL	35,843.96	55,000.00	40,219.04	105,307.00	80,507.00	-24,800.00	-23.55%
Total Division: 610 - PLANNING & ZONING:	**467,376.60**	**537,550.00**	**235,279.22**	**586,492.33**	**554,607.00**	**-31,885.33**	**[illegible]44%**
Total Department: 160 - PLANNING & ZONING:	**467,376.60**	**537,550.00**	**235,279.22**	**586,492.33**	**554,607.00**	**-31,885.33**	**-5.44%**

General Fund Overview – Expenses

Department 190: Facilities

Division 910: City Hall

Personnel: Includes $300,000 place holder if pay study is appr s is an estimate based off findings when beginning the pay study internally.

Contractuals: increases for liability insurance and janitorial services

Transfers:

- CIP Transfer - $415,000
- Equipment Reserve Transfer - $100,000
- Street Improvement Funds Transfer - $850,000

				Parent Budget	Comparison 1 Budget	Comparison 1 to Parent Budget	%
	2025 Total Activity	2025 Total Budget	2026 Total Activity	2026 3. Final Budget	2027 1. Dept Head	Increase / (Decrease)	
SubObjec...							
Department: 190 - FACILITIES							
Division: 910 - CITY HALL							
50 - EXPENSES - PERSONNEL	0.00	0.00	0.00	0.00	300,000.00	300,000.00	0.00%
60 - EXPENSES - COMMODITIES	18,344.75	22,800.00	4,088.34	12,250.00	13,000.00	750.00	6.12%
70 - EXPENSES - CONTRACTUAL	187,615.74	261,000.00	54,739.14	133,600.00	153,149.97	19,549.97	14.63%
80 - EXPENSES - CAPITAL PROJECTS	0.00	40,000.00	0.00	0.00	0.00	0.00	[illegible]00%
90 - EXPENSES - TRANSFERS	4,037,597.00	4,037,597.00	0.00	1,365,000.00	1,365,000.00	0.00	[illegible]00%
Total Division: 910 - CITY HALL:	**4,243,557.49**	**4,361,397.00**	**58,827.48**	**1,510,850.00**	**1,831,149.97**	**320,299.97**	**21.20%**

Memo

To: Mayor and City Council
From: Deb Appel, Director of Human Resources
Date: June 8, 2026
Subject: Classification and Compensation Study

Executive Summary:

The 2026 budget includes funding for a compensation study to provide insight and analysis for implementing a new pay scale in the 2027 budget. City staff have completed substantial preliminary work and recommend hiring a professional firm with municipal and county experience to complete the study before the end of the year.

The City Council has historically made periodic payroll adjustments, including COLA increases of 5% in 2023 over the 2020 scale and 3% in 2025 for a total of 8% in six years (2020-2026). CPI inflation is calculated at 29% over the same six-year period. To move toward a data-driven approach, the Council budgeted $10,000 for a formal compensation study.

The Arnold Group (TAG) submitted a quote of $16,560 to complete a Classification and Compensation Study. TAG recently completed Andover's 2025 study and is currently updating Bel Aire's job descriptions. Comparable projects in similar sized cities ranged from $24,150 to $86,450, making TAG's proposal competitive. Although the cost exceeds the initial budget, a professional study is expected to reduce long-term costs associated with turnover, inequitable pay, and misaligned salary structures.

During 2026, staff started to conduct the study internally and compiled data from several cities, with a focus on neighboring Park City and the recently updated Andover study, which examined data from more than fifteen cities and counties

The findings were concerning causing the staff to pause the internal study and consider outside assistance:

• 66% of Bel Aire's full-time positions are at least 20% below peer cities.
• 30% are more than 30% below peers.
• Three positions are 50% or more below comparable wages.

These discrepancies show that Bel Aire's current pay scale is no longer aligned with the regional labor market. Staff also identified challenges in accurately placing current employees on a revised pay scale—an issue that requires objective expertise. TAG would provide standardized classification methods, Point Factor Analysis (PFA) scoring, consistent evaluation of relevant, transferable, and verifiable (RTV) experience, and a unified structure for all pay-related decisions. The study will evaluate both wages and benefits, including retirement contributions.

The City Manager, Director of Finance, and Director of Human Resources agree that hiring a qualified professional firm is the most effective and responsible approach. Completing this study will help Bel Aire implement a fair, competitive, and market-aligned pay system that improves recruitment, retention, and internal equity.

General Fund Overview – Expenses

Overall Highlights

Administration

- Engineering/Legal for Woodlawn : $270,000 (City Manager)
- Increase Engineering services $50,000 (Engineering)
- CPM KU Class $3,400 (Finance)
- Waterworth Software $9,500 (Finance)
- Chamber $10,000 (Gov. body)
- Decrease in Legal Services ($10,000) (Legal)
- Municipal Court PT to FT $59,000 (Legal/Muni court)

Recreation

- Coping Replacement $35,000 (Pool)
- Event Planning $13,000 (REC)

Parks

- Increases to Commodities (maintenance and park items)

Planning and Zoning

- Additional Engineering Services/Code Updates $7,500

Facilities

- Compensation and Classification Alignment $300,000 (If approved)
- Transfers – CIP, Equip Reserve, Streets

		2025 Total Activity	2025 Total Budget	2026 Total Activity	Parent Budget 2026 3. Final Budget	Comparison 1 Budget 2027 1. Dept Head	Comparison 1 to Parent Budget Increase / (Decrease)	%
REVENUES	Total Fund: 100 - General Fund:	12,394,580.70	12,506,639.00	7,231,673.91	9,914,111.93	10,639,567.20	725,455.27	7.32%
	Report Total:	12,394,580.70	12,506,639.00	7,231,673.91	9,914,111.93	10,639,567.20	725,455.27	7.32%
EXPENSES	**Fund**							
	100 - General Fund	12,675,178.77	12,834,962.00	2,728,980.82	10,135,913.69	10,928,278.97	792,365.28	7.82%
	Report Total:	12,675,178.77	12,834,962.00	2,728,980.82	10,135,913.69	10,928,278.97	792,365.28	7.82%
	Fund							
	100 - General Fund	-280,598.07	-328,323.00	4,502,693.09	-221,801.76	-288,711.77	-66,910.01	30.17%
	Report Total:	-280,598.07	-328,323.00	4,502,693.09	-221,801.76	-288,711.77	-66,910.01	30.17%

General Fund Fund Balance	FY25 (Unaudited)	FY26 Budgeted	FY27
Beginning Balance	$3,379,372	$3,098,774	$2,876,972
Revenues Over/(Under) Expenses	($280,598)	($221,802)	($288,712)
Ending Balance	$3,098,774	$2,876,972	$2,588,260 24.3% of Revenues

Revenues are incorporating the full valuation increase totaling $5,844,694 at the current Mill Levy of 41.003

Recent Legislation proposed a 3% cap on property taxes. If this was in effect for the 2027 budget, the property taxes generated could not exceed $5,489,617. Applied to the FY27 budget as presented today, would result in a deficit of ($643,788.77)

Feedback Needed:

- Current Mill levy: 41.003
- 2027 Budget Mill Levy: TBD
  - How would council like to proceed here?
- July 7th: Will discuss General Fund again and consider a resolution of the City's intent to exceed the Revenue Neutral Rate
- July 9th: Publish Resolution of intent
- July 15th: Send intent to exceed revenue neutral rate form to Sedgwick County