



File #: 260448

ORDINANCE NO. 260448

Amending Chapter 2, Code of Ordinances, entitled "Administration" by repealing Section 2-1956 entitled "Quarterly budget reports" and enacting in lieu thereof a section of like number and subject matter for the purpose of analyzing the allocation of use tax revenues received in excess of budgeted amounts which may be used in alignment with corresponding sales taxes.

WHEREAS, pursuant to Section 68-442, Code of Ordinances, the City imposes a local use tax at the same rate as the total rate of all local sales taxes, provided that the rate of the local use tax is adjusted to match the total rate of all local sales taxes currently in existence; and

WHEREAS, in the case of *Macon County Emergency Services Board v. Macon County Commission*, the Missouri Supreme Court has ruled that local use tax revenues are discretionary unless the authorizing statute says otherwise; and

WHEREAS, the City Council exercises its discretion over use tax revenues as allowed by law through the annual budget; and

WHEREAS, the City Council desires to exercise good stewardship over use tax revenues received above budgeted amounts for the purposes allowed by the code amendments herein;
NOW THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That Chapter 2, Code of Ordinances entitled "Administration" is hereby amended by repealing Section 2-1956 entitled "Quarterly budget reports" and enacting in lieu thereof a section of like number and subject matter to read as follows:

Sec. 2-1956. Quarterly budget reports.

(a) The city manager, with the assistance of the finance department, will prepare a quarterly budget report analyzing actual and anticipated revenues and expenditures for the first three quarters of every fiscal year. These reports will be presented to the city council finance, governance, and ethics committee. The city manager and the finance department staff will be available to respond to any issues raised during the committee presentation.

(b) During times of high or unusual activity, the city manager may elect to increase the frequency of formal presentations.

(c) The finance department will explain any anomalies in the report. Such anomalies:

- (1) Are a major expenditure or revenue exception that affects a fund's total expenditure budget by one percent or totals over \$500,000.00;
- (2) Are significant and not part of a normal pattern; or
- (3) Will most likely negatively or positively impact the ending balance in the department or fund at the end of the fiscal year.

(d) Notwithstanding any other financial policy, the report required by subsection (a) shall include an analysis of revenues received pursuant to Code Section 68-442 above those anticipated at the time the annual budget is adopted for potential use toward the same purposes for which the corresponding sales tax revenue is utilized.

Approved as to form:


Samuel Miller
Assistant City Attorney



Authenticated as Passed


Quinton Lucas, Mayor


Marilyn Sanders, City Clerk

MAY 14 2026

Date Passed