

July 31, 2025 Monthly Financial Report and FY 2025-26 First Quarter Budget Analysis Report

Office of Management and Budget

October 14, 2025

Finance, Governance, and Public Safety Committee



General Fund Revenues Five Years Comparison

Fiscal Year through July 31, 2025

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Current vs Prior Year
Revenues						
Property Taxes	\$ 1,140	1,180	1,258	1,817	1,022	\$ (795)
Local Use Taxes	12,230	16,679	17,472	24,215	27,892	3,677
Earnings Taxes	64,976	64,096	74,789	71,332	74,206	2,874
Gaming Taxes	3,197	3,117	3,140	3,187	3,206	19
Utility Taxes	7,481	20,894	28,482	7,176	18,724	11,548
Convention & Tourism Taxes	76	103	136	144	149	5
Licenses & Permits	3,843	3,810	3,398	3,149	4,097	948
Fines & Forfeitures	1,594	908	824	740	886	145
Interest & Rental Income	1,200	1,517	3,058	4,491	5,147	655
Service Charges	17,780	32,552	25,273	26,998	13,575	(13,423)
Grants	342	150	44	219	321	102
Special Assessments	-	-	-	-	-	-
All Other	1,113	1,269	1,016	(1,083)	958	2,041
Transfers	1,422	2,238	2,207	2,601	4,056	887
Total General Fund Revenues	\$ 116,394	148,512	161,096	144,986	154,238	\$ 9,252

In thousands

General Fund Expenditures Five Years Comparison

Fiscal Year through July 31, 2025

	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	Current vs Prior Year
Expenditures						
Personal Services	\$ 100,704	106,621	115,522	129,706	152,246	\$ 22,540
Contractual Services	64,354	64,950	76,243	94,464	117,773	23,309
Commodities	3,306	4,382	2,741	3,041	3,872	831
Capital Outlay	24	76	693	7,472	1,022	(6,450)
Debt Service	687	1,622	681	867	1,438	571
Contingent Approp	-	-	-	-	-	-
Transfers	-	-	-	601	-	(601)
Total General Fund Expenditures	\$ 169,074	177,651	195,881	235,549	276,350	\$ 40,801
Total Revenue Over/(Under) Expenditures	\$ (52,680)	(29,138)	(34,784)	(90,563)	(122,112)	\$ (31,549)

In thousands

First Quarter Budget Analysis Report

This summary focuses on the General Fund. Issues in other special revenue funds are highlighted when anomalies exist as defined in the Code of Ordinances, Section 2-1956(c).

Anomalies include:

1. Major expenditures or revenue exceptions that affects a fund's total expenditure budget by one percent or total over \$500,000.00;
2. Significant variances that are not part of a normal pattern;
3. Variances that impact the ending balances in a department or a fund at the end of the fiscal year by 10 percent to the positive or negative.

Purpose

*Pursuant to **Section 2-1956** of the Code of Ordinances, a quarterly budget report analyzing actual and anticipated revenues and expenditures will be presented the first three quarters of every fiscal year.*

Quarterly Reports are available at: www.kcmo.gov/BUDGET

Quarterly Budget Analysis

Assumptions: Personnel

- Approved CBAs for Local 42, Local 3808, and Local 500 are incorporated
- Salaries projected based on positions filled as of July 18, 2025
- Vacant positions are projected with the 10% vacancy factor contemplated by the Adopted Budget, in addition to being projected as filled for six months

Assumptions: Other

- Projections built on expenditures as of August 31, 2025
- Contingent appropriation projected as spent; the current balance is \$7,903,729 as of August 14, 2025
- Grants – matching expenditures and revenues. No impact to quarterly
- Known exceptions from departments and independent analysis are incorporated

Quarterly Budget Analysis Report

Overview

Assumptions

General Fund

Highlighted Funds

Schedules



SCHEDULE 10: SPECIAL REVENUE FUNDS

FIRST QUARTER FISCAL YEAR 2025 - 26

Fund Schedule

- A. Fund Balance Table
- B. Revenue and Expenditure Detail

- C. Unreserved Fund Balance begins the year
- D. Year-Ending is Fiscal Year surplus/(deficit)
- E. Final Ending Balance is projected balance at the end of Fiscal Year

Grant and Capital Funds are approached differently with multi-year funding considerations

FIRE SALES TAX

A

	ACTUAL FY 2023-24	ACTUAL FY 2024-25	AMENDED FY 2025-26	ESTIMATED FY 2025-26
C Unreserved Fund Balance	\$165,548	\$0	\$0	\$0
Prior Year Adjustment	\$47,181	-\$635,806	\$1,383,768	\$1,383,768
Total Beginning Balance	\$212,729	-\$635,806	\$1,383,768	\$1,383,768
Revenues	\$24,476,099	\$26,700,298	\$27,471,529	\$27,391,539
Expenses	\$24,688,828	\$26,064,492	\$28,905,003	\$28,775,307
D Year-Ending Balance	-\$212,729	\$635,806	-\$1,433,474	-\$1,383,768
E Final Ending Balance	\$0	\$0	-\$49,706	\$0

B

	ACTUAL FY 2023-24	ACTUAL FY 2024-25	AMENDED FY 2025-26	ESTIMATED FY 2025-26	DIFFERENCE	PERCENT CHANGE
Revenue						
All Other	\$1,175	\$12,428	\$3,000	\$3,000	\$0	0%
Grants	\$10,190	\$29,872	\$48,499	\$42,009	\$6,490	15%
Sales Tax	\$23,702,946	\$24,868,458	\$25,251,657	\$25,251,657	\$0	0%
Service Charges	\$761,788	\$1,789,541	\$2,168,373	\$2,094,873	\$73,500	4%
REVENUE TOTAL	\$24,476,099	\$26,700,298	\$27,471,529	\$27,391,539	\$79,990	0%
Transfer In						
-	-	-	-	-	-	-
TRANSFER IN TOTAL	-	-	-	-	-	-
Expenditure						
Contractual Services	\$5,095,609	\$3,959,798	\$4,810,804	\$4,684,936	\$125,868	3%
Fixed Costs	\$11,754,332	\$13,766,090	\$15,963,160	\$15,874,684	\$88,476	1%
Commodities	\$7,594,256	\$8,127,469	\$7,894,393	\$7,986,142	-\$91,749	-1%
Capital Outlay	\$88,869	\$50,702	\$18,191	\$11,091	\$7,100	64%
Debt Service	-	-	-	\$0	\$0	-

General Fund

General Fund – Overall Summary

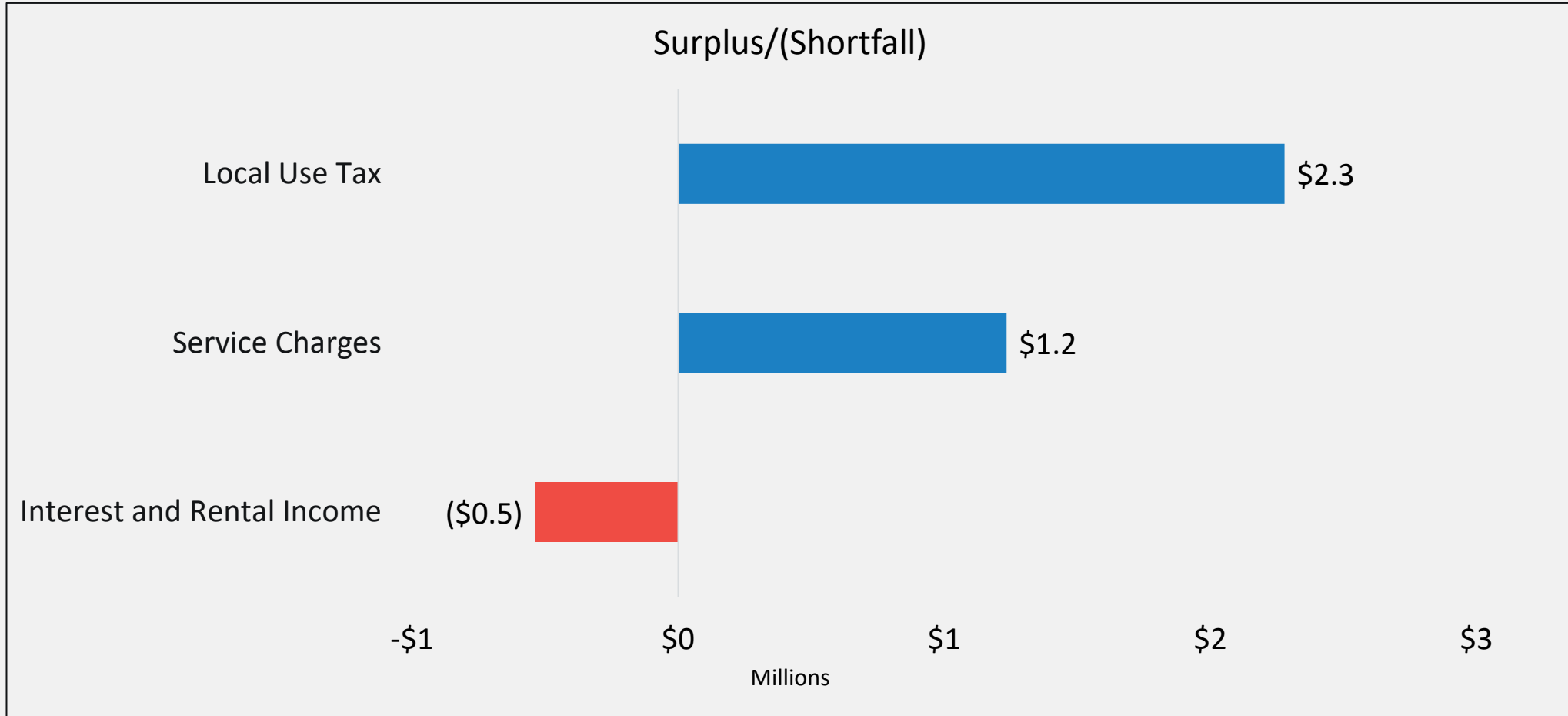
General Fund - Fund Balance

	Current Budget	First Quarter	Difference (Estimate - Current)
Balance as of Year Ending 4/30/2025	\$382,770,258	\$382,770,258	
Reserve for Encumbrances and Reappropriations	\$12,666,800	\$12,666,800	
Current Year Operations:			
Revenues	\$791,054,020	\$794,565,876	\$3,511,856
Expenditures	\$869,873,518	\$874,564,320	(\$4,690,802)
Transfer In	\$35,047,988	\$34,680,540	(\$367,448)
Transfer Out	\$80,544,389	\$80,526,918	(\$17,471)
Estimated Fund Balance Year Ending 4/30/26	\$271,121,159	\$269,592,236	

General Fund - Fund Balance Target (Current Budget)

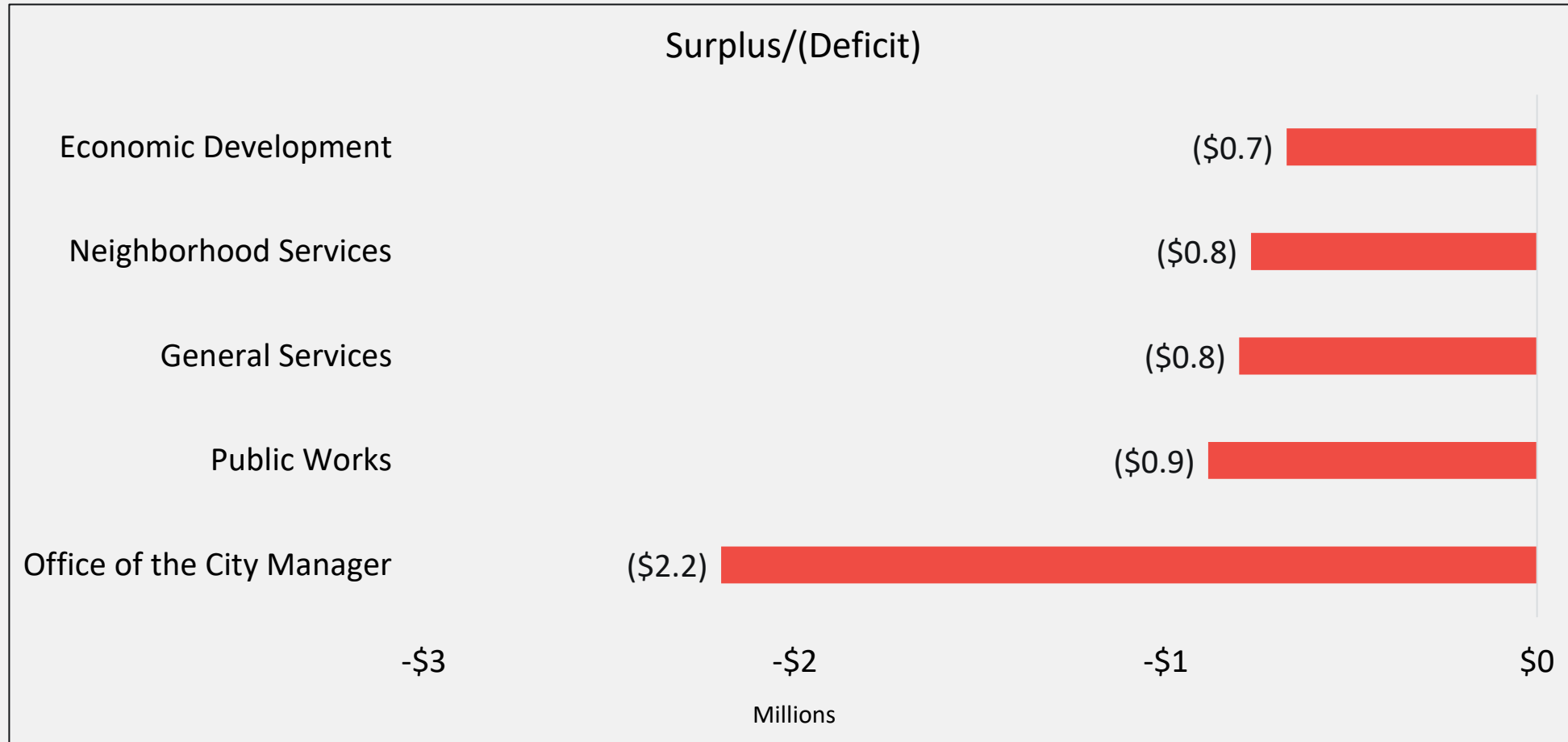
Target Reserve	\$217,468,380
Emergency Reserve	\$144,978,920

General Fund Revenue



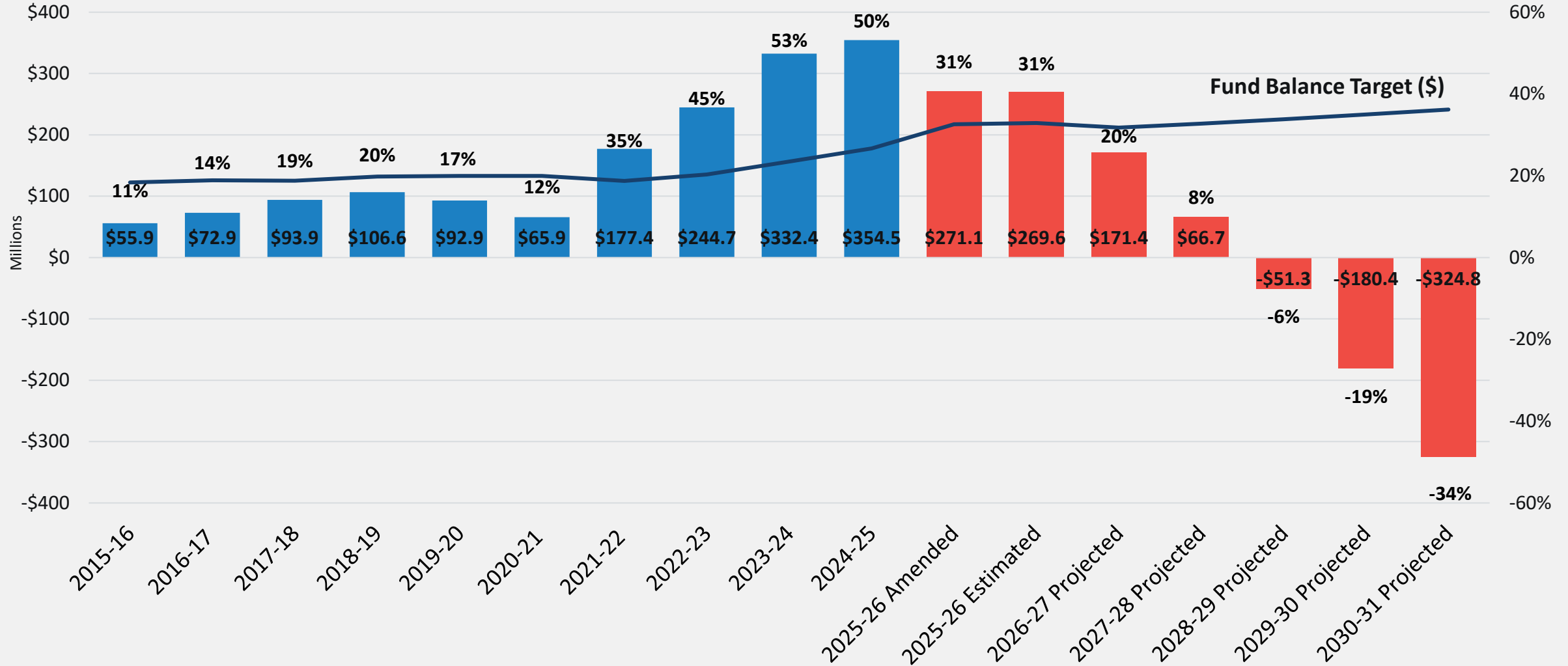
(Quarterly Budget Report - Pages 3-4 & 27)

General Fund Expenditures by Department



(Quarterly Budget Report - Pages 4-5 & 26)

General Fund – Fund Balance



Revenue by Type – All Funds

	FY 2021-22 Actual	FY 2022-23 Actual	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Adopted	FY 2025-26 1Q Estimated
Earnings	\$317.4	\$326.3	\$352.5	\$360.8	\$373.7	\$373.7
Sales^	\$293.0	\$332.2	\$335.4	\$350.9	\$355.0	\$355.0
Property	\$182.2	\$190.3	\$196.4	\$208.1	\$208.2	\$208.2
Hotel/Motel	\$22.1	\$30.0	\$34.0	\$35.3	\$36.0	\$36.0
Restaurant	\$30.2	\$34.8	\$37.9	\$39.4	\$40.1	\$40.1
Local Use	\$60.6	\$73.0	\$88.7	\$95.6	\$102.8	\$105.2
Utility+	\$100.9	\$98.8	\$121.8	\$108.2	\$110.2	\$110.2
Licenses/Permits	\$55.9	\$58.1	\$65.0	\$73.0	\$69.4	\$68.5

+Utility Tax experienced a timing issue between FY 2022-23 and FY 2023-24 wherein a quarterly payment of \$8.8 million from the Natural Gas Companies was recorded in FY 2023-24 that should be reflected in FY 2022-23.

1. Dollar amounts are in millions and rounded to the first decimal

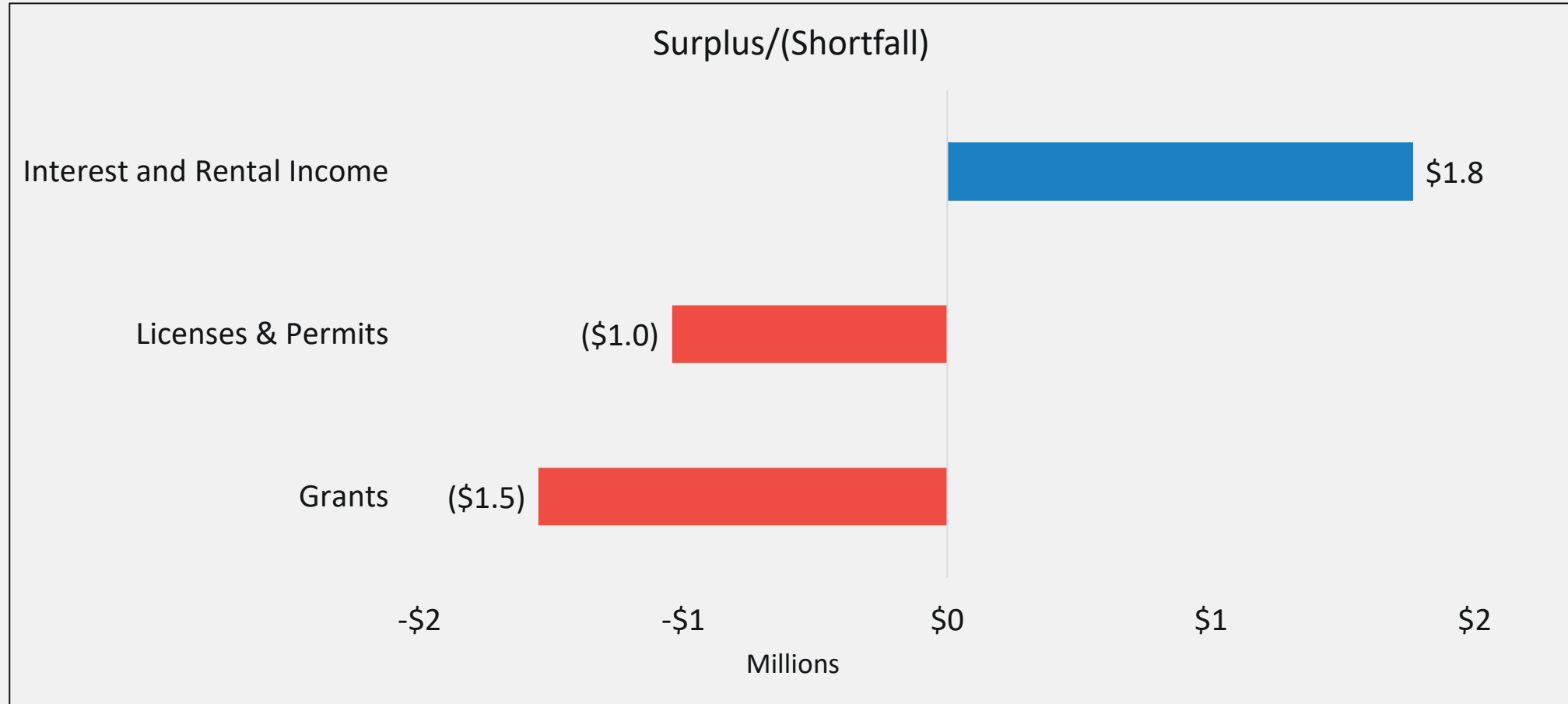
2. Chart represents gross Citywide revenue across all funds

^ New Fire Capital Sales Tax added \$22.6 million in FY 2021-22 Actual;
Marijuana Sales Tax added \$5.6 million in FY 2024-25 Actual

Special Revenue Funds

Dedicated Purpose

Special Revenue by Source



(Quarterly Budget Report - Pages 6 & 22)

Fund Name	Current Budget Final Ending Balance	Estimated Final Ending Balance	Difference (Estimated – Current Budget)	Percent Change
Arterial Street Impact Fee	\$2,488,001	\$5,064,087	\$2,576,086	50.8%
City Legal Expense Fund	\$6,303,608	\$2,108,885	(\$4,194,723)	-66.5%
Convention and Tourism	\$5,440,036	\$5,796,665	\$356,629	6.6%
Fire Sales Tax	(\$49,706)	\$0	\$49,706	-100.0%
Golf Operations	\$3,260,177	\$2,855,618	(\$404,558)	-12.4%
Health	\$2,995,398	\$1,950,673	(\$1,044,726)	-34.9%
Health Levy – Opioid Program	\$1,302,808	\$1,012,028	(\$290,780)	-22.3%

Fund Name	Current Budget Final Ending Balance	Estimated Final Ending Balance	Difference (Estimated – Current Budget)	Percent Change
Housing Trust Fund	\$16,064,055	\$3,732,471	(\$12,331,584)	-76.8%
Municipal Court Building Fund	\$211,528	\$278,021	\$66,493	31.4%
Museum	\$76,205	\$0	(\$76,205)	-100.0%
Probation Fund	(\$43,888)	\$0	\$43,888	-100.0%
Public Mass Transportation	(\$2,367,458)	\$0	\$2,367,459	-100.0%
Street Maintenance	\$2,837,339	\$3,231,134	\$393,795	13.9%
Violence Prevention & Intervention	\$11,603,884	\$11,750,000	\$146,116	1.3%

First Quarter Ordinances

- **Administrative Adjustments** – Ord. 250683
- **Policy Adjustments**
 - Ord. 250854-250882

First Quarter Ordinances

Administrative Adjustments

- Identifies changes required to correct the current amended budget
- Supplemental appropriations where necessary
- Adjustments required to balance negative fund balances

Policy Adjustments

- Adjustments requested by City Council via prior Ordinance or Resolution
- Other requests for additional appropriations

Administrative Adjustments

Ord. 250683

Ordinance 250683

- Section 1
 - Appropriating \$3.8 million from the fund balance General Fund (1000)
 - \$25,000 to the Robert J Mohart Multipurpose Center for facility maintenance
 - \$2.3 million reappropriation to Correctional Services for detention center land acquisition pursuant to Ordinance No. 240884
 - \$141,000 to City Market Operations to support maintenance and composting services

Ordinance 250683

- Section 1 (cont.)
 - Appropriating \$3.8 million from the fund balance General Fund (1000)
 - \$256,000 to Blight Remediation – CD5 as a reappropriation due to a refund received
 - \$315,000 to Human Resources to meet the City’s actuarially determined contribution to the pension fund
 - \$750,000 to Downtown Multifamily Housing related to an agreement with PIEA pursuant to Ordinance No. 240044 for the Midtown Plaza multifamily development project

Ordinance 250683

- Section 2
 - Increases Revenue Estimates in the General Fund (1000) by \$478,000
 - \$25,000 in Space Rental Charges at the Mohart Center related to the appropriation in section 1
 - \$197,000 in KC Port Auth-Contr due to an increased estimate of riverfront casino revenue relating to the funds appropriated for City Market Operations
 - \$256,000 in Blight Remediation – CD5 due to a refund received from PIEA
- Section 3 & 4 (Added in Committee Substitute)
 - Appropriates \$250,000 for the Crime Commission from the Violence Prevention Fund and provides the City Manager requisitioning authority
- Section 5
 - Appropriates \$76,000 from the fund balance of the Museum Fund (2020) to fulfill the City's Obligation to The Museum of Kansas City

Ordinance 250683

- Section 6
 - Appropriates \$2.0 million from the fund balance of the Parks Sales Tax Fund (2030) to the BRW Connector Community Park and the MLK Jr Pedestrian Bridge as a reappropriation of matching grant funds
- Section 7
 - Increases revenue estimates by the sum of \$1.3 million in the Street Maintenance Fund (2060) relating to a \$700,000 increase in Street Excavation Permits and a \$600,000 increase in Street Lane Rentals
- Section 8
 - Appropriates \$1.3 million from the fund balance of the Street Maintenance Fund (2060) relating to the above revenue estimate increases

Ordinance 250683

- Section 9
 - Authorizes the Director of Public Works to reduce expenditures in the Public Mass Transportation Fund (2080) related to street resurfacing
- Section 10
 - Authorizes the Director of Public Works to increase expenditures in the Street Maintenance Fund related to street resurfacing
- Section 11
 - Reduces appropriations of \$2,367,458 in the Public Mass Transportation Fund (2080) to ensure the fund will not end the year with a negative fund balance

Ordinance 250683

- Section 12
 - Reduces appropriations of \$270,000 in the Performing Arts Center Fund (2170) to correct appropriations in the Adopted FY 2025-26 Budget
- Section 13
 - Appropriates \$500,000 from the fund balance of the Public Safety Sales Tax Fund (2320) to match the donation of the Police Foundation as a pass through to KCPD

Ordinance 250683

- Section 14
 - Increases the revenue estimate by \$500,000 in the Public Safety Sales Tax Fund (2320) corresponding to Sec 11
- Section 15
 - Appropriates \$500,000 from the fund balance of the Public Safety Sales Tax Fund (2320) to the KCPD Business Unit
- Section 16
 - Designates the Board of Police Commissioners as requisitioning authority over account KCPDU-26-2320-211491

Ordinance 250683

- Section 17-19 (Added in Committee Substitute)
 - Reduces \$400,000 from the Health Levy Fund Director's Office; appropriates the same amount from the Health Levy – Opioid Program Fund; and authorizes the Director of Health to enter into an agreement with ReDiscover for a \$1 million contribution to the Kansas City Assessment and Triage Center
- Section 20
 - Reappropriates \$208,000 from the fund balance of the Arterial Street Impact Fee Fund (2430) to the Route 291 and Eastern Area Improvements project
- Section 21
 - Reduces the revenue estimate in the Housing Trust Fund (2490) by \$12.5 million to correct revenue estimates captured in the Adopted FY 2025-26 Budget
- Section 22
 - Reduces the revenue estimate in the General Grants Fund (2580) by \$1.0 million due to EPA Grant termination effective 8/28/2025

Ordinance 250683

- Section 23
 - Reduces appropriations in the General Grants Fund (2580) by \$1.0 million corresponding to Sec 15 revenue estimate decrease
- Section 24
 - Appropriates \$1,975,000 from the fund balance of Capital Improvements Sales Tax Fund (3090):
 - \$500,000 for building maintenance to correct an error in the Adopted FY 2025-26 Budget
 - \$1.3 million transfer from City Planning to Parks for Wornall Road Bridge improvements (added in Committee Substitute)
 - \$175,000 correct a roll forward for Agnes Park Walking Trail
- Section 25
 - Reduces revenue estimates by \$1.8 million in the Capital Improvements Sales Tax Fund (3090) due to revenue estimates being higher than collected TIF reimbursements

Ordinance 250683

- Section 26 (Added in Committee Substitute)
 - Reduces appropriations in the Capital Improvement Sales Tax Fund (3090) by \$1.8 million related to the revenue estimate decrease in Sec 20 and the \$1.3 million transfer to Parks for Wornall Road Bridge Improvements
- Section 27
 - Appropriates \$1.6 million from the fund balance of the Conventions and Sports Complex Fund (5370) to fund repairs to Bartle Hall's exterior and lobby renovation design
- Section 28
 - Appropriates \$516,000 from the fund balances of Payments in Lieu of Taxes Fund (6830) to multiple accounts

Ordinance 250683

- Section 29
 - Increases the Revenue Estimate in the City Legal Expense Fund (7010) by \$5.0 million for General Liability Insurance premium for increased sewer and water claims
- Section 30
 - Appropriates \$6.3 million from the fund balance of the Legal Expense Fund (7010) relating to general liability, water, and sewer claims
- Section 31
 - Appropriates \$2.5 million from the fund balance of the Water Fund (8010) relating to the revenue increase in Sec 29

Ordinance 250683

- Section 32
 - Appropriates \$2.5 million from the fund balance of the Sewer Fund (8110) relating to the revenue estimate in Sec 29
- Section 33
 - Contains the standard language recognizing the ordinance as having an accelerated effective date

Policy Adjustments

Ord. 250854-250882

General Fund – Policy Items

Ordinance No.	Purpose	Amount	Estimated Fund Balance
250854	Starlight Theater Contribution – per Ordinance No. 250277	\$3,000,000	\$266,592,236
250855	Tri-Share Childcare Program – per Ordinance No. 250419	\$3,000,000	\$266,592,236
250856	Wage Disparity Study – request for supplemental appropriation	\$150,000	\$269,442,236
250882	Arts KC – request for supplemental funding to update website for the World Cup	\$100,000	\$269,492,236
Total Impact		\$6,250,000	\$263,342,236

Special Revenue Funds – Policy Items

Ordinance No.	Fund	Purpose	Amount	Estimated Fund Balance
250862	Convention and Tourism	World Cup Contribution to KC 2026 – per Ordinance No. 240286	\$5,000,000	\$796,665
Convention and Tourism Fund Impact			\$5,000,000	\$796,655

Ordinance 250854 – Parks/Starlight

Ordinance No. 250277 Directed the City Manager to submit to City Council to fund up to \$3,000,000 contribution to Starlight subject to the availability of Funds.

- Section 1
 - Appropriates \$3.0 million from the Unappropriated Balance of the General Fund (1000) to be used for Starlight Theater improvements
- Section 3
 - Contains standard language recognizing the ordinance as having an accelerated effective date.

Ordinance 250855 – Tri-Share Public Safety

Ordinance No. 250419 directed the City Manager to identify amounts sufficient to meet the City's obligation the potential Tri-Share Childcare Program for First Responders

- Section 1
 - Appropriates \$3.0 million from the Unappropriated Fund Balance of the General Fund for Tri-share Model Childcare Program for Emergency Responders.
- Section 2
 - Designates requisitioning authority to the Director of Human Resources.
- Section 3
 - Contains standard language recognizing the ordinance as having an accelerated effective date.

Ordinance 250856 – Wage Disparity Study

The Adopted FY 2025-26 Budget included \$150,000 for a compensation study

- Section 1
 - Appropriates \$150,000 from the fund balance of the General Fund (1000) to fund a wage disparity study
- Section 2
 - Contains the standard language recognizing the ordinance as having an accelerated effective date

Ordinance 250862 – World Cup Contribution

Ordinance No. 240286 authorized the City Manager to execute a funding agreement with KC2026 in the total amount of \$15 million over a three-year period

- Section 1
 - Waives the "Fund Balance and Reserve Policy" section of the Code of Ordinances that requires a 16% minimum fund balance in the Convention and Tourism fund
- Section 2
 - Appropriates \$5.0 million from the fund balance of the Convention and Tourism Fund (2360) to be paid to KC2026 as part of the City's funding agreement with KC2026 to act as the Host City Authority for the FIFA World Cup
- Section 3
 - Contains the standard language recognizing the ordinance as having an accelerated effective date

Ordinance 250882 – Arts KC

The Adopted FY 2025-26 Budget included \$325,000 for Arts KC

- Section 1
 - Appropriates \$100,000 from the fund balance of the General Fund (1000) to Arts KC per their request for a supplemental appropriation for website upgrades prior to the World Cup
- Section 2
 - Contains the standard language recognizing the ordinance as having an accelerated effective date

Questions?

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www.kcmo.gov/FINANCE



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