

2nd Quarter Financial Update  
BOA Work Session  
May 19, 2026



# FY2026 Budget Comments

- FY2026 budget figures include budget amendments approved by the Board:
  - **Budget Amendment #1:** On November 18, 2025, \$26,000 expenditure to the General Fund for the increased cost of the City Hall sewer line replacement.
  - **Budget Amendment #2:** On December 16, 2025, \$26,944 expenditure to the Parks and Recreation Stormwater Fund for the increased cost of OK Railroad Trail Project.
  - **Budget Amendment #3:** On March 24, 2026, \$18,050 expenditure to the General Fund for the increased cost of Strategic Planning. \$48,849.30 expenditure to the Combined Water and Wastewater Fund for the water supply contract with the U.S Army Corps of Engineers for Smithville Lafe water storage. \$183,578 expenditure to the Public Safety Sales Tax Fund to cover expenses related to the non-supervisory contract and supervisory contract.
  - **Budget Amendment #4:** On April 7, 2026, \$22,900 expenditure to the Capital Improvement Sales Tax Fund for the increased cost of the Riverwalk and Second Creek Pedestrian Improvement contract for design services.

# General Fund Review



General Fund	FY2026 Budgeted	FY2026 Projections	FY2026 YTD	% of Budget Received
<b>Revenues</b>	\$7,143,408	\$7,299,299	<b>\$3,669,082</b>	<b>51.4%</b>

- The 2<sup>nd</sup> quarter FY2026 General Fund revenue projections are higher compared to budgeted amounts. Revenues for the 2nd quarter 2026 have performed at average over the last 3 years.
- Projection increased due to interest income and use tax.

General Fund	FY2026 Budgeted	FY2026 Projections	FY2026 YTD	% of Budget Expended
<b>Expenditures</b>	\$7,966,586	\$7,966,586	<b>\$3,791,623</b>	<b>47.6%</b>

- The 2<sup>nd</sup> quarter FY2026 General Fund expenses are consistent with projected budget.

# Property Tax Revenue

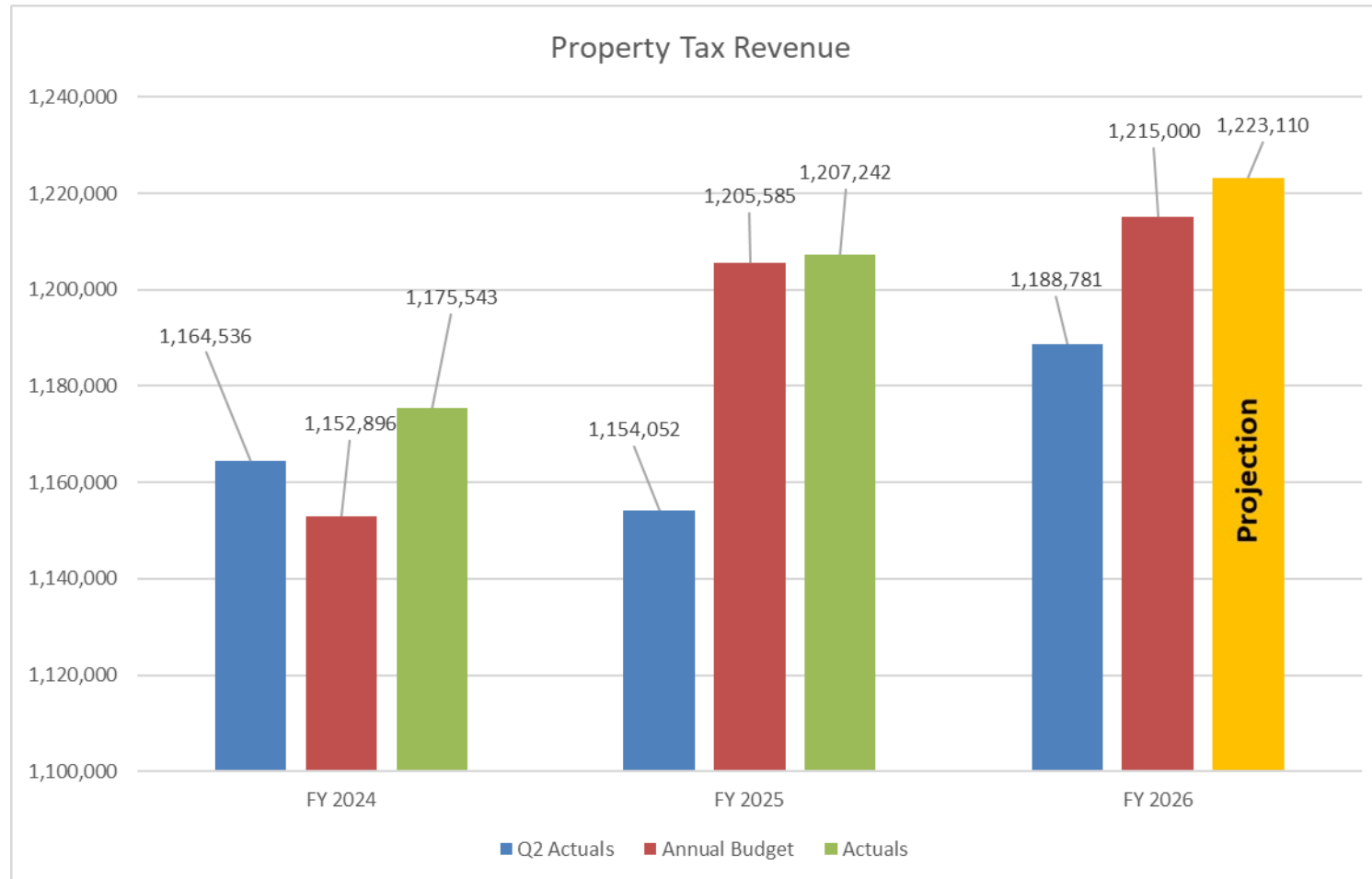


General Fund	FY2026 Budgeted	FY2026 Projections	FY2026 YTD	% of Budget Received
Property Tax Revenues	\$1,215,000	\$1,223,110	\$1,188,781	97.8%

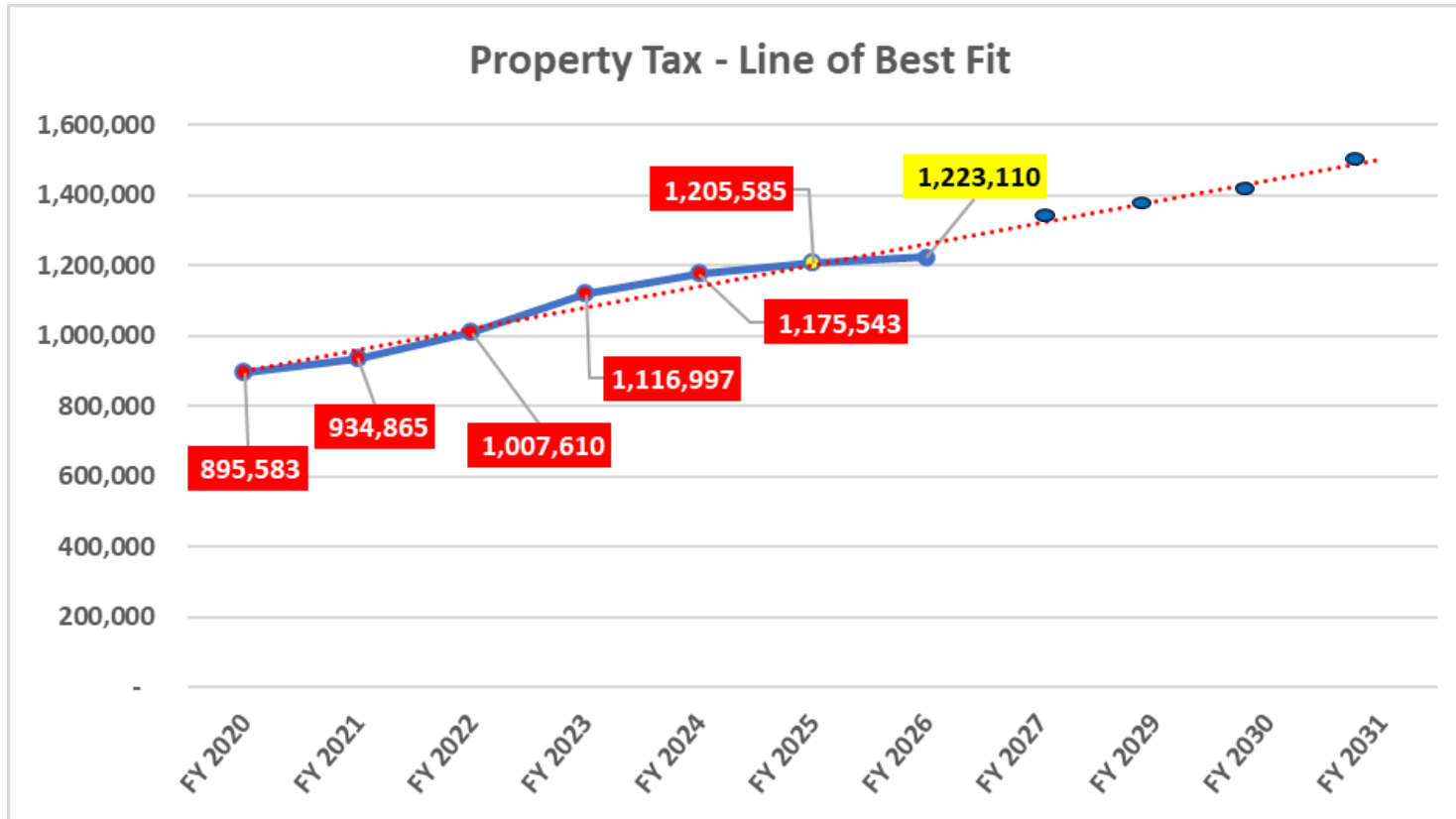
- During the second half of the fiscal year, the City recognizes minimal revenue.
- The City, on average in the past 3 years, received **98%** of annual property tax revenue by the 2<sup>nd</sup> quarter of the fiscal year.
- For the last 5 years, the City has seen an average annual increase in property tax revenues of about **5.46%**.

*Property Tax revenue comprises 17% of General Fund revenues and plays a significant role in funding core City services and amenities*

# Property Tax Revenue - 3 Year Trend History



# Property Tax Revenue – Review



- Red: Previous Year Actuals
- Yellow: FY2026 Projected
- Blue: Projected FY2027 and Beyond

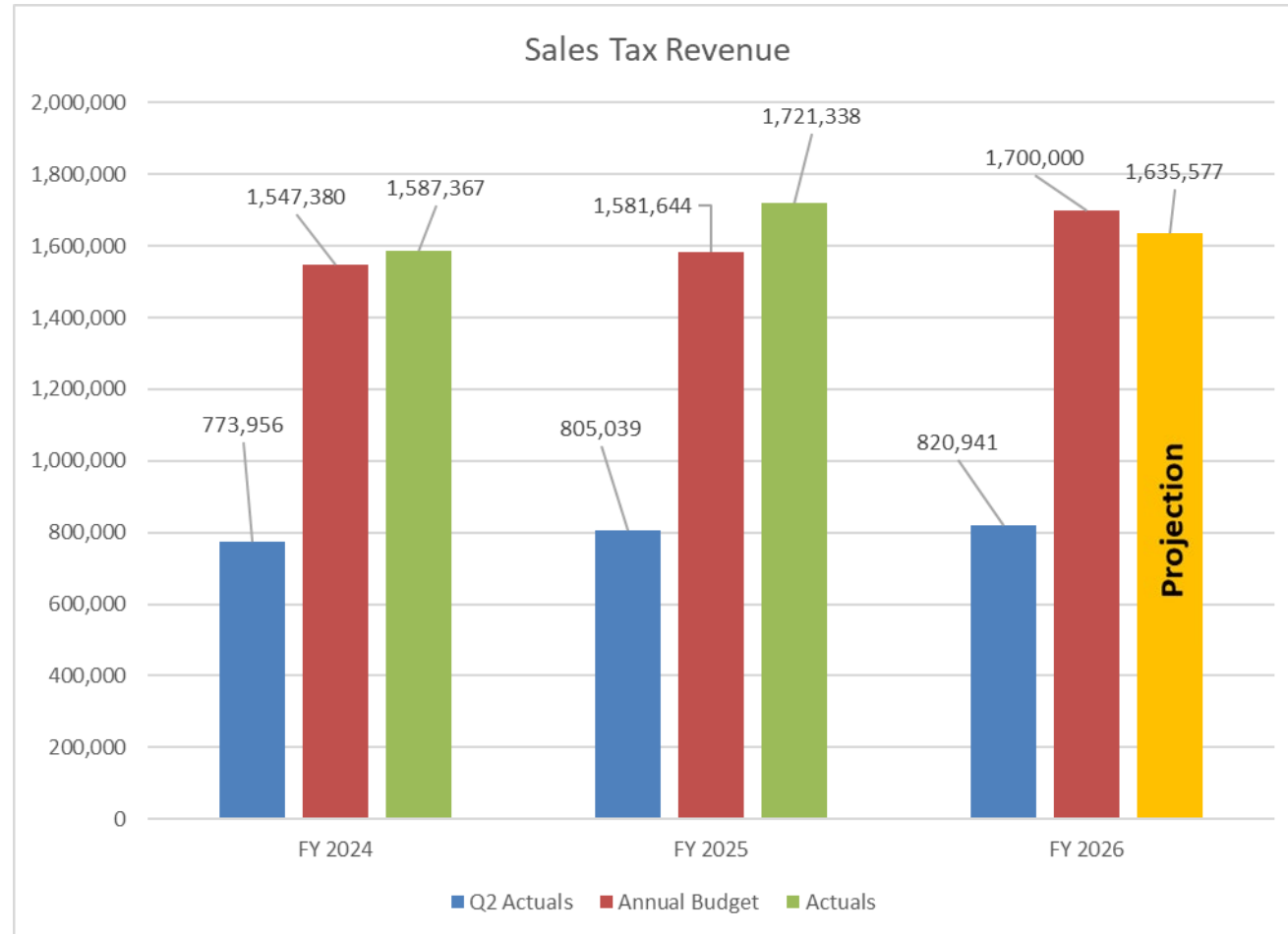
# 1% City Sales Tax Revenue



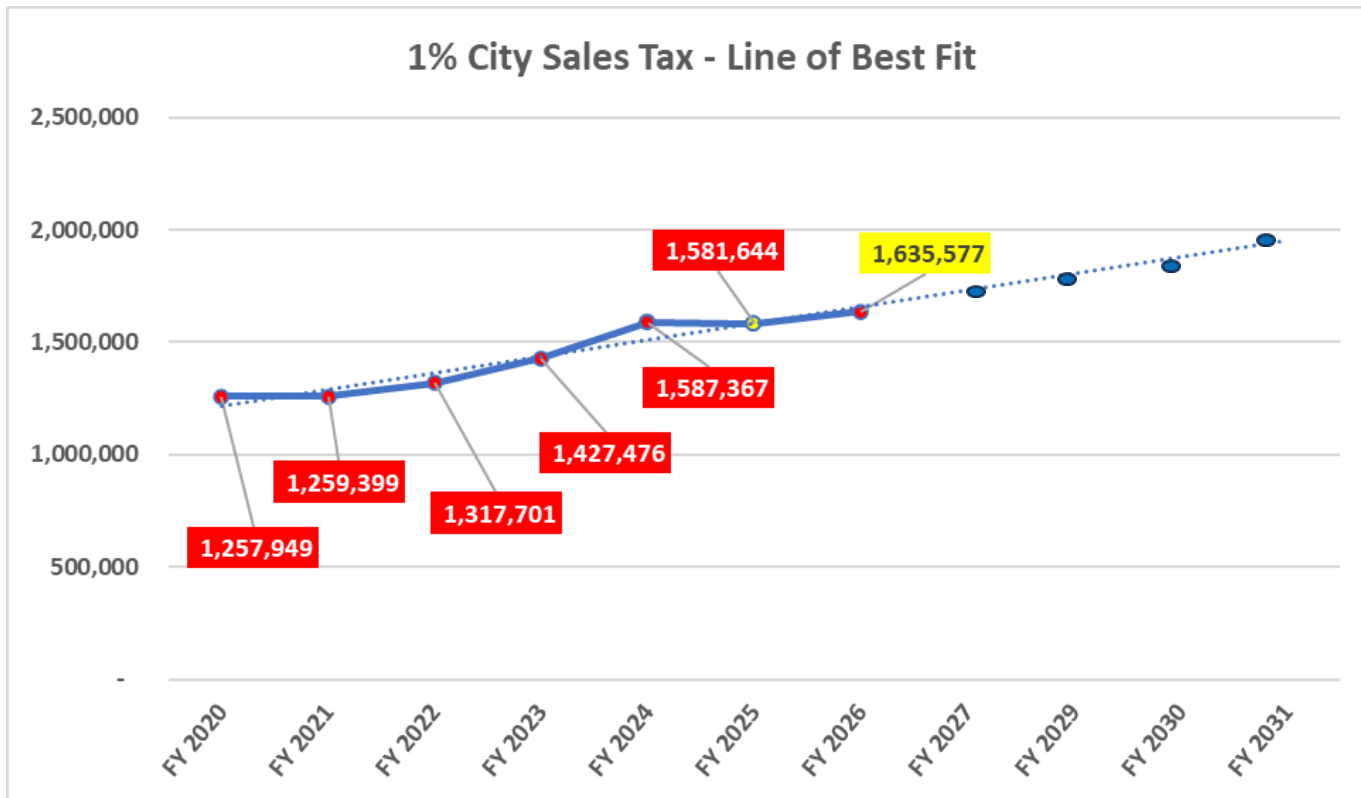
General Fund	FY2026 Budgeted	FY2026 Projections	FY2026 YTD	% of Budget Received
<b>Sales Tax Revenues</b>	\$1,700,000	\$1,635,577	<b>\$820,941</b>	<b>48.3%</b>

- The City, on average in the past 3 years, receives **47%** of sales tax annual revenue by the 2<sup>nd</sup> quarter of the fiscal year.
- This data reflects the monthly transfer of TIF EATs from the General Fund to the Special Allocation Fund (Marketplace TIF).

# 1% City Sales Tax Revenue - 3 Year Trend History



# 1% City Sales Tax Revenue – Review



- Red: Previous Year Actuals
- Yellow: FY2026 Projected
- Blue: Projected FY2027 and Beyond

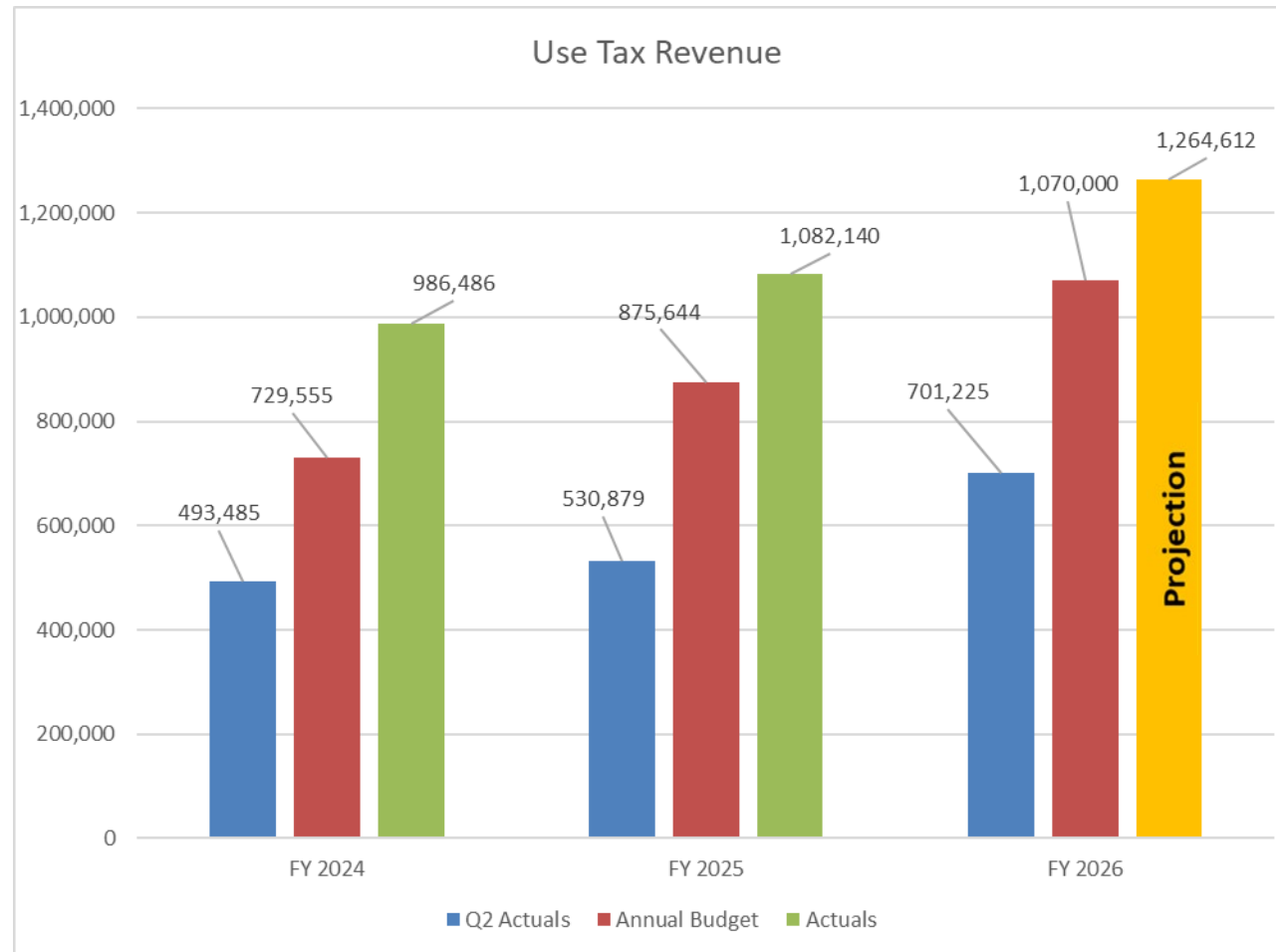
# Use Tax Revenue



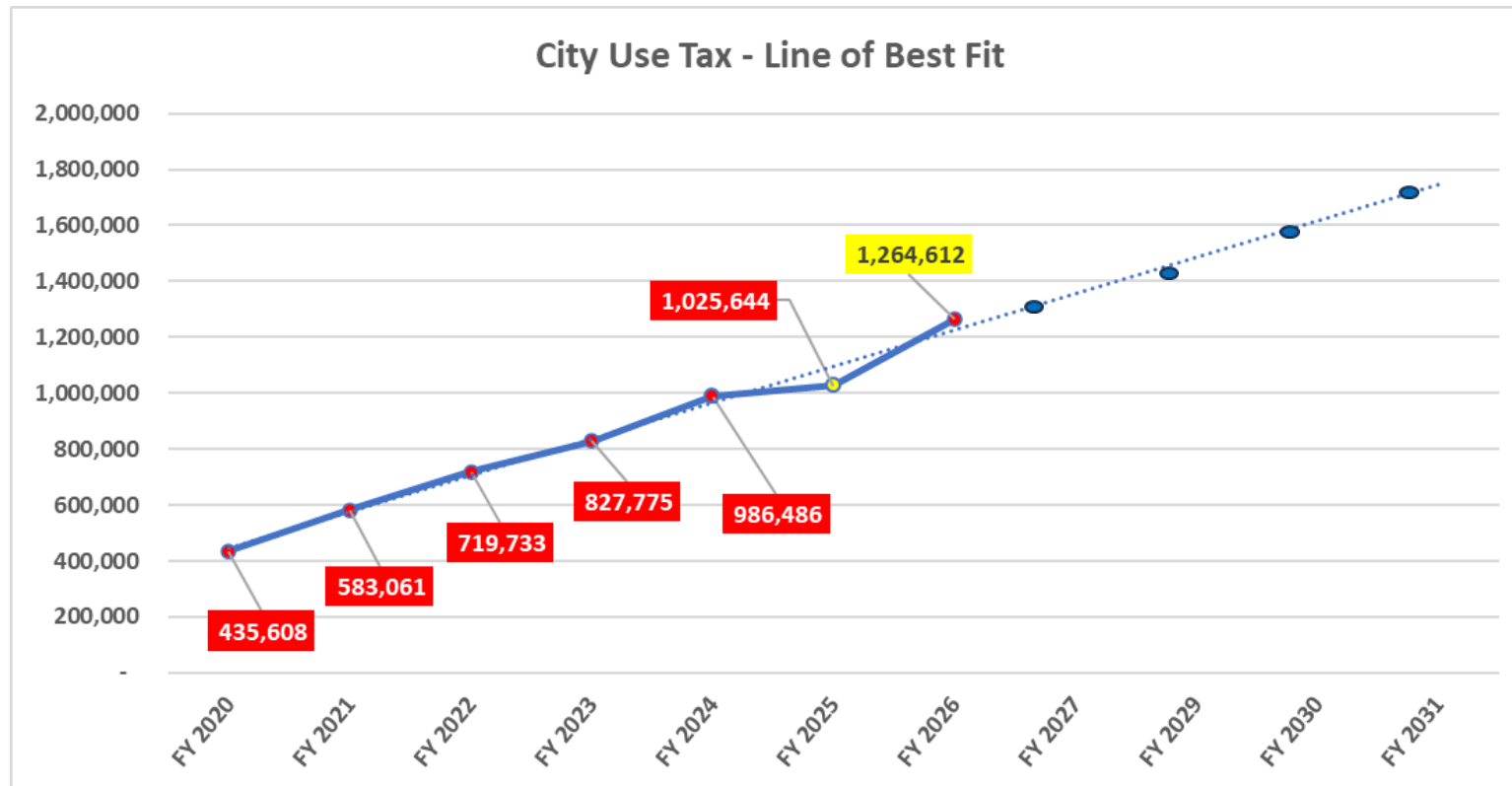
General Fund	FY2026 Budgeted	FY2026 Projections	FY2026 YTD	% of Budget Received
Use Tax Revenues	\$1,070,000	\$1,264,612	\$701,225	65.5%

- The City, on average in the past 3 years, receives **63%** of use tax annual revenue by the 2<sup>nd</sup> quarter of the fiscal year.
- FY2026 use tax has been resilient and continues to increase.

# Use Tax Revenue - 3 Year Trend History



# City Use Tax Revenue – Review



- Red: Previous Year Actuals
- Yellow: FY2026 Projected
- Blue: Projected FY2027 and Beyond

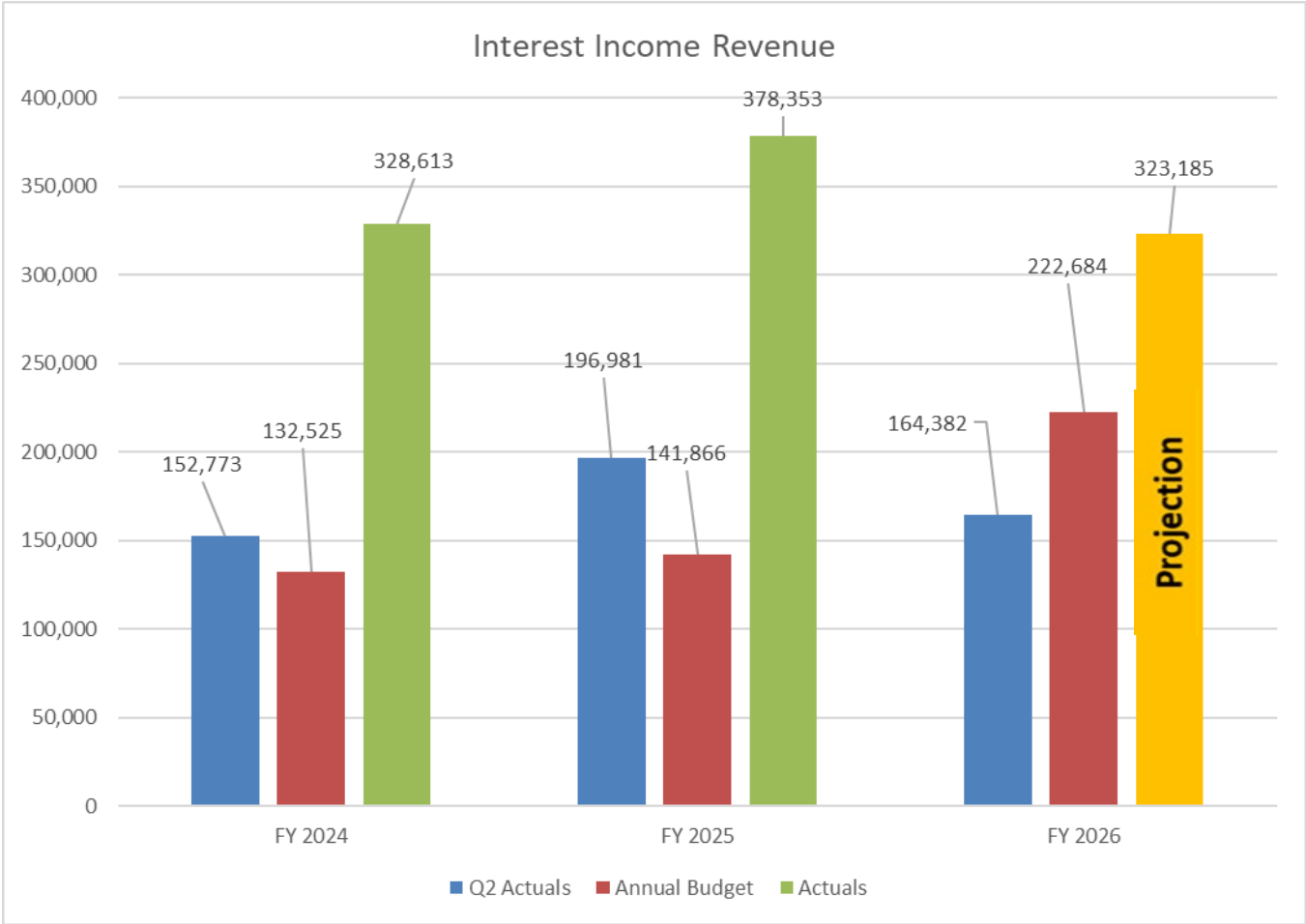
# Interest Income Revenue



General Fund	FY2026 Budgeted	FY2026 Projections	FY2026 YTD	% of Budget Received
Interest Income	\$222,684	\$323,185	<b>\$164,382</b>	<b>73.8%</b>

- The City has received **74%** of the annual budgeted interest income by the 2<sup>nd</sup> quarter of the fiscal year.
- This reflects a 45% / 55% split (General Fund / CWWS Fund) as discussed in the FY2026 budget preparation.

# Interest Income - 3 Year Trend History



FY 2024 and FY 2025 are calculated at 45%

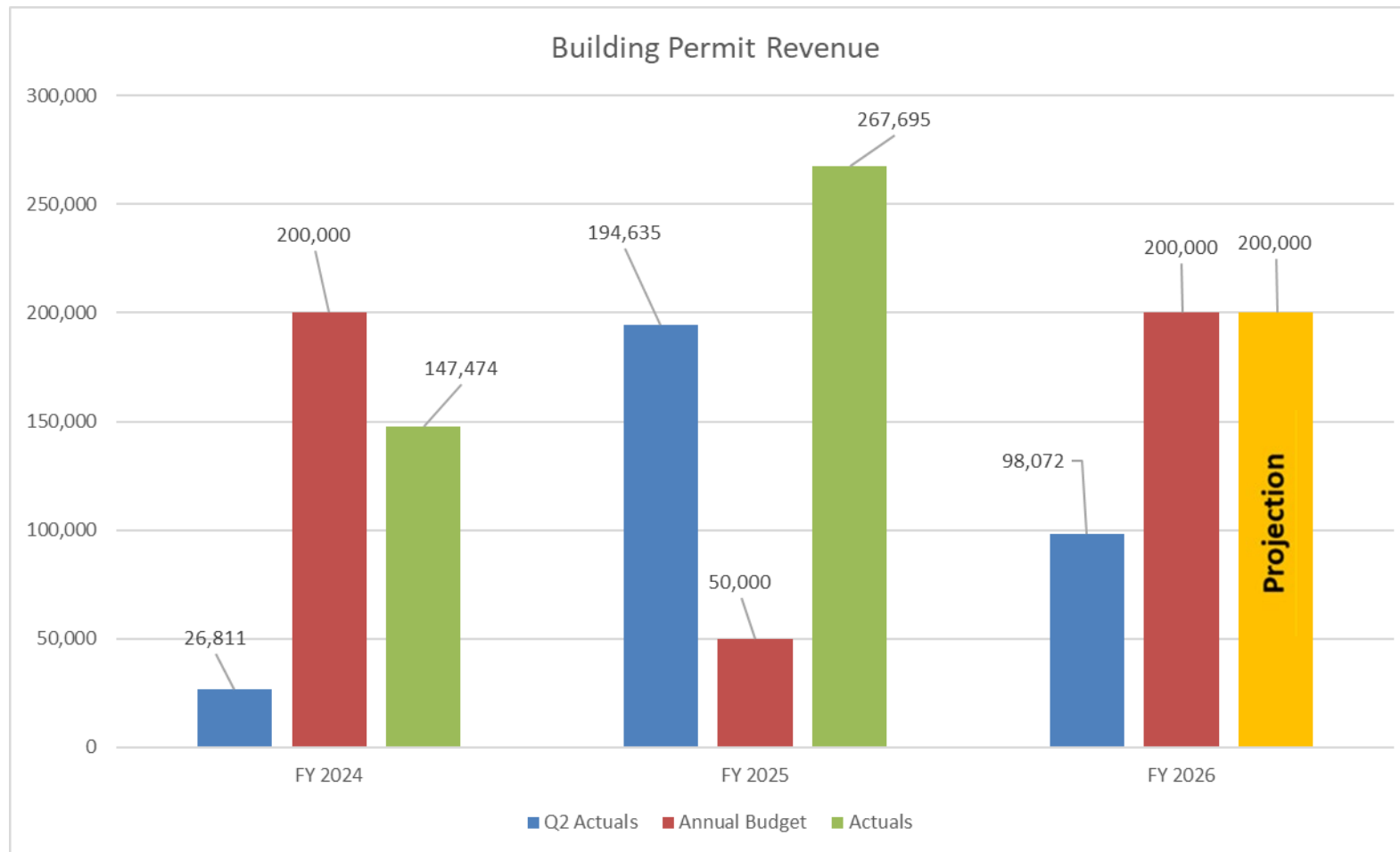
# Building Permit Revenue



General Fund	FY2026 Budgeted	FY2026 Projections	FY2026 YTD	% of Budget Received
Building Permit	\$200,000	\$200,000	\$98,072	49.0%

- No increase in building permit projections even though there are a few potential large projects that could increase projects in 3<sup>rd</sup> quarter.

# Building Permit Revenue



# General Fund – Bottom Line

	Actual FY 2025	Budgeted FY 2026	Projected FY 2026
<b>Beginning Fund Balance</b>	\$ 4,211,190	\$ 4,851,002	\$ 4,851,002
<b>Total Revenues</b>	\$ 8,008,334	\$ 7,143,408	\$ 7,299,299
<b>Total Expenses</b>	\$ 7,368,522	\$ 7,966,586	\$ 7,966,586
<b>Net Change in Fund Balance</b>	\$ 639,812	\$ (823,178)	\$ (667,287)
<b>Ending Fund Balance</b>	\$ 4,851,002	\$ 4,027,824	\$ 4,183,715
			<b>\$ 155,891</b>

# Combined Water & Wastewater Fund



CWWS Fund	FY2026 Budgeted	FY2026 Projections	FY2026 YTD	% of Budget Received
<b>Revenues</b>	\$7,454,901	\$7,687,943	<b>\$3,868,877</b>	<b>51.9%</b>
<b>Grants</b>	\$0	\$1,639,799	<b>\$1,639,799</b>	<b>100.0%</b>
<b>All Revenues</b>	\$7,454,901	\$9,327,742	<b>\$5,508,676</b>	<b>73.9%</b>

- Proceeds through Q2 of \$1,639,799 reflect WORDA grant reimbursements. This reflects the total reimbursable amount.

CWWS Fund	FY2026 Budgeted	FY2026 Projections	FY2026 YTD	% of Budget Received
<b>Expenditures</b>	\$16,753,231	\$16,753,231	<b>\$4,835,773</b>	<b>28.9%</b>

- Expenditure projections are to increase as the 2<sup>nd</sup> half of fiscal year sees high project costs.

# 2025 Capital Funded Projects – CWWS Fund



Projected CWWS Capital Projects	Status
West Bypass of the 144th Street Lift Station (Construction)	In Process
Smith's Fork Force Main (Construction)	In Process
Owens Branch Gravity Line Phase #1, Line #1 (Engineering)	In Process
Maple Ave & River Crossing (12" Waterline) (50% of Construction)	In Process
Stonebridge Lift Station (Engineering)	In Process
Stonebridge Lift Station (Construction With SSD Cost Sharing)	In Process
Water Plant Improvements (Construction)	Complete
McDonalds/Central Bank Lift Station (Engineering)	On Hold

# Water & Wastewater Sales Revenue



CWWS Fund	FY2026 Budgeted	FY2026 Projections	FY2026 YTD*	% of Budget Received
<b>Water Sales</b>	\$3,750,500	\$3,811,976	<b>\$1,833,606</b>	<b>48.9%</b>

- The City, on average in the past 3 years, receives **48%** of water sales annual revenue by the 2<sup>nd</sup> quarter of the fiscal year.

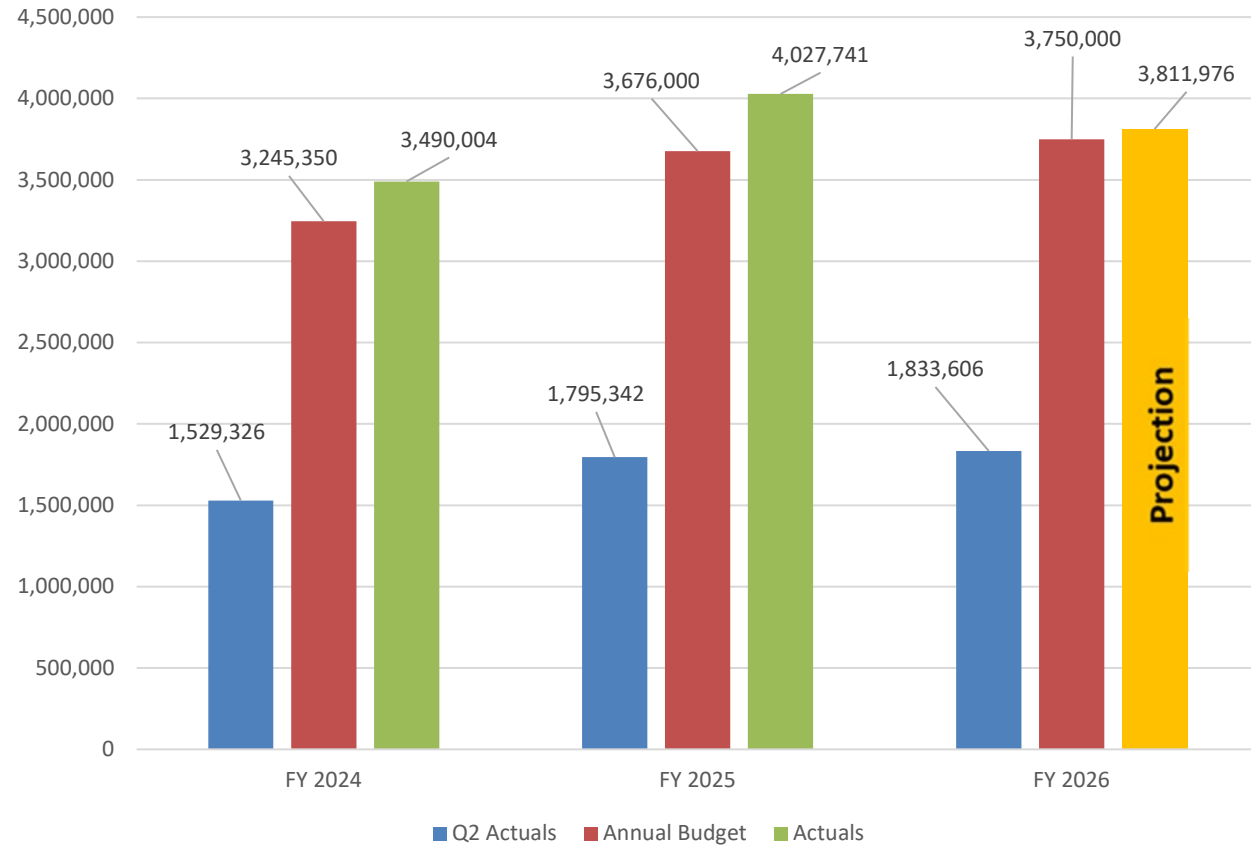
CWWS Fund	FY2026 Budgeted	FY2026 Projections	FY2026 YTD	% Received of Budget
<b>Wastewater Sales</b>	\$3,070,000	\$3,045,724	<b>\$1,629,072</b>	<b>53.1%</b>

- The City, on average in the past 3 years, receives **51%** of wastewater sales annual revenue by 2<sup>nd</sup> quarter of the fiscal year.

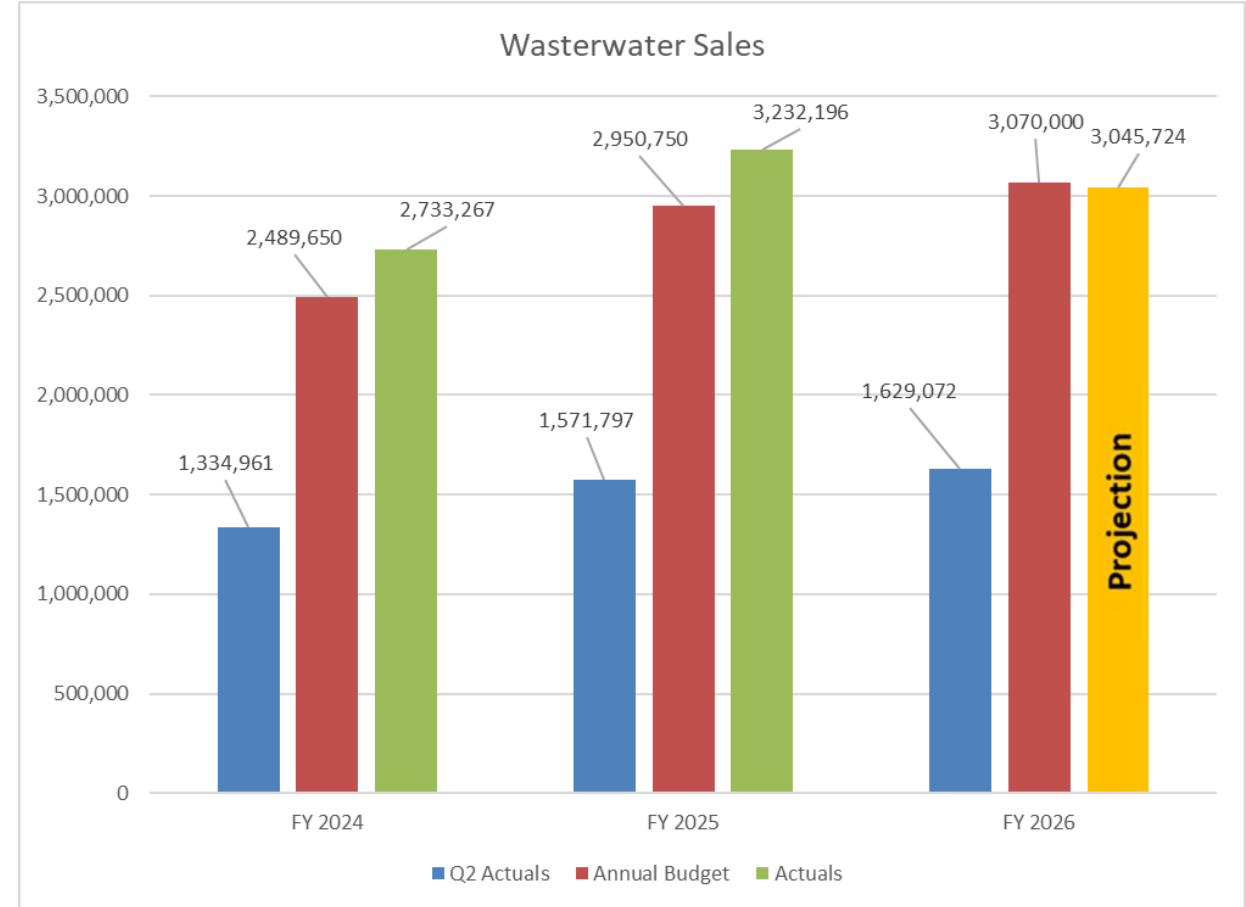
# Water & Wastewater Sales Revenue

## 3 Year History of Q2

Water Sales



Wastewater Sales



# CWWS Fund – Bottom Line

	Actual FY 2025*	Budgeted FY 2026	Projected FY 2026
<b>Beginning Fund Balance</b>	\$ 8,402,577	\$ 17,103,359	\$ 17,103,359
<b>Total Revenues</b>	\$ 16,204,049	\$ 7,454,901	\$ 9,327,742
<b>Total Expenses</b>	\$ 7,503,267	\$ 16,753,231	\$ 16,753,231
<b>Net Change in Fund Balance</b>	\$ 8,700,782	\$ (9,298,330)	\$ (7,425,489)
<b>Ending Fund Balance</b>	\$ 17,103,359	\$ 7,805,029	\$ 9,677,870

\*FY25 issued \$8,500,000 in COPs; actual revenues in FY25 were \$7,704,049

# Capital Improvement Sales Tax Fund

Projected Capital Improvement Sales Tax Projects	Status
Riverwalk & Trail (Engineering)	In Process
2 <sup>nd</sup> Creek Sidewalks (Engineering)	In Process
1st & Bridge Street Round-A-Bout (Engineering)	In Process

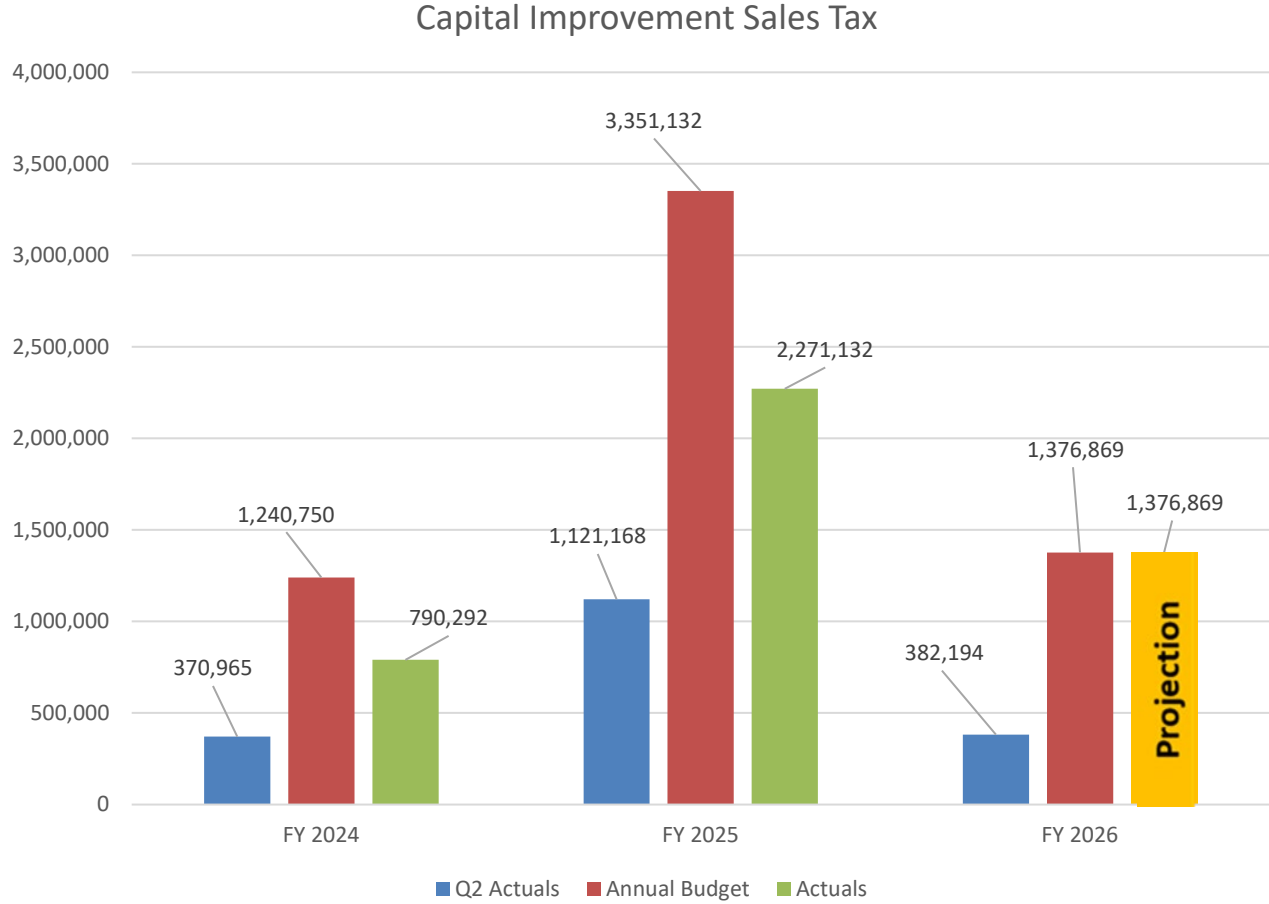
Capital Improvement Sales Tax	FY2026 Budgeted	FY2026 Projections	FY2026 YTD	% of Budget Received
<b>Sales tax</b>	\$776,869	\$776,869	<b>\$382,194</b>	<b>49.2%</b>
<b>Grants</b>	\$600,000	\$600,000	<b>\$0</b>	<b>0.0%</b>
<b>All Revenues</b>	\$1,376,869	\$1,376,869	<b>\$382,194</b>	<b>27.7%</b>

- Budget includes a \$600,000 MoDOT reimbursement for 2<sup>nd</sup> Creek Sidewalks



Capital Improvement Sales Tax	FY2026 Budgeted	FY2026 Projections	FY2026 YTD	% of Budget Expended
<b>All Expenditures</b>	\$1,915,820	\$1,915,820	<b>\$375,941</b>	<b>19.6%</b>

# Capital Improvement Sales Tax Revenue - 3 Year Trend History



# Transportation Sales Tax Fund

Projected Transportation Sales Tax Projects	Status
Annual Asphalt Overlay Program (Projects TBD)	In Process
Annual Sidewalk Replacement Program	In Process
Commercial Street Sidewalks (Construction)	In Process
1st & Bridge Street Round-A-Bout (Engineering)	In Process

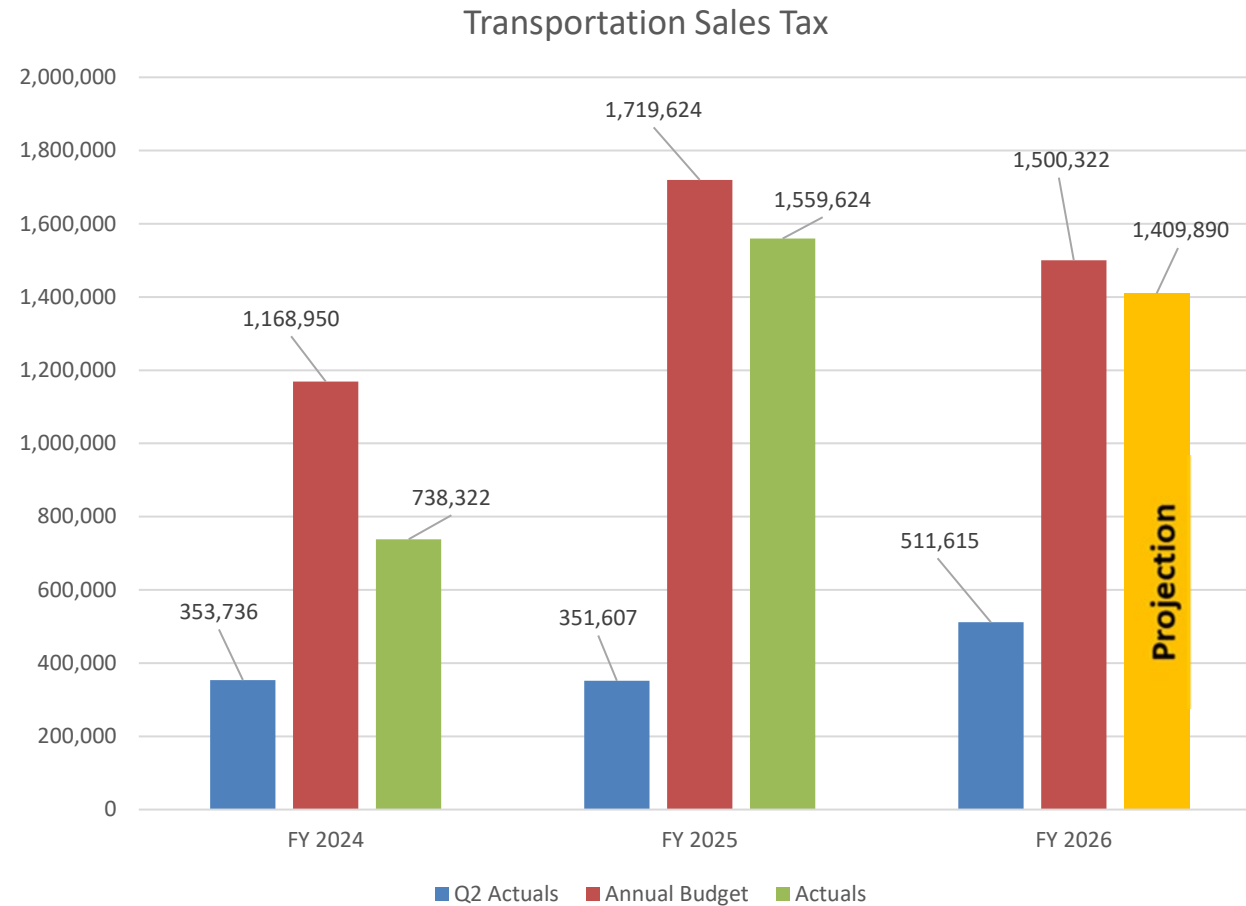
Transportation Sales Tax	FY2026 Budgeted	FY2026 Projections	FY2026 YTD	% of Budget Received
<b>Sales tax</b>	\$809,315	\$701,314	<b>\$347,563</b>	<b>42.9%</b>
<b>Street &amp; Curb Fees</b>	\$2,981	\$20,550	<b>\$3,310</b>	<b>111.0%</b>
<b>Grants</b>	\$688,026	\$688,026	<b>\$160,742</b>	<b>23.4%</b>
<b>All Revenues</b>	\$1,500,322	\$1,409,890	<b>\$511,616</b>	<b>34.1%</b>

- Budget includes a \$688,026 reimbursement for Commercial Street Sidewalks.



Transportation Sales Tax	FY2026 Budgeted	FY2026 Projections	FY2026 YTD	% of Budget Expended
<b>Expenditures</b>	\$2,204,000	\$2,204,000	<b>\$700,560</b>	<b>31.8%</b>

# Transportation Sales Tax Revenue - 3 Year Trend History



# Park & Stormwater Sales Tax Fund

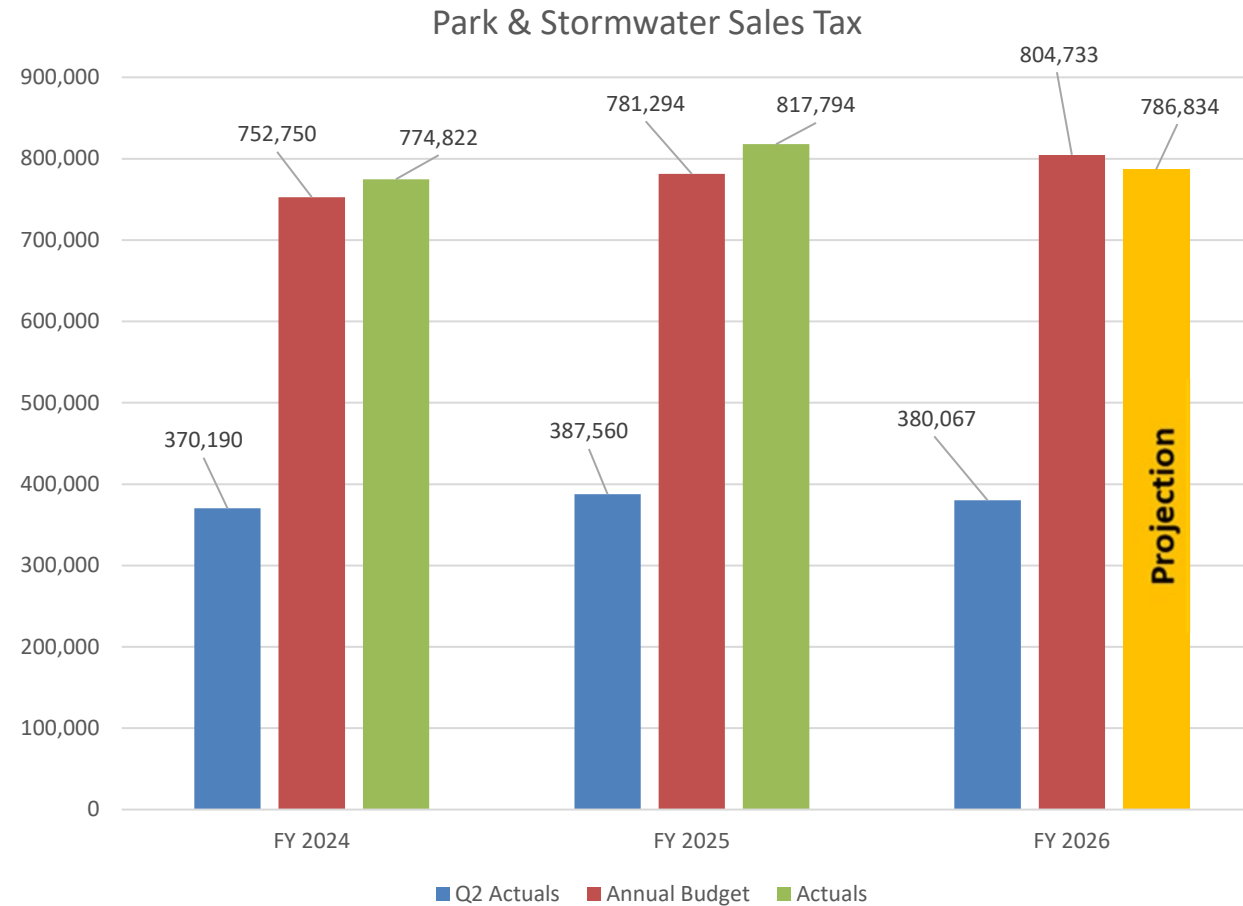
Projected Park and Stormwater Sales Tax Projects	Status
OK Railroad Trail - Phase I (Construction)	In Process
Dundee Road Stormwater Improvements (Engineering)	In Process
Dundee Road Stormwater Improvements (Construction)	On Hold
Forest Oaks Stormwater Improvements (Engineering)	In Process
Forest Oaks Stormwater Improvements (Construction)	In Process
Riverwalk & Trail Construction (Construction)	On Hold

Park & Stormwater Sales Tax	FY2026 Budgeted	FY2026 Projections	FY2026 YTD	% of Budget Received
<b>Sales tax</b>	\$804,733	\$786,834	<b>\$380,067</b>	<b>47.2%</b>
<b>Grants</b>	\$184,000	\$201,849	<b>\$0</b>	<b>0.0%</b>
<b>All Revenues</b>	\$988,733	\$988,683	<b>\$380,067</b>	<b>38.4%</b>

- The City, on average in the past year 3 years, receives 44% of park and stormwater sales tax annual revenue by the 2<sup>nd</sup> quarter of the fiscal year.
- OK Railroad Trail has a \$201,849 grant.

Park & Stormwater Sales Tax	FY2026 Budgeted	FY2026 Projections	FY2026 YTD	% Expended of Budget
<b>Expenditures</b>	\$1,927,944	\$2,046,160	<b>\$26,010</b>	<b>1.3%</b>

# Park & Stormwater Sales Tax Revenue - 3 Year Trend History



# Public Safety Sales Tax

## **City communications regarding priorities:**

- Increased compensation and benefits for officers to support recruitment and retention
- Additional staffing and related equipment
- Implementation of a full-time animal control program

## **Board directed priorities:**

- Recruitment and retention of public safety personnel
- Development of animal control program

## **Anticipated Revenue Collection:**

- Collection of the Public Safety Sales Tax will begin October 1, 2025.
- An estimated \$700,000 is anticipated to be collected for FY2026.

# Public Safety Sales Tax Allocation

Police Personnel and Benefit Cost	Equipment & Training	Animal Control
Implementation of contractual increases	Tasers	Full-Time Animal Control Officer
Contract Negotiations	Body Cameras	Field Equipment and Technology
LAGERS Enhancement	Radio Replacement	Outfitted Vehicle
	AED Units – Patrol Units	Training and Professional Development
	Officer Training	Uniforms and Safety Gear
		Veterinary Services and Care Supplies



# Implementation of Public Safety Sales Tax

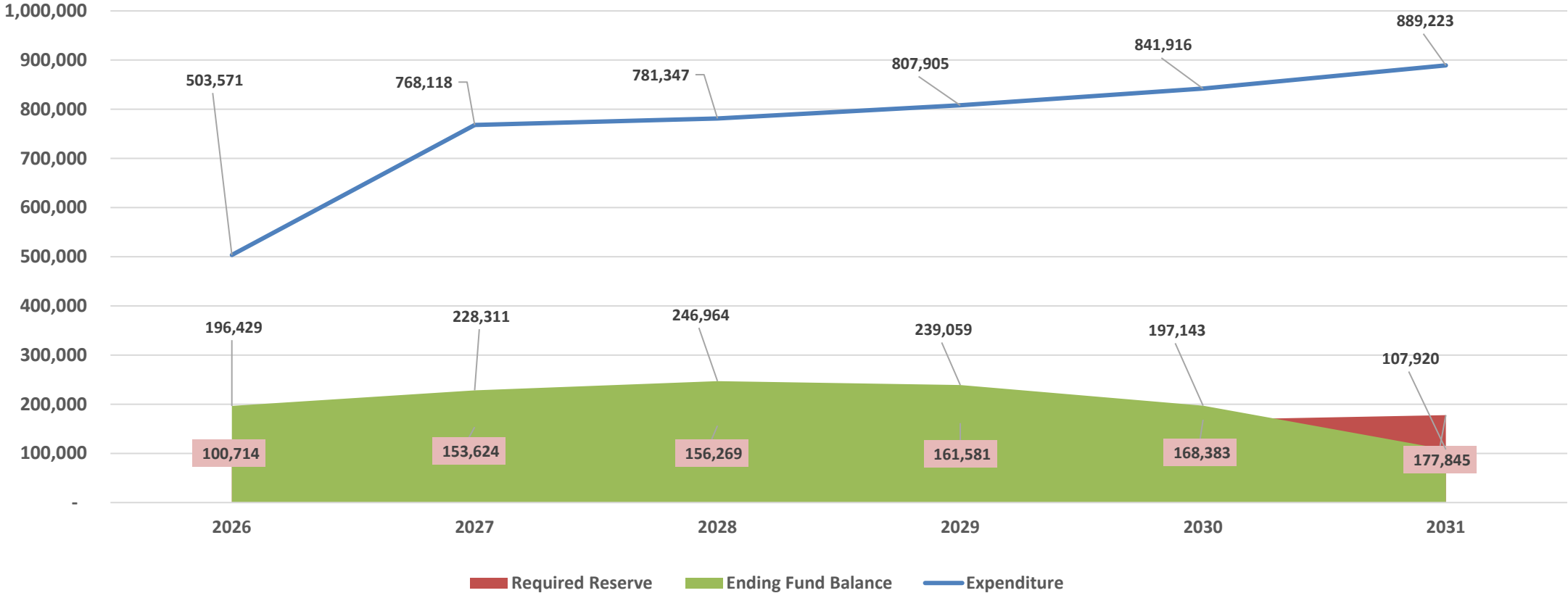
- Upgraded LAGERS retirement – delayed to July 1
- Implementation of January 1, 2026 step increases previously outlined in existing Collective Bargaining Agreements
  - Average of 3% increase for all represented employees
- Implementation of 2026 Collective Bargaining Agreements
  - Patrol Officer starting pay increased 25% to \$65,000
  - Sergeant average starting pay increased 17.7% to \$82,410
- Departmental review resulted in recommendation to add a Support Services Captain
  - Funded 50% in Public Safety Sales Tax and 50% in General Fund
  - Delays implementation of Animal Control hiring
- General Fund Budget totals \$2,819,958; FY2025 was \$2,743,997

# FY2026 Budget Update

	<b>Budget</b>	<b>Amendments</b>	<b>Amended Budget</b>	<b>Year to Date</b>	<b>Projected</b>
<b>Revenues</b>					
<b>Public Safety Sales Tax</b>	<b>700,000</b>	-	<b>700,000</b>	<b>297,590</b>	<b>700,00</b>
<b>Expenditures</b>					
<i>Smithville Police Expenses</i>					
Personnel and Benefits (Including LAGERS)	124,500	208,470	332,970	16,647	337,761
Equipment and Training	106,200	13,400	119,600	-	119,600
<i>Smithville Police Expenses</i>	<b>230,700</b>	<b>221,870</b>	<b>452,570</b>	<b>16,647</b>	<b>457,361</b>
<i>Animal Control Expenses</i>					
Personnel and Benefits	52,500	-	52,500	-	22,500
Commodities	15,515	-	15,515	-	5,535
Contracted Services	11,725	-	11,725	-	5,025
Capital Improvements	33,450	-	33,450	-	13,150
<i>Animal Control Expenses</i>	<b>113,190</b>	<b>-</b>	<b>113,190</b>	<b>-</b>	<b>46,210</b>
<b>Total Public Safety Sales Tax Expenses</b>	<b>343,890</b>	<b>221,870</b>	<b>565,760</b>	<b>16,647</b>	<b>503,571</b>

# Public Safety Sales Tax 5-Year Projection

Public Safety Sales Tax - Required Reserve (20% of Total Expenses)



# Debt Service Fund



Debt Service	FY2026 Budgeted	FY2026 Projections	FY2026 YTD	% of Budget Received
<b>Revenues</b>	\$367,920	\$367,920	<b>\$367,920</b>	<b>100%</b>

- Series 2018 and Series 2019 debt issuance

Debt Service	FY2026 Budgeted	FY2026 Projections	FY2026 YTD	% of Budget Expended
<b>Expenditures</b>	\$367,920	\$367,920	<b>\$279,937</b>	<b>76.0%</b>

- General Obligation scheduled debt payments (for Series 2018 and Series 2019 issuances) have been paid in February 2026.

# Sanitation Fund

Solid Waste Fund	FY2026 Budgeted	FY2026 Projections	FY2026 YTD	% Received of Budget
<b>Revenues</b>	\$1,000,715	\$973,997	<b>\$505,323</b>	<b>50.4%</b>

- The City, on average in the past 3 years, receives 49% of solid waste annual revenue by the 2<sup>nd</sup> quarter of the fiscal year.

Solid Waste Fund	FY2026 Budgeted	FY2026 Projections	FY2026 YTD	% Expended of Budget
<b>Expenditures</b>	\$987,117	\$987,117	<b>\$492,311</b>	<b>49.8%</b>

- The City also pays to participate in the Household Hazardous Waste collection program administered by MARC which is funded by the Solid Waste Fund.



# VERF (Vehicle & Equipment Replacement Fund)



VERF	FY2026 Budgeted	FY2026 Projections	FY2026 YTD	% Received of Budget
<b>Revenues</b>	\$433,000	\$435,000	<b>\$435,000</b>	<b>100%</b>

VERF	FY2026 Budgeted	FY2026 Projections	FY2026 YTD	% Expended of Budget
<b>Expenditures</b>	\$428,497	\$428,497	<b>\$209,415</b>	<b>48.8%</b>

- The City is currently leasing **39 vehicles** with Enterprise Fleet Management.

# 6-Month Budget Review - Conclusion



## Revenues

- *Property Tax:* Property tax is tracking slightly above budget in FY2026 and reflected in the revised projection.
- *Sales Tax:* Revenues are trending slightly below budget through Q2 and year-end projection has been lowered. Staff will continue to monitor closely.
- *Use Tax:* No slowdown through Q2 with increased projections for FY2026.
- *Interest Income:* Higher than budgeted revenue as rates remain higher than projections, increasing the projected revenue in Q2.
- *Building Permits:* Staff will continue to monitor commercial permits during the remainder of the fiscal year. Current projections remain at budget, although there is potential for larger projects to fall into FY2026.

## Expenditures

- *General Fund Operational Expenditures:* Current expenditures through Q2 are trending along budgeted amounts. Staff will continue to monitor expenditures closely.
- *Capital Budgets:* Capital budgets for FY2026 have been increased to support the elevated project activity associated with the 2025 COP issuance. Staff will continue to monitor budgets as projects move into the peak activity periods of Q3 and Q4.