

	STAFF REPORT
Date:	May 19, 2026
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Subject:	FY2027 General Fund Department Review
Staff Report:	Finance Department

FY2027 Outlook

As we begin the FY2027 General Fund Department Budget Review, this year’s budget development comes at a critical time as we closely monitor revenue performance, particularly sales tax trends, which continue to play a significant role in supporting City operations and services. At the same time, we are preparing for an aggressive plan of capital projects that will shape our infrastructure, service capacity, and community growth for years to come. The proposed budget reflects a careful approach to maintaining operational stability while positioning the organization to responsibly advance these important investments. The following sections are organized by department and outline changes from FY2026 to FY2027. The second paragraph within each department provides a summary of that department’s decision package items. A list of all decision packages is outlined in greater detail, sorted by department and priority.

Administration

Commodities expenditure decreased due to the reallocation of laptop replacement costs to the corresponding departments and the transfer of building maintenance costs to the Parks and Recreation Department. Contracted Services increased as a result of moving city attorney expenses from Personnel to Contracted Services. This category also includes a \$10,000 contract with the Chamber of Commerce, \$1,500 in community partner dues to VisitKC, and \$1,500 for a Bronze Level Membership with the Mid-America Regional Council. Capital Outlay includes \$100,000 for the wayfinding project and reflects the transfer of funding for Administration’s laptop replacement plan from Commodities to Capital Outlay.

The decision package includes funding for a direct standalone mailer to all Smithville households in the form of citizen newsletters, with a cost of \$15,000. It also includes \$10,050 for the replacement and redesign of downtown street banners. Total cost of the Administration Department’s decision package is \$25,050.

Streets

Commodities expenditure increased due to inflationary cost increases across multiple items. Contracted Services decreased as a result of moving the engineering costs for the 1st and Bridge Street Roundabout project to the Transportation Sales Tax Fund. Capital Outlay decreased following the completion of the 176th Street project.

The decision package includes funding for a mini excavator to enhance operational efficiency and productivity at a cost of \$115,000. It also includes \$25,000 for PCI software to support advanced imaging for road evaluation. Additionally, \$20,500 is included for a zero-turn mower to increase operational efficiency and reduce maintenance costs. Total cost of the Street Department's decision package is \$160,500.

Police

Commodities expenditures increased due to inflationary cost increases. Capital Outlay decreased as a result of the completion or reduction of funding needs for several projects and equipment purchases, including the outdoor warning siren system, annual taser replacement, AEDs, Cargo Raxx equipment, and training gun replacement.

The decision package includes funding for a storage container to store records, equipment, and supplies at a cost of \$12,000. It also includes \$105,000 for replacement and upgrades to in-car and interview room video systems. Additional items include \$6,000 for CCTV installation in the evidence room and bond drop box, \$25,000 for five Flock Safety cameras, and \$10,200 for Centerline AI software to assist with report writing and administrative tasks. The package also includes \$22,000 for equipment and training related to the Clay County Sheriff's STAR Team and \$10,000 for Cellbrite software to support digital forensic analysis of mobile devices. Total cost of the Police Department's decision package is \$190,200.

Development

Commodities expenditure decreased due to the elimination of the mobile permitting Incode module. Contracted Services increased as a result of the higher quantity of zoning reviews conducted by HDR. Capital Outlay decreased due to the elimination of mobile permitting equipment purchases.

The decision package includes \$35,000 for the Smith's Fork Overlay District, which is an overlay district identified in the Comprehensive Plan.

Finance

Commodities expenditures increased due to inflationary cost increases. Contracted Services anticipates increases related to the financial audit contract and includes

\$105,000 for the General Fund portion of State audit expenses that were not spent in FY26. Capital Outlay increased to accommodate laptop replacement costs.

The decision package includes \$25,000 for budget software to support data management and visualization tools used in budget development.

Parks and Recreation

Commodities expenditures increased due to inflationary cost increases. Contracted Services decreased as a result of reduced costs associated with the Strategic Plan.

The decision package includes \$40,000 for the replacement of the existing finish mower. It also includes \$50,000 for the installation of a sports field irrigation system for soccer and football fields, with an additional \$40,000 identified as a cost-share component. Funding of \$20,000 is included for updates to the Activity Center, including flooring, cabinets, countertops, and lighting. The package also includes \$15,000 for the replacement of a utility vehicle (golf cart), \$28,000 for the purchase of an air compressor to support de-winterization activities, and \$10,000 for concrete crack sealing and shaving to repair deteriorated concrete at city facilities. Additional items include \$10,000 for repairs and updates to the Park Maintenance Shop, including flooring, cabinets, and windows, as well as \$10,000 for the purchase of a mature Christmas tree for Courtyard Park. Total cost of the Police Department's decision package is \$183,000.

Elected Officials

Commodities expenditures increased due to inflationary cost increases. Contracted Services decreased due to adjustments associated with the Strategic Plan.

The decision package includes \$45,000 for the replacement of the Board Room audio-visual (AV) system to update and improve the existing equipment. Staff is also seeking direction from the Board regarding any additional funding requests to be included in the information presented during the budget retreat. These items include Governing Body compensation and benefits, as well as funding for Governing Body city-branded attire.

Department	Title	Description	Department Priority	Amount Requested
Administration	Citizen Newsletter Direct Mailers	Based on feedback from the 2025 Citizen Satisfaction Survey, the City Newsletter is the most preferred method of communication (55%), followed closely by Facebook (51%). This feedback reinforces that communication remains an important area of opportunity for the City. Currently, the City Newsletter is distributed to customers who receive a mailed utility bill. The newsletter is produced every other month, for a total of six issues per year. Additional copies are distributed to multi-unit residences that do not receive individual utility bills, as well as the Chamber of Commerce and City Hall. As the City continues to promote ACH and e-billing, fewer residents are receiving paper utility bills, limiting the reach of the newsletter under the current distribution method. The newsletter is also posted on the City's website as a news item and shared on Facebook. Staff is exploring options to enhance access, including adding messaging to utility bills, but this requires customers to scroll through their bill and may not significantly improve engagement. To improve communication efforts and expand reach, staff proposes transitioning to a standalone direct mailer distributed to all households within City limits. A dedicated mailer is more likely to capture attention and provide broader, more consistent delivery of City information. Staff recommends maintaining the current frequency of six issues per year, with an estimated annual cost of \$15,000 (\$2,500 per issue). This approach would also provide greater flexibility in timing and help ensure information is timely, rather than delayed by utility billing cycles.	1	\$ 15,000
Administration	Downtown Banners	Staff is requesting funding for the replacement and redesign of downtown streetlight banners. The current banners were last updated in 2022 and are beginning to show wear, while also no longer reflecting more current graphic designs. This request includes refreshed winter and summer designs, along with the addition of a new all-season design to create a more cohesive, modern look throughout the year while reducing the need for frequent seasonal change-outs. With the recent addition of streetlights along Bridge Street, the existing banner inventory is no longer sufficient. Staff has had to alternate winter banners to cover all poles, resulting in a less uniform appearance downtown. The total estimated cost for this project is \$10,050, which includes: - Banner production: \$3,350 (89 streetlights at \$36 per banner) - Graphic design services for updated and new designs. This investment will enhance the visual appeal of the downtown, provide uniform banners for all streetlights, and provide more versatile banner options moving forward.	2	\$ 10,050
Public Works (Streets)	Mini Excavator	Justification- Increased Efficiency: The mini excavator will allow us to complete excavation tasks safely, quickly and with greater precision, reducing project timelines. Cost Savings: By owning our equipment, we can reduce rental costs and avoid delays associated with equipment availability. Versatility: The mini excavator is suitable for a variety of tasks, including trenching, digging, and material handling, making it an asset for multiple projects. Safety: Utilizing a mini excavator will improve safety on-site by minimizing manual labor and reducing the risk of injuries. Specifications- Model: 50 P, E55 R-2, & KX033-4. Estimated Cost: \$105,000. Supplier: John Deere, Bobcat, & Komatsu. Additional Attachments: 24" heavy duty bucket, hydraulic thumb, and hydraulic breaker with nail point. The estimated cost for the mini excavator, including any necessary attachments, is \$105,000. I have reviewed our current budget and identified available funds that can be allocated for this purchase within the Transportation Sales Tax Budget.	1	\$ 115,000
Public Works (Streets)	PCI AI Software	A Pavement Condition Assessment Software uses advanced imaging and AI to automatically evaluate road surfaces and determine the Pavement Condition Index (PCI). By capturing high-resolution images and analyzing cracks, potholes, and other surface distresses, the software provides objective and consistent ratings. Justification: This software can help the City streamline road assessments by reducing inspection time and minimizing human error. With faster and more accurate data, the City can prioritize maintenance and optimize budgets more effectively.	2	\$ 25,000
Public Works (Streets)	Zero-Turn Mower	Justification: Increased Efficiency: Zero-turn mowers are known for their superior maneuverability, allowing for faster mowing times and reduced labor costs. This will enable our team to cover more ground in less time, increasing overall productivity. Enhanced Quality: The precision of zero-turn mowers ensures a more consistent and professional appearance of our lawns and landscapes, which is crucial for maintaining the aesthetic appeal of our facilities. Cost Savings: Investing in a zero-turn mower will reduce long-term maintenance costs associated with our current equipment. Additionally, the durability and reliability of these mowers will minimize downtime and repair expenses. Cost Estimate: After thorough research, I have identified a suitable model that meets our needs: •Model: ZD1211R-3-60R & Z994R DSL MIDZ DOM MOWER. •Vendor: Kubota & John Deere. •Total Cost: \$23,000.	3	\$ 20,500
Police	Storage Container	The Police Department is requesting funding for the purchase of a shipping container to store records, equipment, and supplies kept on hand for daily operations. This purchase is needed to create additional interior space as staffing grows and office needs increase. Currently, a storage closet inside the police facility is being used for supplies and equipment. Moving those items to a larger exterior storage container would allow that space to be converted into an office for additional personnel. The container would be placed in the parking lot where the department's current rental container is located. This request would also provide a more cost-effective long-term solution. The department currently pays almost \$4,000 per year to rent the existing storage container. Purchasing a larger unit would replace that recurring expense with a one-time capital purchase while better meeting the department's storage needs.	1	\$ 12,000

Police	Camera Replacement	The Smithville Police Department's current in-car video cameras are more than 7 years old. This proposal requests funding to replace and expand the department's in-car and interview room video systems with Motorola M500 recording equipment and related cloud-based evidence management services. The quoted package includes eight M500 in-car camera systems, one interview room recording system, associated mounting and access point hardware, and five years of support services and storage. The proposal is based on a Motorola Solutions quote dated March 10, 2026, with a total five-year system cost of \$104,199.58. Reliable video evidence is critical to modern law enforcement operations. In-car and interview room camera systems help document officer actions, preserve evidence, support criminal prosecutions, protect officers from false allegations, and promote transparency and accountability. Replacing aging or outdated equipment with a modern system will help ensure the department can continue to capture, store, and manage video evidence in a dependable and efficient manner. This package also includes cloud-based evidence management and storage through Motorola's CommandCentral DEMS platform. That service will improve the department's ability to securely retain, access, and manage digital evidence over time while reducing reliance on local storage systems. The quoted pricing reflects an upfront hardware, accessory, and implementation cost of \$72,565.66, followed by annual subscription costs of \$7,908.48 in years two through five. Overall, this purchase would provide a long-term video evidence solution for patrol operations and interview room recording, while creating a predictable multi-year cost structure for equipment and evidence management. This investment supports officer accountability, evidentiary integrity, and the department's continued ability to document critical incidents and investigations.	2	\$	105,000
Police	CCTV for Evidence Room and Dropbox	The Police Department is requesting funding for the purchase and installation of a stand-alone video monitoring system for the evidence room and the bond drop box area. This system would provide camera coverage of both the door to the evidence room and the interior of the evidence room, as well as the bond drop box area. These are locations where security, accountability, and documentation are especially important, however there is currently no video coverage in these areas. Installing dedicated camera coverage would strengthen internal controls and provide an added layer of protection for sensitive department operations. A video system in these areas would help protect the integrity of evidence handling and bond-related processes by documenting access and activity. Coverage of the evidence room door and interior would provide better oversight of entry, access, and the handling or storage of evidence. This is particularly important given that the bond drop box is used for both cash and credit card transactions. Video monitoring would improve security, reduce risk, and help deter unauthorized access, misconduct, or procedural errors. It would also provide an objective record if questions arise regarding evidence storage, chain of custody, the handling of funds, or access to these secured areas. In addition to protecting department assets and processes, this safeguard would also help protect employees by increasing transparency and accountability. This request is also a proactive risk reduction and mitigation measure, as improved monitoring and documentation in these areas is expected to be a recommendation from the State Auditor's Office. Moving forward with this project now would demonstrate a commitment to strong internal controls, reduce the likelihood of future issues, and better position the City to address audit expectations before they are formally identified.	3	\$	6,000
Police	Flock Cameras	The Police Department is requesting funding for five Flock Safety cameras at an annual cost of \$25,000. These cameras would serve as a force multiplier by helping officers identify suspect vehicles, develop investigative leads, and respond more effectively to criminal activity. Flock's platform is designed for law enforcement use and provides searchable vehicle data, real-time alerts, and audit trails that can assist with both active investigations and long-term crime reduction efforts. This technology would improve the department's ability to investigate offenses involving vehicles, track patterns of activity, and gather objective evidence that may not otherwise be available through traditional patrol efforts alone. At an annual cost of \$25,000 for five cameras, this request represents an investment in technology that can improve public safety, strengthen investigations, and increase operational efficiency. By expanding access to timely vehicle information and investigative tools, these cameras would help the department make better use of limited personnel resources while supporting proactive law enforcement efforts. This is a project that would be looked at under the Missouri Blue Shield Grant Program, if we are approved.	4	\$	25,000
Police	Centerline AI	The Police Department is requesting approval to purchase Centerline AI, an AI-powered software platform designed to improve efficiency for patrol officers, detectives, supervisors, and records staff. The platform includes tools for video transcription, narrative creation, form standardization, customizable templates, a CJIS-compliant case workspace, and a chatbot that can query policies, manuals, case data, and statutes using natural language. It is designed to reduce administrative burden and turn time-consuming reporting tasks that often take hours into tasks that can be completed in minutes. This software is expected to save time, increase accuracy, and improve consistency in report writing and case documentation. The platform can assist with transcription of body-worn camera footage and interviews, creation of police report narratives, generation of search warrants and related forms, and standardization of workflows across multiple types of incidents. These features would support both officers and detectives by improving efficiency in routine documentation while helping staff maintain more consistent and complete records. The startup cost for this software is \$10,200, with an ongoing annual expense of \$8,700. Given the expected improvements in efficiency, accuracy, and consistency, this purchase represents a practical investment in technology that can reduce time spent on administrative tasks and allow personnel to focus more time on enforcement, investigations, and service to the community. If this tool helps save the average officer or sergeant just 30 per shift, we could see a return on investment of 5 times the start up cost.	5	\$	10,200
Police	STAR Team Assignment	This proposal requests funding to support participation in the Clay County Sheriff's Office STAR Team through an interagency partnership. The program would begin with one officer as a trial placement, allowing the City to evaluate cost, operational impact, and overall value before considering any future expansion. Estimated first-year costs are approximately \$20,000, including specialized equipment, training, and overtime expenses. Participation in the STAR Team would provide advanced tactical training, strengthen regional cooperation, and create a valuable professional development opportunity for our officers. It would also support retention and recruitment by offering a specialized assignment opportunity that officers often seek at larger agencies. Neighboring cities have already used similar partnerships successfully, making this a measured and practical investment in both our personnel and the department's long-term capabilities.	7	\$	22,000

Police	Cellbrite	Cellbrite provides a suite of Digital Intelligence (DI) tools that act as a "force multiplier" for police departments, helping them collect, analyze, and manage digital evidence more efficiently. Cellbrite offers police departments advanced digital forensic tools that accelerate investigations, enabling faster access to, and analysis of, data from locked or damaged mobile devices. Key benefits include extracting deleted content, bypassing encryption on iOS/Android devices, AI-powered analytics to identify evidence, and secure chain-of-custody management for court admissibility.	8	\$	10,000
Development	Smith's Fork Park Commercial Overlay District	This is the second of the three major overlay districts proposed and identified in the Comprehensive Plan. With the pending annexation of the Corps of Engineers lands, the Overlay District will cover the entire park, which will need to have new zoning provisions enacted to include the land inside the City's zoning scheme. The district will assist in future development of both the Corps land the City leases for parks, as well as the adjacent private land(s).	1	\$	35,000
Finance	Budgeting Software	ClearGov provides cloud-based budgeting, performance management, and financial reporting tools designed specifically for government organizations. With this addition, it would help the finance department streamline budget creation and submission by replacing manual spreadsheets with collaborative, web-based workflows that improve accuracy, transparency, and efficiency. ClearGov also automates reporting and produces easy-to-understand visual financial reports, allowing staff and management to better track spending, compare budgets to actuals, and communicate financial information to the public. Overall, it reduces the time and effort required for budget preparation and reporting while improving consistency and clarity in financial data.	1	\$	25,000
Parks and Recreation	Finish Mower	In 2013, the Parks and Recreation Department upgraded its finish mower from a 10-foot unit to a 22-foot unit to improve efficiency in maintaining large open green spaces. With proper maintenance, these mowers typically have a lifespan of 10 to 20 years. As we approach 2027, the current mower will be 14 years old and is entering the latter part of its expected service life. Over the past three years, the Department has invested significant funds in replacement parts and repairs to keep the mower operational. Despite these efforts, the equipment has begun to show signs of declining performance and reliability. Staff have adjusted operations and reduced usage over the past two seasons to extend its lifespan. This mower is a critical piece of equipment, used weekly from April through November to maintain the City's open green spaces. Continued reliance on aging equipment increases the risk of breakdowns, service interruptions, and higher maintenance costs. Staff recommends replacement of the existing finish mower to ensure reliable operations, maintain service levels, and reduce ongoing repair expenses. Cost: \$40,000	1	\$	40,000
Parks and Recreation	Soccer and Football Field Irrigation	Since 2017, the Parks and Recreation Department has experienced significant growth in recreation participation, particularly in soccer and youth football. Both programs rely heavily on natural grass fields, which are experiencing substantial wear due to increased usage. The City operated soccer program places the highest demand on field usage, with both spring and fall seasons and activity occurring Monday through Saturday. Despite this level of use, the soccer fields currently have no irrigation system in place. As a result, turf conditions are entirely dependent on weather, making it difficult to establish and sustain healthy grass. This has led to thinning turf, increased bare areas, and reduced field quality and safety. Youth football fields also experience heavy use, with teams practicing four to five times per week from August-November. However, the primary football field is already equipped with irrigation. This request would focus on expanding irrigation to a practice field by adding 1-2 zones to the existing system to improve turf recovery in high-use areas, if water pressure allows. Installing irrigation on the soccer fields is the top priority, as it will provide consistent, controlled watering to support turf establishment, improve playing conditions, and extend the lifespan of the fields. Expanding irrigation on the football practice field will further enhance overall field quality and support continued program growth. The Smithville Youth Football Club has committed to contributing toward the football portion of this project, demonstrating strong community partnership and shared investment in improving athletic facilities. The exact contribution amount is to be determined. Estimated Costs: Soccer Field Irrigation (Priority): \$30,000-\$40,000 Football Practice Field Irrigation Expansion: \$10,000-\$15,000 Total Project Cost: \$50,000	2	\$	50,000
Parks and Recreation	Smithville Activity Center Upgrades	The Smithville Activity Center building was completed in 2013 and has largely remained unchanged since that time. While Parks staff completed interior painting and minor trim updates in 2023, many of the original building components and furnishings are now showing signs of wear and are due for replacement. Areas identified for improvement include flooring, refrigerator replacement, tables and chairs, office furniture, and exterior stucco repairs. The flooring is visibly worn and scratched, tables and chairs are aging and stained, and the existing refrigerator is malfunctioning and lacks key functionality. Additionally, the current office furniture does not provide an efficient or functional workspace for staff operations. On the exterior, sections of stucco are flaking and require repair to prevent further deterioration. As usage of the Activity Center continues to increase through daily programming and facility rentals, these improvements will enhance the overall user experience, support staff efficiency, and protect the long-term condition of the facility. Investing in these updates will also help maintain the buildings appeal as a rental venue, supporting ongoing revenue generation. This request was previously identified during the 2026 budget process but was deferred due to funding constraints. Cost Estimate: \$20,000	3	\$	20,000
Parks and Recreation	Utility Vehicle Replacement	The Parks and Recreation Department currently utilizes a golf cart to access areas within the park system that are not accessible by full-size trucks. This includes routine tasks such as trash collection, site inspections, and maintenance activities like weedeating. The vehicle also serves an important role by allowing seasonal staff under the age of 18 to safely perform job duties, as they are not permitted to operate city vehicles. The existing cart is a 1995 model that was previously used by the camp host until being replaced in 2017. While it has continued to serve a functional purpose, the vehicle has reached the end of its useful life. In recent years, staff have invested time and resources into repairs and maintenance, exceeding the value of the unit. Staff recommends replacing the existing cart with an updated utility vehicle. In addition to improving reliability and efficiency, a newer unit would expand operational capabilities, including assisting with winter trail clearing and other year-round maintenance needs. This request was previously identified during the 2026 budget process but was deferred due to funding constraints.	4	\$	15,000

Parks and Recreation	Facility and Infrastructure Compressor	Over the past seven years, the Parks and Recreation Department has contracted the winterization and dewinterization of park restrooms, splash pad, irrigation systems, and water fountains due to limited equipment and staffing. This service is currently budgeted at approximately \$10,000 annually. To improve operational efficiency and reduce long-term costs, staff is proposing to bring these services in-house through the purchase of a commercial-grade air compressor capable of properly clearing water lines. Staff is prepared to take on this responsibility. Based on current expenditures, the cost of the compressor is expected to be recovered in approximately three years, resulting in ongoing annual savings thereafter. In addition to cost savings, this will provide greater flexibility in scheduling and reduce reliance on third-party contractors. Cost Estimate: \$28,000	5	\$	28,000
Parks and Recreation	City Wide Concrete Crack Sealing/Shaving	Sidewalks, trails, and the skate park throughout the City's parks and facilities are critical components of safe and accessible public spaces. Over time, many of these concrete surfaces have developed cracks, shifting, and uneven panels due to age, weather conditions, and ground movement. These deteriorating conditions create potential tripping hazards and safety concerns for park users, increasing the risk of injury and potential liability for the City. If not addressed in a timely manner, these issues will continue to worsen, leading to more extensive and costly repairs in the future. This request will allow staff to proactively repair and replace damaged sections of concrete across the park system, improving safety, accessibility, and overall appearance. Addressing these issues early will help extend the lifespan of existing infrastructure and reduce long-term maintenance costs. Cost: \$10,000	6	\$	10,000
Parks and Recreation	Park Maintenance Shop Repairs	The Parks and Recreation facility was originally constructed in the early 1970s. While office and break room spaces were updated in 2015, the maintenance shop area has not undergone any significant renovations and shows no record of previous upgrades. The maintenance area is in need of several improvements, including replacement of windows, floor and wall repairs, updated cabinetry, and HVAC enhancements. These upgrades are necessary to provide a safe, functional, and efficient workspace for staff and to support daily maintenance operations. This request was previously identified during the 2026 budget process but was deferred due to funding constraints. Staff recommends moving forward with these improvements to address ongoing facility needs and prevent further deterioration. Cost: \$10,000	7	\$	10,000
Parks and Recreation	Courtyard Christmas Tree	Each year, the City celebrates the holiday season by decorating a Christmas tree in Courtyard Park. The existing tree has been in place for many years but has experienced steady decline over the past decade, resulting in reduced appearance and long-term usage. In 2020, staff purchased a 12ft artificial tree to allow the natural tree time to recover. After three seasons of use, staff returned to the existing tree; however, it continues to show signs of deterioration and is no longer a sustainable long-term option for this annual tradition. To maintain the quality and visual appeal, staff recommends removing the existing tree and replacing it with a similar mature tree of appropriate height. Installing a larger, established tree will ensure immediate visual impact and reduce the time required for growth. Cost \$10,000	8	\$	10,000
Elected Officials	Board Room AV System	August 4, 2020 the Board approved Resolution 811 for the Live Streaming equipment for the Council Chambers. A total of \$42,986.35 for the entire system. Currently, we have been having issues with the sound during meetings, and the technician informed us that the system is no longer supported. They are adjusting what they can when we have them out but they will not assure us that the issue will not come back. We should not have to replace the microphones, only the sound system components and possible the cameras. Given inflation I believe we should still figure close to the same cost as the original system.	1	\$	45,000