

2026 Budget

PRESENTATION OF THE 2026 PROPOSED BUDGET

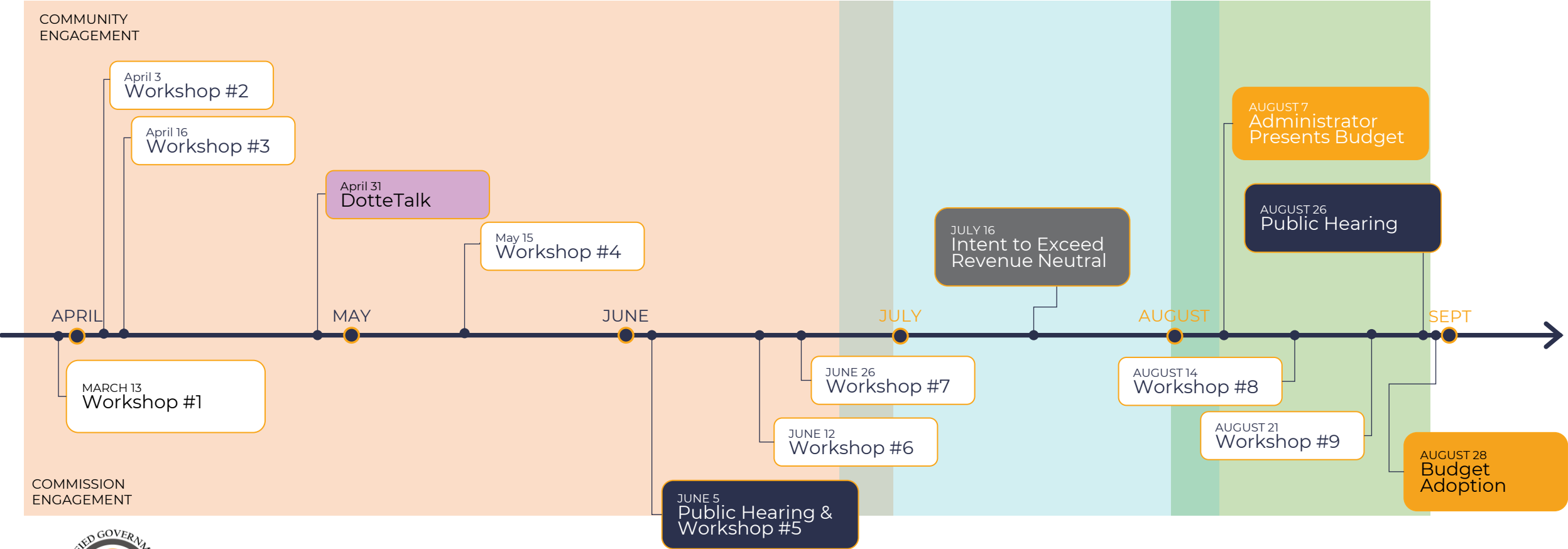


2026 Budget Process

PHASE ONE:

PHASE TWO:

PHASE THREE:



Commission Priorities



PRIORITY 1
**UPHOLD FISCAL
SUSTAINABILITY**



PRIORITY 2
**FOSTER ECONOMIC
DEVELOPMENT**



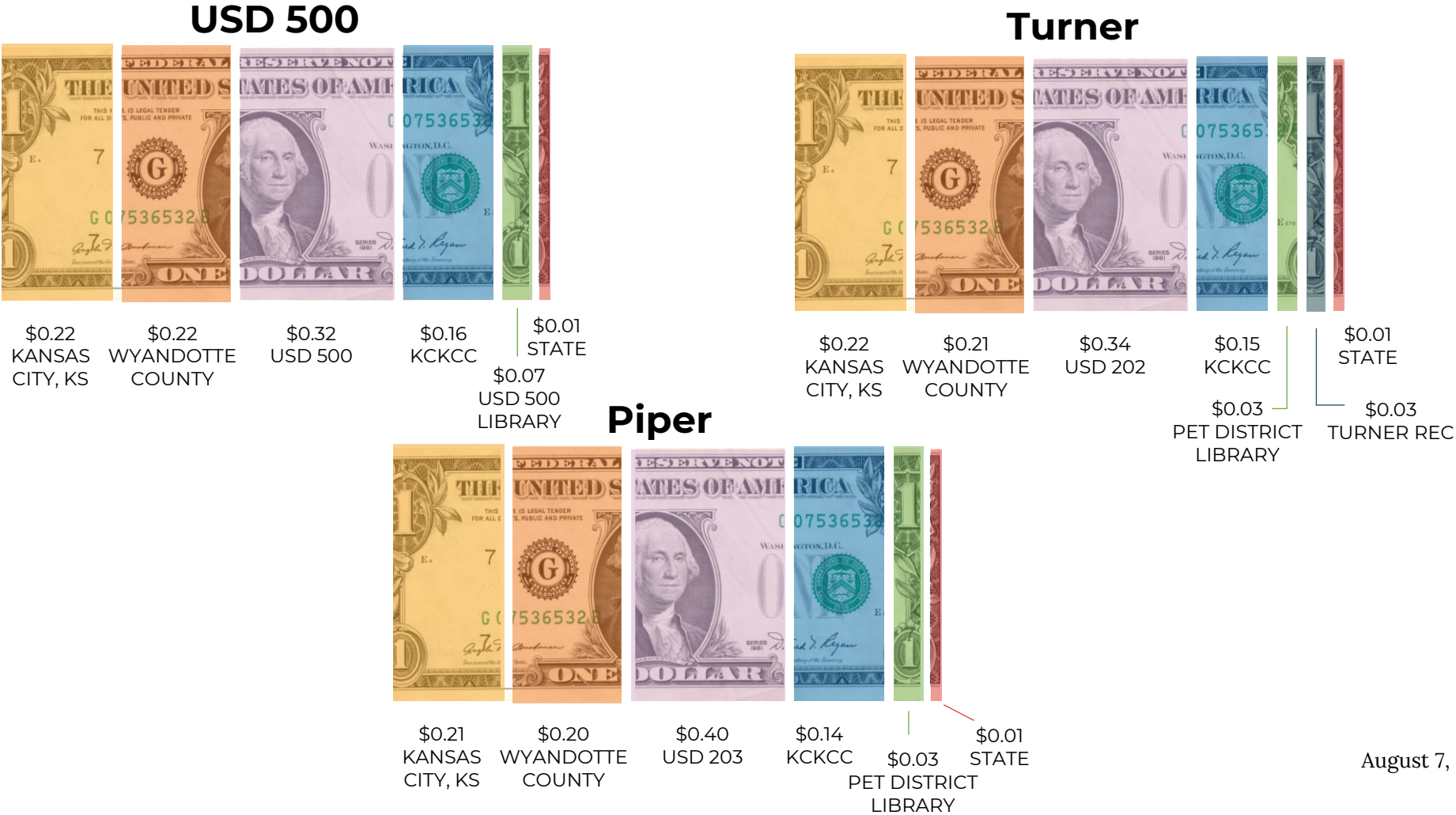
PRIORITY 3
**FOCUS ON SERVICE
& COMMUNICATION**



PRIORITY 4
**IMPROVE
INFRASTRUCTURE**

Where do my property taxes go?

KCK property owners, 2025 Budget



Setting the Stage

- City & county maximum mill levy includes additional 3 mills (Resolution no. 58-25 July 16)
- City & county proposed budgets include a 2 mill increase
- 1% residential PILOT decrease (\$1.2M)
 - High survey priority
- No layoffs
- Instilling fiscal discipline
- Adhering to debt strategy passed by commission last year



Changing the way we budget **Personnel**

- Moving away from the personnel trend
 - Prevents us from going over budget
 - More transparent
 - Allows for end of year savings
- All positions in departmental budgets are funded
 - Froze vacancies



Changing the Capital Debt Process

- Only authorized funding is for the current amended budget and the next proposed budget year
- 5-year schedule is a plan, not authorized funding
- Total 2026 debt capital: \$10M
 - The UG debt strategy is moving from use of temporary notes to immediately issuing long-term bonds
 - Debt funding will be available upon bond issue



CITY GENERAL FUND

Long-Range Forecast

June 12th Budget Workshop

City General Fund	2024 Est.	2025 Budget	2025 Amended	2026 Forecast	2027 Forecast	2028 Forecast	2029 Forecast	2030 Forecast
TOTAL REVENUES	\$ 173,739,844	\$ 170,671,364	\$ 171,275,690	\$ 178,421,946	\$ 181,805,609	\$ 185,848,228	\$ 190,731,151	\$ 196,374,004
TOTAL EXPENSES	\$ 172,236,607	\$ 170,668,461	\$ 175,268,461	\$ 183,751,492	\$ 189,980,929	\$ 196,422,341	\$ 203,082,965	\$ 209,970,286
Personnel	\$ 135,273,987	\$ 133,930,000	\$ 138,530,000	\$ 143,378,550	\$ 148,396,799	\$ 153,590,687	\$ 158,966,361	\$ 164,530,184
Net Change in Fund Balance	\$ 1,503,238	\$ 2,903	\$ (3,992,771)	\$ (5,329,546)	\$ (8,175,320)	\$ (10,574,113)	\$ (12,351,814)	\$ (13,596,282)
Cash Basis Ending Fund Balance	\$ 35,189,830	\$ 30,505,736	\$ 31,197,059	\$ 25,867,513	\$ 17,692,193	\$ 7,118,079	\$ (5,233,734)	\$ (18,830,016)
ACFR Ending Fund Balance	\$ 49,626,221	\$ 44,942,127	\$ 45,633,450	\$ 39,612,581	\$ 31,437,261	\$ 20,863,148	\$ 8,511,334	\$ (5,084,948)
Reserve % of Expenditures	20.43%	17.87%	17.80%	14.08%	9.31%	3.62%	-2.58%	-8.97%
Fund Balance 25% Target	\$43,059,152	\$42,667,115	\$43,817,115	\$45,937,873	\$47,495,232	\$49,105,585	\$50,770,741	\$52,492,571

Proposed

City General Fund	2024 YE Est.	2025 Budget	2025 Amended	2026 Budget	2027 Forecast	2028 Forecast	2029 Forecast	2030 Forecast
TOTAL REVENUES	\$ 176,026,277	\$ 170,671,364	\$ 178,450,409	\$ 181,642,244	\$ 186,867,850	\$ 191,121,893	\$ 196,796,053	\$ 202,684,618
TOTAL EXPENSES	\$ 170,966,457	\$ 170,668,461	\$ 182,301,602	\$ 182,765,084	\$ 188,961,519	\$ 195,368,818	\$ 201,994,182	\$ 208,845,058
Personnel	\$ 135,093,101	\$ 133,930,000	\$ 138,153,300	\$ 142,696,405	\$ 147,690,779	\$ 152,859,956	\$ 158,210,054	\$ 163,747,406
Net Change in Fund Balance	\$ 5,059,820	\$ 2,903	\$ (3,851,193)	\$ (1,122,840)	\$ (2,093,668)	\$ (4,246,926)	\$ (5,198,130)	\$ (6,160,440)
Cash Basis Ending Fund Balance	\$ 38,746,412	\$ 30,505,736	\$ 34,895,219	\$ 33,772,379	\$ 31,678,711	\$ 27,431,786	\$ 22,233,656	\$ 16,073,216
Reserve % of Expenditures	22.66%	17.87%	19.14%	18.48%	16.76%	14.04%	11.01%	7.70%
Fund Balance 25% Target	\$42,741,614	\$42,667,115	\$45,575,400	\$45,691,271	\$47,240,380	\$48,842,205	\$50,498,546	\$52,211,265

COUNTY GENERAL FUND

Long-Range Forecast

June 12th Budget Workshop

County General Fund	2024 Est.	2025 Budget	2025 Amended	2026 Forecast	2027 Forecast	2028 Forecast	2029 Forecast	2030 Forecast
TOTAL REVENUES	\$ 83,592,916	\$ 84,915,779	\$ 85,063,779	\$ 87,044,975	\$ 90,134,115	\$ 93,336,960	\$ 96,857,558	\$ 100,512,594
TOTAL EXPENSES	\$ 87,021,894	\$ 83,122,622	\$ 87,322,622	\$ 93,597,801	\$ 96,611,219	\$ 99,838,957	\$ 103,175,057	\$ 106,623,172
Personnel	\$ 59,691,588	\$ 57,300,000	\$ 61,500,000	\$ 63,652,500	\$ 65,880,338	\$ 68,186,149	\$ 70,572,665	\$ 73,042,708
Net Change in Fund Balance	\$ (3,428,978)	\$ 1,793,157	\$ (2,258,843)	\$ (6,552,825)	\$ (6,477,105)	\$ (6,501,998)	\$ (6,317,499)	\$ (6,110,578)
Cash Basis Ending Fund Balance	\$ 7,170,866	\$ 8,964,023	\$ 4,912,023	\$ (1,640,802)	\$ (8,117,907)	\$ (14,619,905)	\$ (20,937,404)	\$ (27,047,982)
Reserve % of Expenditures	8.24%	10.78%	5.63%	-1.75%	-8.40%	-14.64%	-20.29%	-25.37%
Fund Balance 25% Target	\$21,755,474	\$20,780,656	\$21,830,656	\$23,399,450	\$24,152,805	\$24,959,739	\$25,793,764	\$26,655,793

Proposed

County General Fund	2024 Est.	2025 Budget	2025 Amended	2026 Budget	2027 Forecast	2028 Forecast	2029 Forecast	2030 Forecast
TOTAL REVENUES	\$ 83,788,701	\$ 84,915,423	\$ 85,954,100	\$ 93,255,586	\$ 96,599,180	\$ 100,066,837	\$ 103,862,764	\$ 107,804,327
TOTAL EXPENSES	\$ 87,161,936	\$ 84,897,637	\$ 89,531,701	\$ 94,089,066	\$ 97,655,229	\$ 100,919,193	\$ 104,292,777	\$ 107,779,678
Personnel	\$ 59,228,120	\$ 57,077,000	\$ 62,266,988	\$ 64,600,404	\$ 66,861,418	\$ 69,201,568	\$ 71,623,623	\$ 74,130,450
Net Change in Fund Balance	\$ (3,373,235)	\$ 17,786	\$ (3,577,601)	\$ (833,481)	\$ (1,056,049)	\$ (852,356)	\$ (430,012)	\$ 24,649
Cash Basis Ending Fund Balance	\$ 7,226,609	\$ 4,465,041	\$ 3,649,008	\$ 2,815,527	\$ 1,759,478	\$ 907,122	\$ 477,109	\$ 501,758
Reserve % of Expenditures	8.29%	5.26%	4.08%	2.99%	1.80%	0.90%	0.46%	0.47%
Fund Balance 25% Target	\$21,790,484	\$21,224,409	\$22,382,925	\$23,522,267	\$24,413,807	\$25,229,798	\$26,073,194	\$26,944,920

2026 PROPOSED BUDGET PRESENTATION

CITY GENERAL FUND 2026 Budget: Starting Point

- Additional new revenues were ~\$8.3M
- Additional Built-in expenses were ~\$15M
- Capital requests were \$61M (excluding KS Ave and Central Ave bridges)
- Departmental requests were ~\$12M
- Had to increase revenues and cut back expenses to reduce deficit



City General Fund		Additional Revenues
2025 Original Revenue		\$181,000,000
2026 Projected Revenue		\$189,300,000
Estimated New Revenues		\$8,300,000
		Additional Built-in Expenses
Subscriptions & Contracts		\$1,484,000
Insurance & Utilities		\$775,000
KCATA – expiration of COVID Funding		\$1,900,000
Pay and Health Insurance Increases		\$5,000,000
Higher than anticipated UG Employment Levels		\$5,420,000
		\$14,579,000
		Capital Investment
2025 Base (\$1.15M Lease Finance)		\$2,250,000
Capital Deferred Maintenance		\$63,571,000
		\$61,321,000
		Departmental Requests
Operating		\$3,563,000
Filling vacancies		\$8,000,000
		\$11,563,000
Funding Gap		(\$79,163,000)

CITY GENERAL FUND 2026 Budget: Proposed

- Increased mill levy 2 mills
- Decreased PILOT 1%
- Steps to arrive at proposed budget:
 - Froze vacant positions
 - Discontinued Transit IRIS service
 - Unable to fill KCATA/ARPA funding gap for Transit
 - Cut capital



City General Fund		Additional Revenues
2025 Original Revenue		\$181,000,000
2026 Projected Revenue (+2 Mills)		\$193,400,000
1% BPU PILOT Reduction		\$(1,200,000)
		\$11,200,000
		Additional Required Expenses
Subscriptions & Contracts		\$1,484,000
Insurance & Utilities		\$775,000
KCATA – expiration of COVID funding		\$950,000
Pay and Health Insurance Increases		\$4,500,000
Higher than anticipated UG Employment Levels		\$4,200,000
		\$11,909,000
		Capital Investment
2025 Base (\$1.15M Lease Finance)		\$2,250,000
2026 Budget (\$972K Lease Finance)		\$1,860,000
		\$(390,000)
		Other Internal Adjustments
		\$753,000
		\$753,000
Deficit		\$(1,072,000)

2026 PROPOSED BUDGET PRESENTATION

COUNTY GENERAL FUND

2026 Budget: Starting Point

- Additional new revenues were ~\$6M
- Additional built-in expenses were ~\$10M
- Additional capital requests were ~\$2M
- Departmental requests were ~\$6M
- Had to increase revenues and cut back expenses to reduce deficit



County General Fund		Revenues
2025 Original Revenue		\$84,900,000
One-time fund transfers		(\$1,775,000)
2026 Projected Revenue		\$88,770,000
Estimated New Revenues		\$5,645,000
		Additional Built-in Expenses
Subscriptions & Contracts		\$1,800,000
Insurance & Utilities		\$400,000
Pay and Health Insurance Increases		\$2,333,000
Higher than anticipated UG Employment Levels		\$5,190,000
		\$9,723,000
		Capital Investment
2025 Base		\$190,000
Capital Identified Needs		\$2,340,000
		\$2,150,000
		Departmental Requests
Operating		\$677,000
Filling vacancies		\$5,000,000
		\$5,677,000
Funding Gap		\$(11,905,000)

COUNTY GENERAL FUND

2026 Budget: Proposed

- Increased mill levy 2 mills
- Steps to arrive at proposed budget:
 - Froze positions
 - Cut capital



County General Fund	Revenues
2025 Original Revenue	\$84,900,000
One-time fund transfers	(\$1,775,000)
2026 Projected Revenue (+2Mills)	\$93,260,000
Estimated New Revenues	\$10,135,000

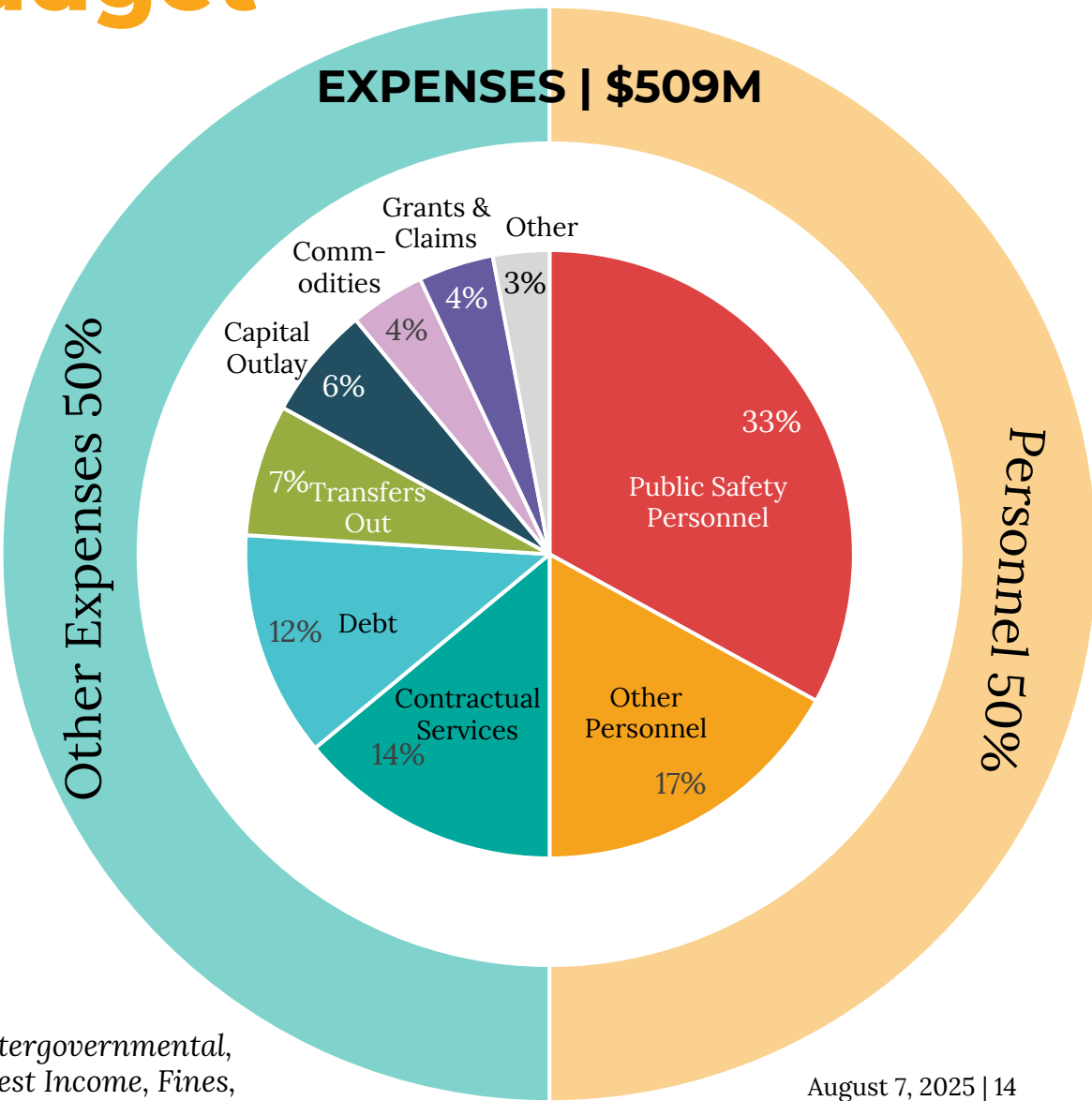
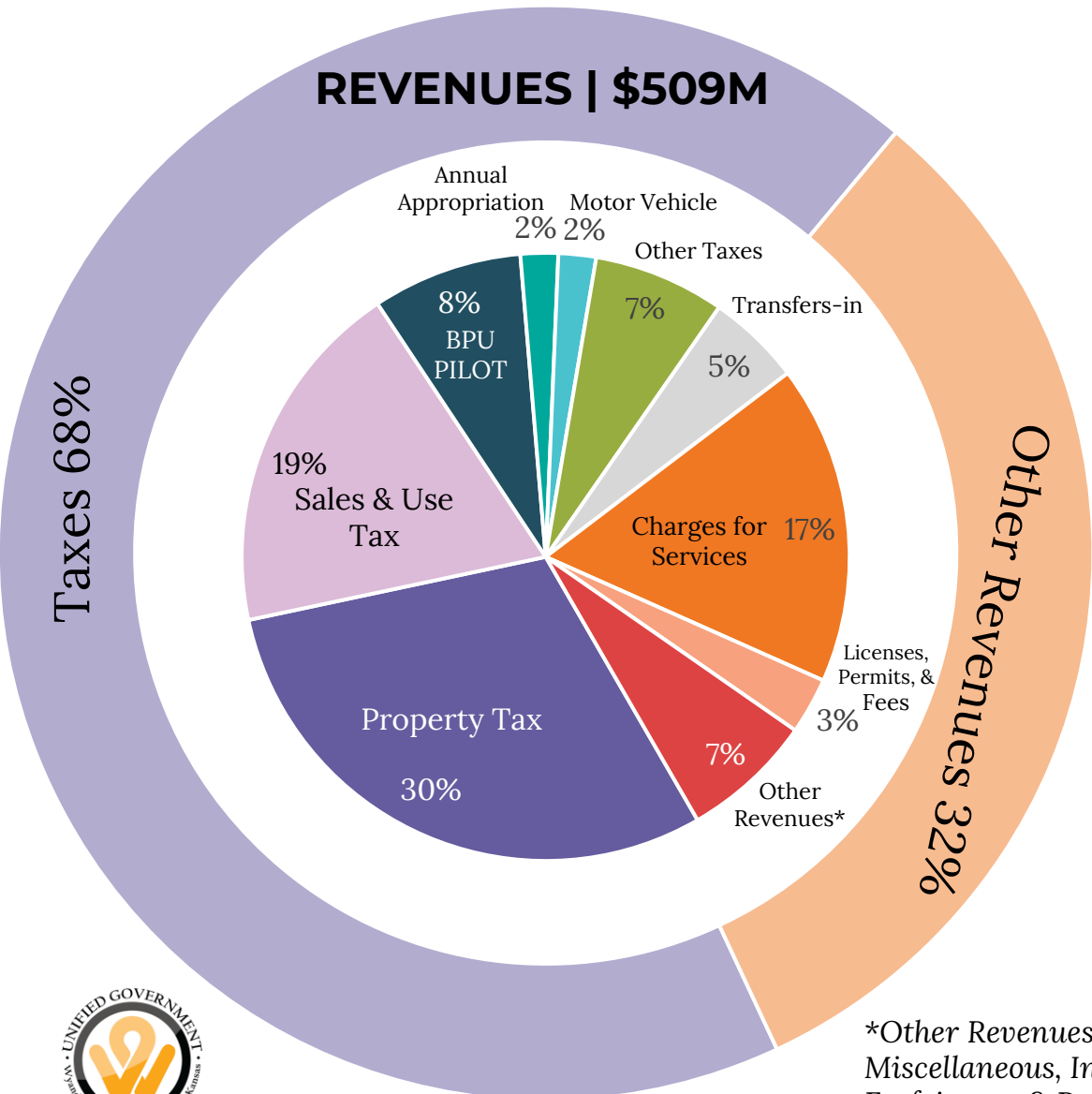
	Additional Required Expenses
Subscriptions & contracts	\$1,800,000
Insurance & Utilities	\$400,000
Pay and Health Insurance Increases	\$2,333,000
Higher than anticipated UG Employment Levels	\$5,190,000
	\$9,723,000

	Capital Investment
2025 Base	\$190,000
2026 Budget	\$1,260,000
	\$1,070,000

	Other Internal Adjustments
	\$170,000
	\$170,000

Deficit (\$828,000)

ALL FUNDS
2026 Budget

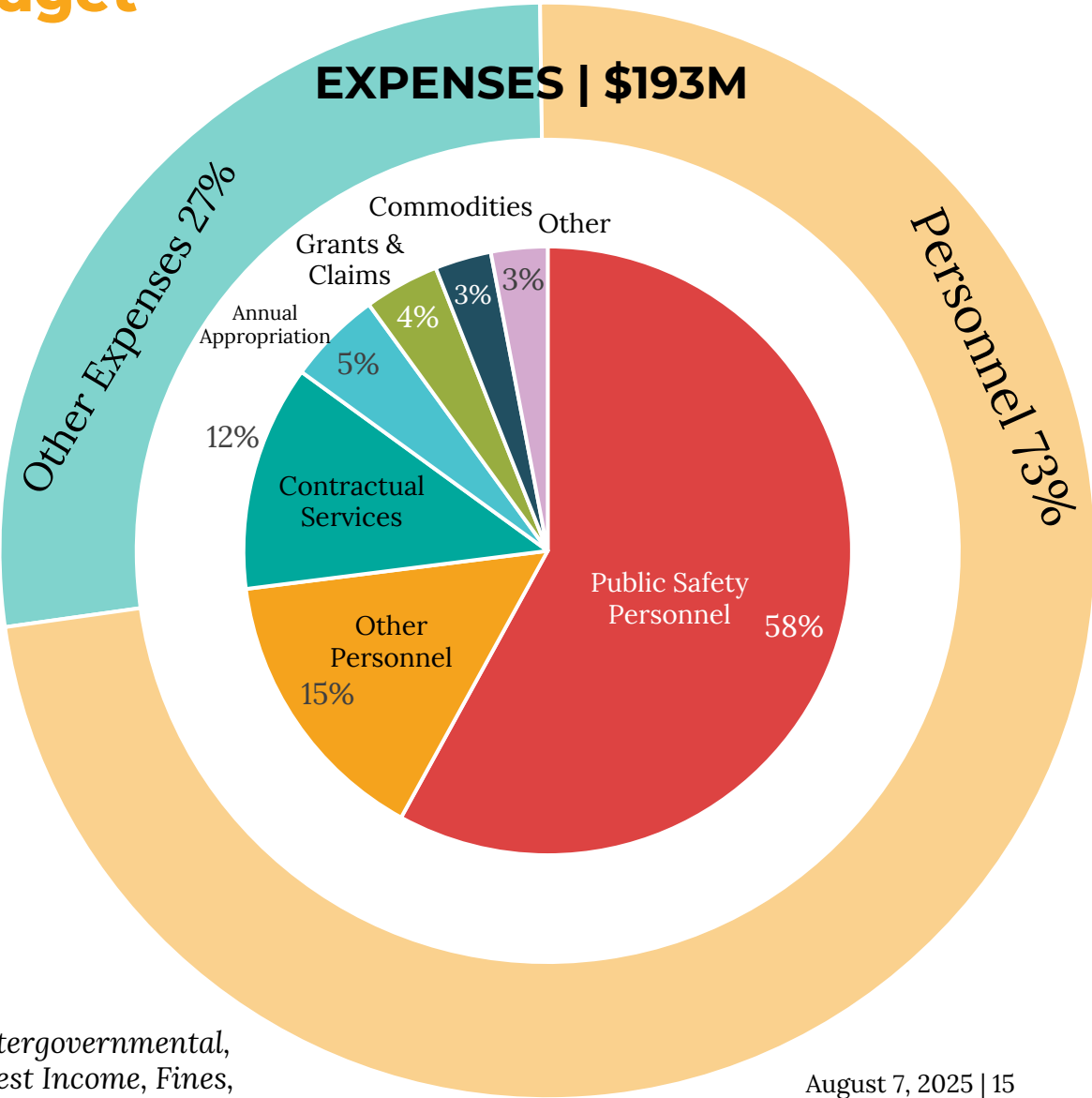
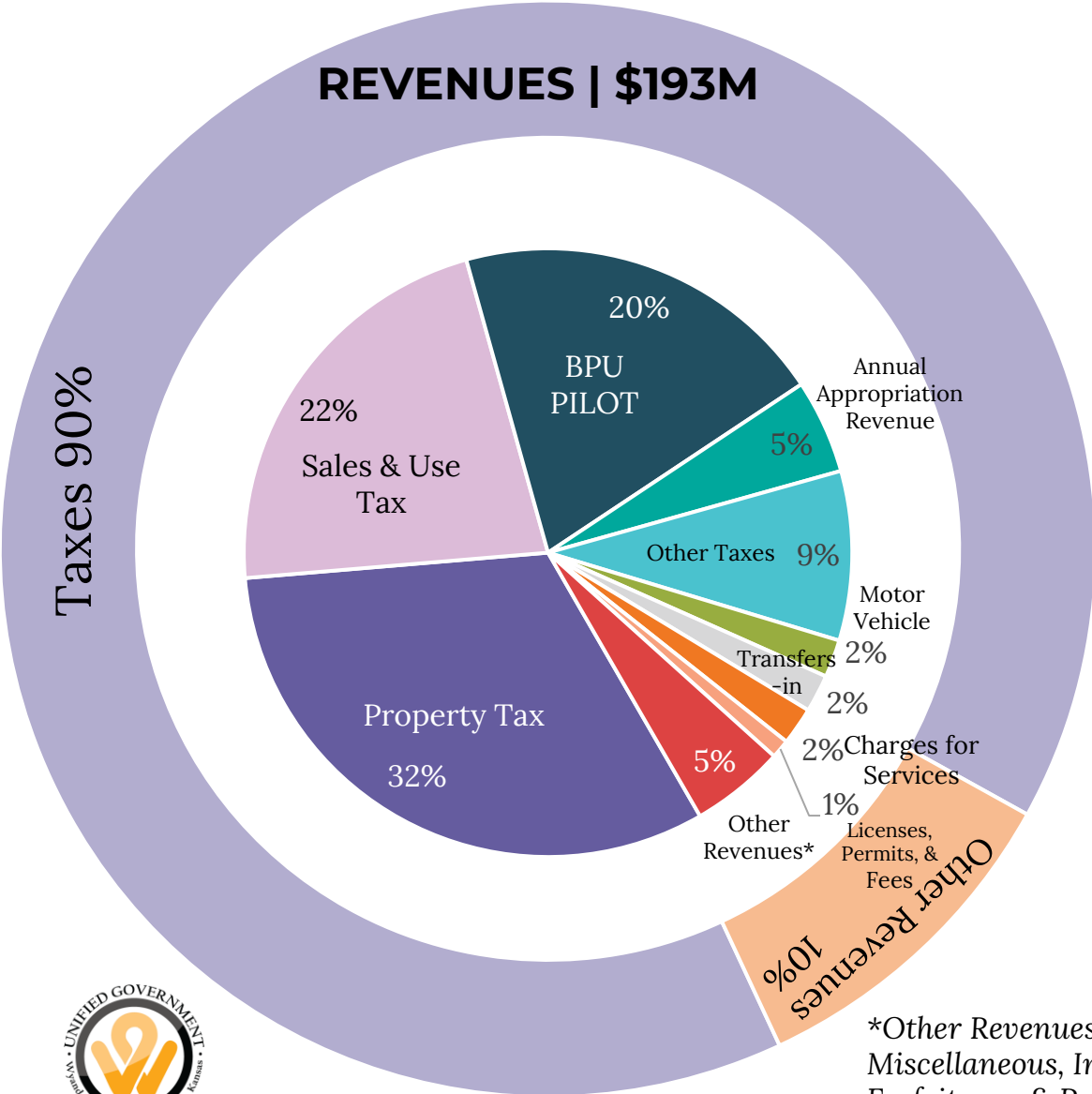


*Other Revenues: Intergovernmental, Miscellaneous, Interest Income, Fines, Forfeitures, & Penalties



CITY GENERAL FUND

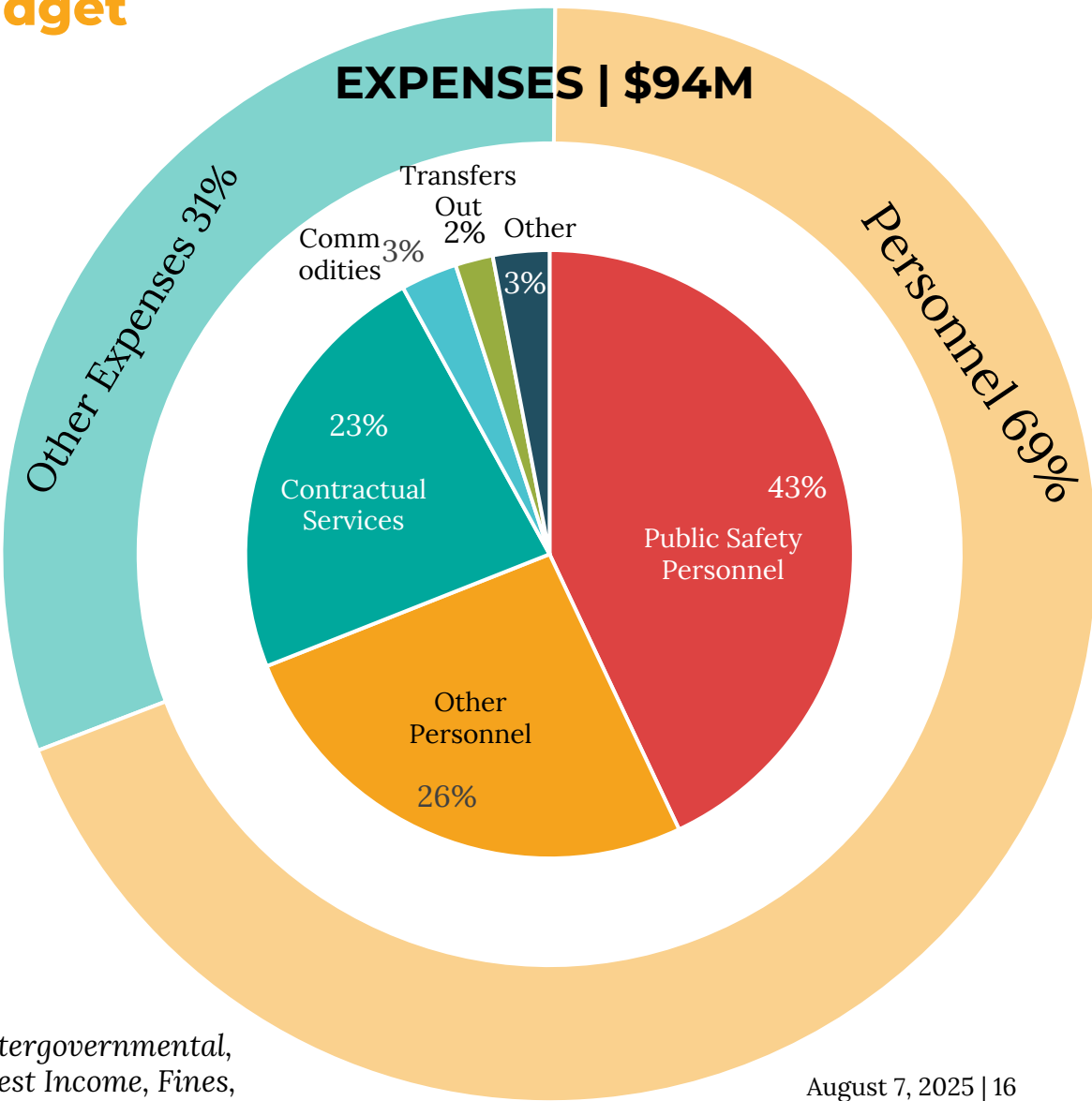
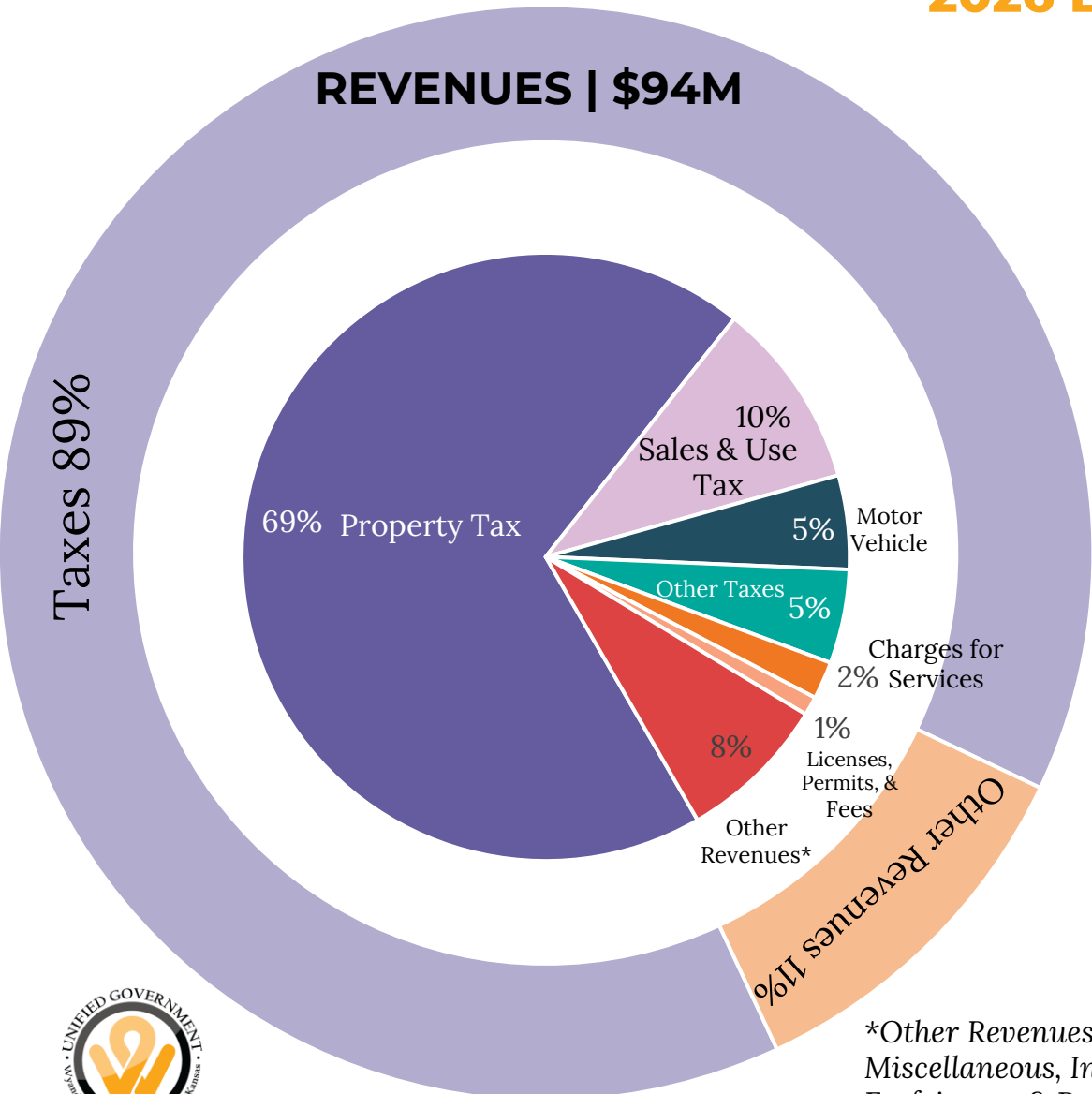
2026 Budget



*Other Revenues: Intergovernmental, Miscellaneous, Interest Income, Fines, Forfeitures, & Penalties



COUNTY GENERAL FUND
2026 Budget



*Other Revenues: Intergovernmental, Miscellaneous, Interest Income, Fines, Forfeitures, & Penalties



What's in the 2026 Budget?



PARKS

- Rosedale Arch Improvements
- Futsal Court Maintenance
- Solar Lighting at Kaw Point
- Playground Equipment Replacement

What's in the 2026 Budget?



PARKS

- Rosedale Arch Improvements
- Futsal Court Maintenance
- Solar Lighting at Kaw Point
- Playground Equipment Replacement



FACILITIES

- Fire Station - Architecture and Engineering Fees and Land Acquisition (Debt)
- KCKPD West Patrol – Architecture and Engineering Fees and Land Acquisition (Debt)

What's in the 2026 Budget?



PARKS

- Rosedale Arch Improvements
- Futsal Court Maintenance
- Solar Lighting at Kaw Point
- Playground Equipment Replacement



FACILITIES

- Fire Station - Architecture and Engineering Fees and Land Acquisition (Debt)
- KCKPD West Patrol – Architecture and Engineering Fees and Land Acquisition (Debt)



INFRASTRUCTURE

- Pavement Preservation
- Annual Infrastructure programs (Debt)
- Bridges (Debt/Cash)



What's in the 2026 Budget?



PARKS

- Rosedale Arch Improvements
- Futsal Court Maintenance
- Solar Lighting at Kaw Point
- Playground Equipment Replacement



FACILITIES

- Fire Station - Architecture and Engineering Fees and Land Acquisition (Debt)
- KCKPD West Patrol – Architecture and Engineering Fees and Land Acquisition (Debt)



INFRASTRUCTURE

- Pavement Preservation
- Annual Infrastructure programs (Debt)
- Bridges (Debt/Cash)



ECONOMIC DEVELOPMENT

- Rock Island Bridge Projects
- Expanded Small Business Program
- Pre-Approved Plans Establishment
- Expanded Redevelopment Program



What's in the 2026 Budget?



PARKS

- Rosedale Arch Improvements
- Futsal Court Maintenance
- Solar Lighting at Kaw Point
- Playground Equipment Replacement



FACILITIES

- Fire Station - Architecture and Engineering Fees and Land Acquisition (Debt)
- KCKPD West Patrol – Architecture and Engineering Fees and Land Acquisition (Debt)



INFRASTRUCTURE

- Pavement Preservation
- Annual Infrastructure programs (Debt)
- Bridges (Debt/Cash)



ECONOMIC DEVELOPMENT

- Rock Island Bridge Projects
- Expanded Small Business Program
- Pre-Approved Plans Establishment
- Expanded Redevelopment Program



TECHNOLOGY

- Body Camera Support
- Jail Management System
- Tax Management System
- Broadcast System Replacement
- Enhanced Parking Meter System





Community

- 1% PILOT decrease
- Restored Livable Neighborhoods program
- Continued Combined Sewage Overflow program
- Pavement preservation

Westside Development, Communitywide Benefits

- Infrastructure is a priority
 - Community Survey
 - DotteTalk
 - Commission
- One-time TIF revenue from Plaza at the Speedway funding over \$7M of infrastructure projects
 - Emergency street repairs post-storms
 - Pavement preservation



Next Steps



August 14: Budget Workshop



August 21: Budget Workshop



Budget Talks with Departments

- Police
- Fire
- Sheriff
- Technology
- Buildings & Logistics



August 26: Public Hearing



August 28: Budget Adoption

- Parks & Recreation
- District Attorney
- Transit
- Finance
- Public Works
- Elections