



# City of Kansas City, Missouri

## Docket Memo

Ordinance/Resolution #: 240917

Submitted Department/Preparer: Finance

Revised 10/23/23

Docket memos are required on all ordinances initiated by a Department Director. More information can be found in [Administrative Regulation \(AR\) 4-1](#).

### Executive Summary

Estimating revenue and adjusting appropriations in various funds in connection with the first quarter FY2024-25 budget analysis; and recognizing this ordinance as having an accelerated effective date.

### Discussion

This is the annual first quarter clean-up ordinance to address anomalies in connection with the first quarter budget analysis of FY2024-25.

Explanation of First Quarter clean-up items:

#### **Section 1.**

This section appropriates \$200,000.00 from the unappropriated fund balance of the General Fund. \$100,000.00 is appropriated to support the rollout of a new performance management initiative overseen by the Human Resources Department. An additional \$100,000.00 is appropriated to the Civil Rights and Equal Opportunity Department (CREO) to support a disparity study due to costs being above the original budgeted amount.

#### **Section 2.**

This section appropriates \$1,616,790.00 from the unappropriated fund balance of the IT Reimbursable fund (7160) to support additional needs for Citywide cyber security.

#### **Section 3.**

This section appropriates \$61,974,636.11 from the unappropriated fund balances of the Water (8010), Water Working Capital (8020), Sewer (8110), Sewer Working Capital (8120), and Stormwater (8200) funds to roll forward available and unencumbered funds from Fiscal Year 2024 that were not included in the FY24 clean-up ordinance (240374).

#### **Section 4.**

This section estimates \$1,118,877 in additional Marijuana Sales Tax. This revenue source is coming in higher than anticipated by the Adopted Budget.

**Section 5.**

This section appropriates \$1,665,702.00 from the unappropriated fund balance of the Marijuana Sales Tax Fund (2190) to support functions within the Health Department (Aim 4 Peace), Public Works Department (Clean Neighborhoods), and the Housing and Community Development Department (Shelter for the Homeless).

**Section 6.**

This section appropriates \$1,500,000.00 from the unappropriated fund balance of the Capital Improvements Fund (3090) to increase each district PIAC budget by \$250,000 due to higher than anticipated sales tax collections in FY2024.

**Section 7.**

This section appropriates \$3,900,000.00 from the unappropriated fund balance of the City Legal Expense Fund (7010) due to a higher-than-expected volume of legal settlements.

**Section 8.**

This section estimates revenue in the amount of \$150,000.00 to the Downtown Arena Debt Fund (5050).

**Section 9.**

This section appropriates \$150,000.00 from the unappropriated fund balance of the Downtown Arena Debt Fund (5050) to fund the City's portion of repairs to the T-Mobile Center ice plant.

**Section 10.**

This section estimates additional tax redirections totaling \$2,184,028.00 out of the General Fund (1000) due to the approval of the Historic Northeast Tax Increment Financing (TIF) Plan, too late to be included in the FY2025 Adopted Budget.

**Section 11.**

This section estimates additional tax redirections totaling \$9,884.00 out of the Parks and Recreation Fund (2030) due to the approval of the Historic Northeast Tax Increment Financing (TIF) Plan, too late to be included in the FY2025 Adopted Budget.

**Section 12.**

This section estimates additional tax redirections totaling \$9,143.00 out of the Public Mass Transportation Fund (2080) due to the approval of the Historic Northeast Tax Increment Financing (TIF) Plan, too late to be included in the FY2025 Adopted Budget.

**Section 13.**

This section estimates additional tax redirections totaling \$9,884.00 out of the Fire Sales Tax - Operational Fund (2300) due to the approval of the Historic Northeast Tax Increment Financing (TIF) Plan, too late to be included in the FY2025 Adopted Budget.

**Section 14.**

This section estimates additional tax redirections totaling \$426,315.00 out of the Public Safety Sales Tax Fund (2320) due to the approval of the Historic Northeast Tax Increment Financing (TIF) Plan, too late to be included in the FY2025 Adopted Budget.

**Section 15.**

This section estimates additional tax redirections totaling \$427,398.00 out of the Convention and Tourism Fund (2360) due to the approval of the Historic Northeast Tax Increment Financing (TIF) Plan, too late to be included in the FY2025 Adopted Budget.

**Section 16.**

This section estimates additional tax redirections totaling \$1,705,263.00 out of the Capital Improvements Fund (3090) due to the approval of the Historic Northeast Tax Increment Financing (TIF) Plan, too late to be included in the FY2025 Adopted Budget.

**Section 17.**

This section appropriates \$214,205.94 from the unappropriated fund balance of the Museum Fund (2020) to be passed through to the Kansas City Museum for museum operations pursuant to the agreement with the KC Museum Foundation.

## Fiscal Impact

1. Is this legislation included in the adopted budget?  Yes  No
  
2. What is the funding source?  
Various funding sources; see Discussion Section and admin/approp sheet
  
3. How does the legislation affect the current fiscal year?  
This legislation estimates revenue and adjusts appropriations in various funds for the remainder of Fiscal Year 2024-25.
  
4. Does the legislation have a fiscal impact in future fiscal years? Please notate the difference between one-time and recurring costs.  
N/A
  
5. Does the legislation generate revenue, leverage outside funding, or deliver a return on investment?  
N/A

**Office of Management and Budget Review**

(OMB Staff will complete this section.)

1. This legislation is supported by the general fund.  Yes  No
2. This fund has a structural imbalance.  Yes  No
3. Account string has been verified/confirmed.  Yes  No

### **Additional Discussion (if needed)**

Click or tap here to enter text.

## **Citywide Business Plan (CWBP) Impact**

1. View the [Adopted 2025-2029 Citywide Business Plan](#)
2. Which CWBP goal is most impacted by this legislation?  
Finance and Governance (Press tab after selecting.)
3. Which objectives are impacted by this legislation (select all that apply):
  - Ensure the resiliency of City government
  - Engage in workforce planning including employee recruitment, development, retention, and engagement
  - Ensure a responsive, representative, engaged, and transparent City government
  - 
  -

## **Prior Legislation**

CS 240374: Estimating revenue and adjusting appropriations in various funds in connection with the FY 2023-24 third quarter analysis; appropriating Fiscal Year 2023-24 unexpended and unencumbered balances in various funds to the same accounts and funds in Fiscal Year 2024-25 as designated; and recognizing this ordinance as having an accelerated effective date.

## **Service Level Impacts**

## Other Impacts

1. What will be the potential health impacts to any affected groups?  
N/A
2. How have those groups been engaged and involved in the development of this ordinance?  
N/A
3. How does this legislation contribute to a sustainable Kansas City?  
N/A
4. Does this legislation create or preserve new housing units?  
No (Press tab after selecting)

Click or tap here to enter text.

Click or tap here to enter text.

5. Department staff certifies the submission of any application Affirmative Action Plans or Certificates of Compliance, Contractor Utilization Plans (CUPs), and Letters of Intent to Subcontract (LOIs) to CREO prior to, or simultaneously with, the legislation entry request in Legistar.

No - CREO's review is not applicable (Press tab after selecting)

Please provide reasoning why not:

Click or tap here to enter text.

6. Does this legislation seek to approve a contract resulting from an Invitation for Bid?

No(Press tab after selecting)

Click or tap here to enter text.

7. Does this legislation seek to approve a contract resulting from a Request for Proposal/Qualification (RFP/Q)?  
No(Press tab after selecting)