

WESTPORT COMMUNITY IMPROVEMENT DISTRICT I
MAY 1, 2026 – APRIL 30, 2027 BUDGET

BUDGET MESSAGE

The Westport Community Improvement District I (the “District”) was formed as a not-for-profit corporation on March 22, 2002 and authorized by ordinance of the City Council of Kansas City on October 2, 2003, via number 031062. The original petition was amended by the City Council of the City of Kansas City on September 25, 2008, via ordinance number 080917 and again on June 29, 2023 by Ordinance 230496. The stated purposes of the District are to provide additional security, marketing, and event production for and within the District.

Important Budget Features

Each year, for the purpose of levying special assessments, the Board of Directors of the District (the “Board”) determines the actual use of each tract, lot or parcel of real property within the District (“Lot”), or portion of each Lot, and based on such use the Board identifies the use category (“Use Category”) set forth below, which is applicable to each such Lot, or portion of such Lot, and thereby classifies each Lot, or portion of each Lot, as follows:

- Category 1 shall apply to each Lot, or portion of each Lot, which is (1) vacant, (2) used to conduct a general retail, tavern and/or restaurant business that is closed by 9:00 pm 7 days per week, or (3) determined by the Board not to qualify for any other use category.
- Category 2 shall apply to each Lot, or portion of each Lot, which is used for (1) office, (2) light industrial, and/or (3) hotel.
- Category 3 shall apply to each Lot, or portion of each Lot, which is used to conduct a general retail and/or restaurant business, (2) is open after 9:00 p.m. two or more nights per week, and (3) does not have a license to conduct liquor sales.
- Category 4 shall apply to each Lot, or portion of each Lot, which: (1) is used to conduct a tavern and/or restaurant business, (2) does have a license to conduct liquor sales, (3) derives greater than fifty percent (50%) of its gross annual income from food sales, and (4) is generally closed to the public by 11:30 pm 7 days per week.
- Category 5 shall apply to each Lot, or portion of each Lot, which: (1) is used to conduct a tavern and/or restaurant business, (2) has a license to conduct liquor sales until 1:30 a.m., and (3) does not qualify under Category 4.
- Category 6 shall apply to each Lot, or portion of each Lot, which (1) is used to conduct a tavern and/or restaurant business, (2) has a license to conduct liquor sales after 1:30 a.m., and (3) does not qualify under Category 4.
- Category 7 shall apply to each Lot, or portion of each Lot, which is used as a residence.

- Category 8 shall apply to each Lot, or portion of each Lot, which is used for (1) so-called “pot shop”, marijuana dispensary or any similar type store that sells marijuana, cannabis, drug-related paraphernalia, or similar type items for recreational or medicinal purposes, (2) any adult book store, adult video store, adult movie theater, or other establishment selling, renting, or exhibiting pornographic materials, and /or (3) any adult entertainment establishment, including but not limited to a strip club and/or gentlemen’s club.

The District’s source of revenue comes from special assessments levied against the useable square footage of real property in the District based upon the following use formulas:

- Each Lot, or portion of each Lot, which is classified by the Board as Category 1 shall be subject to an annual special assessment (the “Category 1 Baseline Assessment”) in a maximum amount not to exceed \$2.0905 per square-foot of Usable Area; provided however, such maximum amount of the Category 1 Baseline Assessment that could be assessed may be increased annually by up to five percent (5%) above the actual rate levied in the previous year.
- Each Lot, or portion of each Lot, which is classified by the Board as Category 2 shall be subject to an annual special assessment (the “Category 2 Baseline Assessment”) in an amount not to exceed sixty percent (60%) of the Category 1 Baseline Assessment.
- Each Lot, or portion of each Lot, which is classified by the Board as Category 3 shall be subject to the Category 1 Baseline Assessment plus an additional annual assessment (the “Extended Hours Assessment”) in a maximum amount not to exceed \$4.1157 per square foot of Usable Area against twenty percent (20%) of the Usable Area of such Lot, or portion of such Lot; provided however, such maximum amount of the Extended Hours Assessment that could be assessed may be increased annually by up to five percent (5%) above the actual rate levied in the previous year.
- Each Lot, or portion of each Lot, which is classified by the Board as Category 4 shall be subject to the Category 1 Baseline Assessment plus the Extended Hours Assessment against thirty-five percent (35%) of the Usable Area of such Lot, or portion of such Lot.
- Each Lot, or portion of each Lot, which is classified by the Board as Category 5 shall be subject to the Category 1 Baseline Assessment plus seventy-five percent (75%) of the Graduated Extended Hours Assessment (as defined below).
- Each Lot, or portion of each Lot, which is classified by the Board as Category 6 shall be subject to the Category 1 Baseline Assessment plus one-hundred percent (100%) of the Graduated Extended Hours Assessment (as defined below).
- Each Lot, or portion of each Lot, which is classified by the Board as Category 3, Category 5 or Category 6, which has an area that is determined by the Board to be used for dancing, shall be, in addition to the foregoing applicable special assessments,

subject to an additional annual special assessment (the “Dance Floor Assessment”) in an amount equal to the Extended Hours Assessment against ten percent (10%) of the Usable Area of such Lot, or portion of such Lot.

- Each Lot, or portion of each Lot, which is classified by the Board as Category 7 shall be subject to an annual special assessment (the “Residential Assessment”) by the District in an amount not to exceed \$108.43 per lot, or portion of such lot, provided however, such maximum amount of the Residential Assessment that could be assessed may be increased annually by up to five percent (5%) above the actual rate levied in the previous year.
- Each Lot, or portion of each Lot, which is classified by the Board as Category 8 shall be subject to the Category 1 Baseline Assessment plus one-hundred percent (100%) of the Graduated Extended Hours Assessment (as defined below).
- Each Lot, or portion of each Lot, which is classified by the Board as Category 8, shall be, in addition to the foregoing applicable special assessments, subject to an additional annual special assessment (the “Adult/Marijuana Assessment”) in an amount equal to the Extended Hours Assessment against twenty percent (20%) of the Usable Area of such Lot, or portion of such Lot.
- Each Lot, or portion of each Lot, which is classified by the Board as Category 4, Category 5, or Category 6 and has not entered into a “Good Neighbor Agreement” with the District, shall be, in addition to the foregoing applicable special assessments, subject to an additional annual assessment (the “Good Neighbor Assessment”) in an amount not to exceed the Extended Hours Assessment against twenty percent (20%) of the Usable Area of such Lot, or portion of such Lot.
- The “Graduated Extended Hours Assessment” shall be the sum of the following:
 - The product of the first 4,000 square feet of Usable Area of such Lot, or portion of such Lot, multiplied by the Extended Hours Assessment; plus
 - The product of fifty percent (50%) of the next 4,000 square feet of Usable Area of such Lot, or portion of such Lot, multiplied by the Extended Hours Assessment; plus
 - The product of twenty-five percent (25%) of the remaining Usable area of such Lot, or portion of such Lot, multiplied by the Extended Hours Assessment.

Major Changes Noted: Westport programs and services are funded through a combination of CID I special assessments and CID II sales/use tax revenues. In the 2026–2027 budget, we are adjusting how Security and Maintenance expenses are allocated between these two revenue sources to better level month-over-month cash flow, and this change does not reflect an overall decrease in Security or Maintenance service levels.

	<u>2026-2027*</u>	<u>2025-2026*</u>	<u>2024-2025**</u>
FUNDS AVAILABLE:			
-Cash on Hand (beginning of Fiscal Year)	949,312.85	919,340.85	778,196.23
ESTIMATED REVENUE:			
-CID Assessments	1,492,488.00	1,543,000.00	1,452,359.23
-Program & Event Income	0.00	62,072.00	262,713.28
-Deferred Income	0.00	0.00	22,963.62
-Interest	0.00	24,344.00	39,065.89
-Other Income	0.00	25,000.00	0.00
TOTAL ESTIMATED FUNDS AVAILABLE & REVENUE:	<u>2,441,800.85</u>	<u>2,573,756.85</u>	<u>2,555,298.26</u>
ESTIMATED EXPENSES:			
Administrative costs			
-Salaries, Benefits & Taxes	158,144.00	196,730.00	167,099.28
-Occupancy	31,215.00	32,075.00	31,460.14
-License, Fees & Taxes	19,138.00	21,190.00	25,328.29
-Insurance	15,208.00	35,025.00	34,376.87
-Professional Fees - Accounting & Legal	21,185.00	38,040.00	76,495.88
-Meetings, Dues & Subscriptions	2,886.00	4,163.00	1,688.18
-Conference, Travel & Education	0.00	508.00	2,752.71
-Bank Fees	523.00	997.00	564.78
-Office Equipment, Supplies & Postage	2,482.00	3,860.00	2,699.10
-Depreciation & Amortization	0.00	6,600.00	12,384.99
-Marketing/Event Expense	12,000.00	0.00	140,419.14
-Maintenance	300,000.00	100,000.00	140,419.14
-Misc			358.51
-Security	<u>929,707.00</u>	<u>1,185,256.00</u>	<u>1,168,650.11</u>
TOTAL ESTIMATED EXPENDITURES:	<u>1,492,488.00</u>	<u>1,624,444.00</u>	<u>1,664,278.04</u>
FUNDS AVAILABLE:			
-Cash on Hand (End of Fiscal Year)	949,312.85	949,312.85	919,340.85

*Estimated values

** Actual values

Note: The first column shows the new 2026-2027 budget amounts, which are still projections. The middle column represents the 2025-2026 amounts for the period that the CID is currently in and should also be considered estimates and projections as the period has not yet ended. The far right column represents the actual receipts and disbursements for the 2024-2025 period.