



From City Council meeting . . . to the Business Council

Prepared by Rich Groves, Executive Director
North Kansas City Business Council
November 15, 2022

Note: As a reminder, the notes below represent topics that, in my judgement, might be of interest to the business community. It does not include everything that was on the agenda.

Work Session – 6:00 p.m.

Long-Term Financial Forecasting

This work session focused on an interesting presentation by Deputy City Administrator Kim Nakahoda and City Finance Manager Nick Hawkins about the forecast of future revenue sources.

A large blue rectangular graphic on the left side of the page contains the word 'Overview' in white, sans-serif font. To the right of this graphic are four stacked, rounded rectangular boxes in shades of blue, teal, and green, each containing a topic name in white, sans-serif font.

Overview

Reason for Long-Range Planning

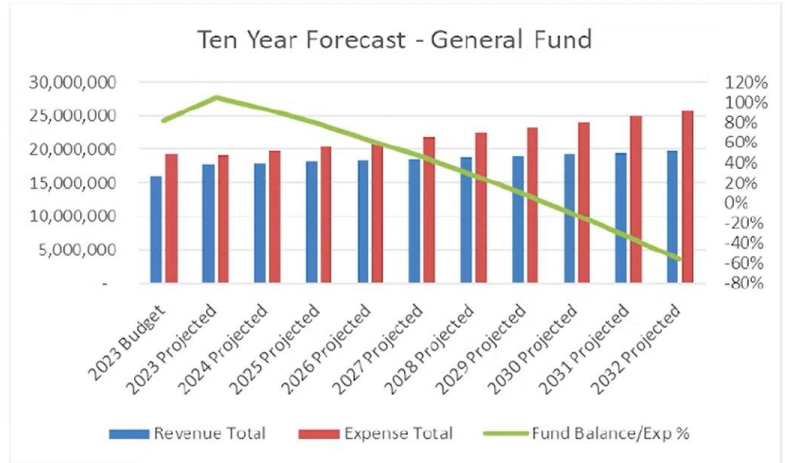
Individual Fund Forecasts

Challenges, Opportunities and
Future Considerations

Guidance on Policy and Budgeting
Process

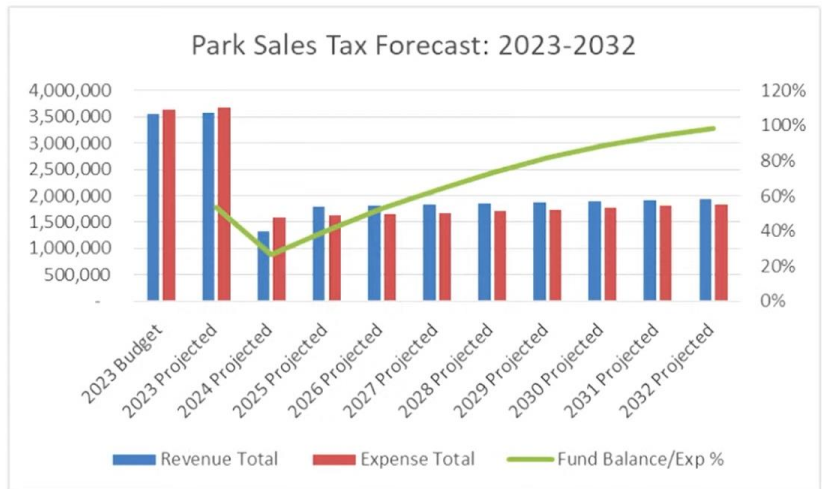
General Fund

- Fund Balance Goal: 50%
- 2023 Projection: 105%
- Cost Drivers
 - Wages/Benefits
 - Liability Insurance Premiums
- Revenue
 - Sales Tax Growth
 - Property Tax Pressure



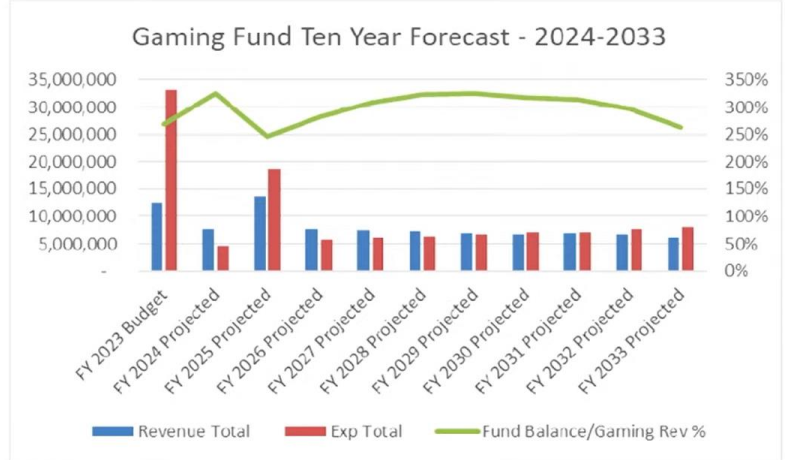
Parks Fund – WITH SALES TAX

- Opportunity – Parks Sales Tax
 - Quarter Cent Projection: \$875k
 - Remove Reliance on Gaming and General Support
 - Self Fund Capital and Maintenance



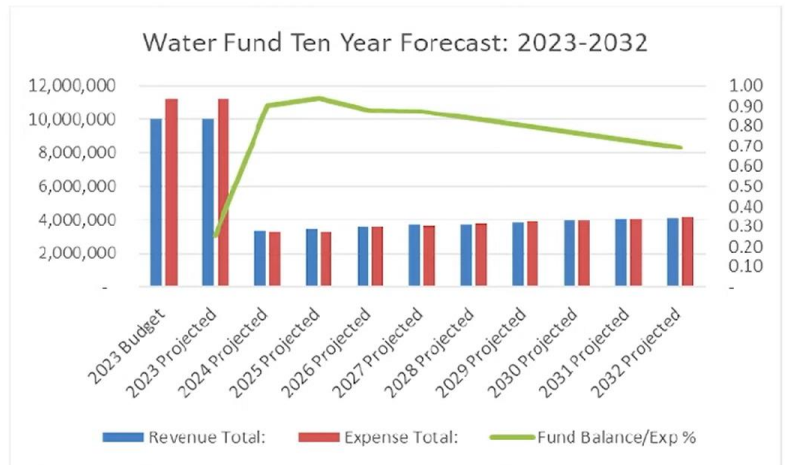
Gaming Fund

- Fund Balance Goal: 100%
- 2023 Projection: 324%
- Cost Drivers:
 - Transfer Support
 - Was 75% of the Expense
 - Projected to be 30% in 2032
 - Capital
 - Facilities Master Plan
 - Burlington Corridor
- Revenue:
 - Gaming Growth/Decline
 - Northgate Dropoff 2032



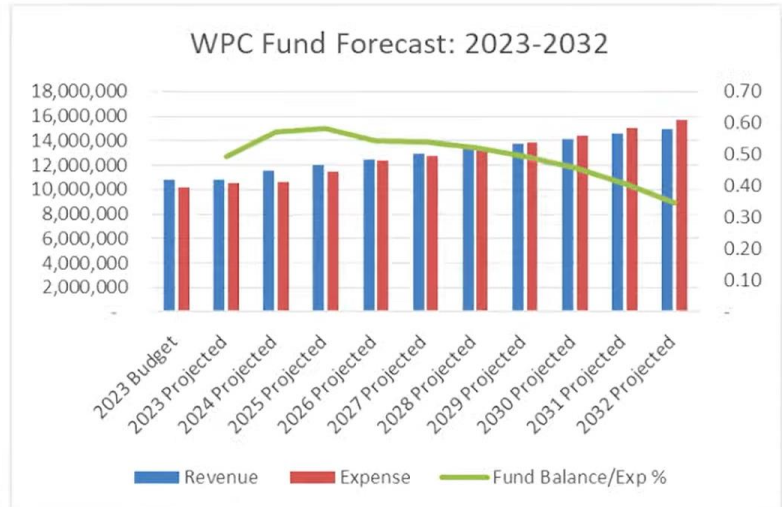
Water Fund

- Fund Balance Goal: 50%
- 2023 Projection: 26%
- Cost Drivers:
 - Capital
- Revenue:
 - Rate Study Recommendations
 - Gaming Subsidy



Wastewater Fund

- Fund Balance Goal: 50%
- 2023 Projection: 50%
- Cost Drivers:
 - Capital
 - KCMO Sewer Charges
- Revenue:
 - Rate Study Recommendation
 - Gaming Subsidy



Challenges

- Property Tax Pressures
- Volatility of Sales Tax Revenues
- Increased Operating Costs
- Increased Calls for Service
- Possible Recession
- Aging Infrastructure

Opportunities

Parks Sales Tax

Use Tax

Increased Business, and Visitor Activity

Explore Additional Revenue Sources

Explore Revenue Recovery Options

Future Considerations

Stormwater, Wastewater, Water Master Plan Capital Improvements

Facilities Audit Capital Outlay

Upcoming Renewals of Operations/Service Agreements

Bond vs Pay-As-You-Go

Adaptive Reuse with Current Infrastructure Capacity

Updating Economic Development Policy

Growing Community = Growing Needs

Next Steps



Fund Balance Policy



Capital Policy



Examine Revenue Options

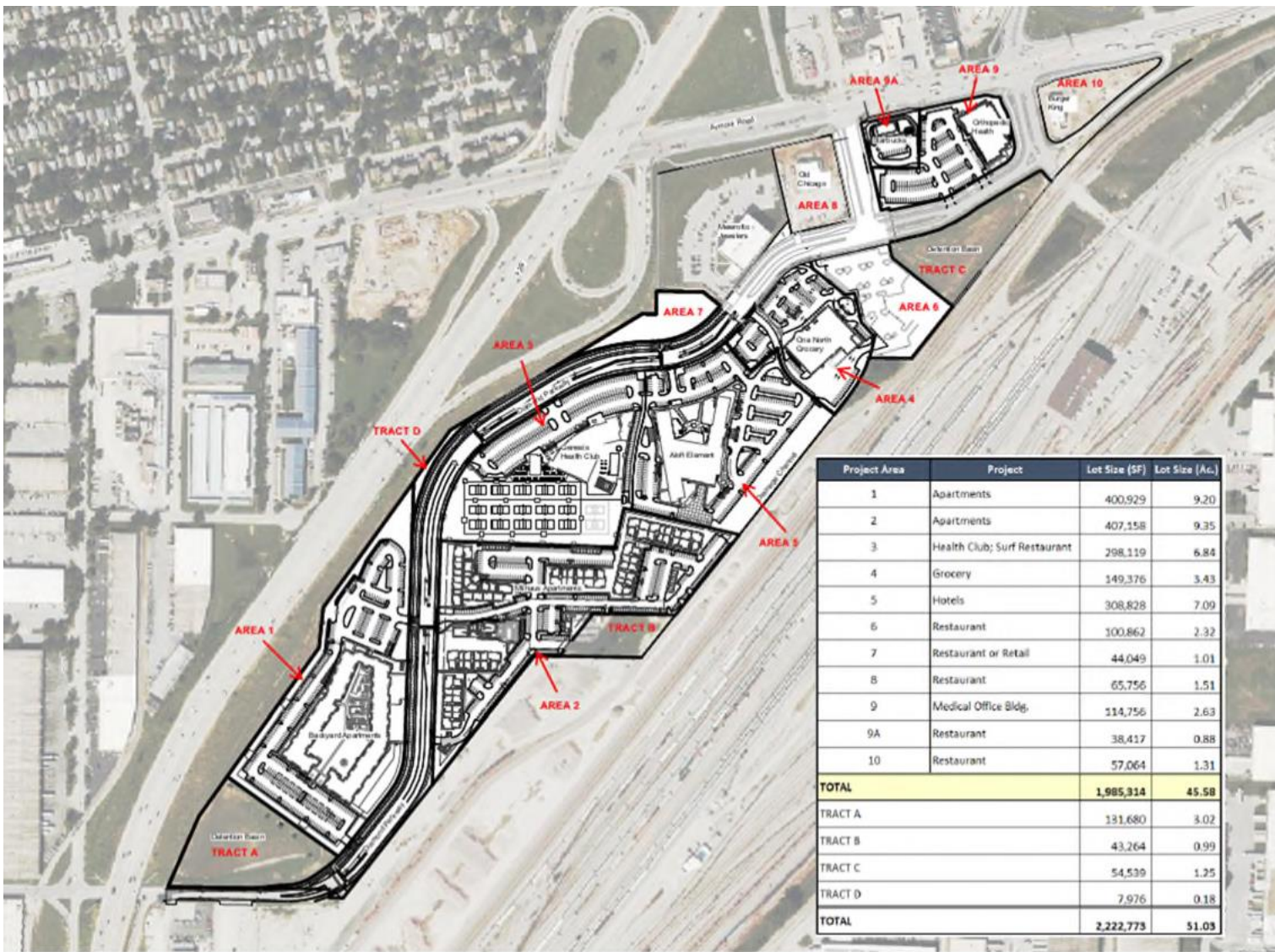


Incorporate into Budget and Strategic Planning

Regular Session – 7:00 p.m.

Agenda Topics

Further Clarification of Planned Uses of the One North redevelopment area



Transfer two bond agreements from SPS Companies/Exltube to Zekelman Industries

A recent sales agreement has transferred ownership of Exltube, a subsidiary of SPS Companies, to Zekelman Industries, the largest steel pipe business in the U.S. City Council took action to transfer the previous agreements for construction of the new steel tube plant at 10th Ave and Atlantic.

Future Election on April 4, 2023

Four 2-year City Council seats will be open for election at the April 4, 2023 election. Those positions are currently held by Wes Graves, Jesse Smith, Adam Roberts and Amie Clarke. There are also two 1-year terms to be filled for seats held by Connor Fitzgerald and the seat currently held by Ana Pellumbi who is resigning effective the end of this month. Both of these City Council positions are the result of appointments by the Mayor because of resignations. Filing of candidates can be done between December 6 and December 27.

Sales Tax Increase for North Kansas City Parks

City Council approved moving forward with a ballot issue in April to increase the park tax by 25 cents.

Cooperative Agreement for Transportation Planning Software

City Council approved the modest cost to participate with Liberty, Gladstone, Smithville, Excelsior Springs and Kearney in use of software from Replica Inc.

The full agenda for this meeting with links to critical documents is available on the City's website www.nkc.org under the heading of Agendas and Minutes. As always, additional details about City Council agenda topics are often available as attachments on the City's website www.nkc.org and later as <https://www.youtube.com/watch?v=Z-6WpmTG2Ss> part of the approved minutes.