

**NEW ISSUE
(Book Entry Only)**

**Ratings: Standard & Poor's: Underlying: "A-" (stable outlook)
Insured: "AA" (stable outlook)
See "RATINGS" herein.**

In the opinion of Gilmore & Bell, P.C., Bond Counsel, under existing law and assuming continued compliance with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), the interest on the Series 2025A Bonds (including any original issue discount properly allocable to an owner thereof) (1) is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax, and (2) is exempt from income taxation by the State of Missouri. The Series 2025A Bonds have not been designated as "qualified tax-exempt obligations" within the meaning of Section 265(b)(3) of the Code. Bond Counsel notes that interest on the Series 2025A Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax. See "TAX MATTERS" in this Official Statement.

MISSOURI DEVELOPMENT FINANCE BOARD
\$46,825,000
Infrastructure Facilities Revenue Bonds
(City of Independence, Missouri - Public Safety Projects)
Series 2025A

Dated: Date of Delivery

Due: See Inside Cover Page

The Series 2025A Bonds are issuable only as fully registered bonds, without coupons, in the denomination of \$5,000 or any integral multiple thereof. Principal of and semiannual interest on the Series 2025A Bonds will be paid from moneys available therefore under the Indenture (herein defined) between the Missouri Development Finance Board (the "Board") and UMB Bank, N.A., Kansas City, Missouri, as Trustee and Paying Agent. Principal of the Series 2025A Bonds will be due as shown on the inside cover page. Interest on the Series 2025A Bonds will be payable on each June 1 and December 1, beginning on December 1, 2025.

The Series 2025A Bonds are subject to redemption prior to maturity as described herein. See "THE SERIES 2025A BONDS – Redemption."

The Series 2025A Bonds will be payable solely from, and will be secured by, (i) an assignment and a pledge of Loan Payments made by the City of Independence, Missouri (the "City") pursuant to a Financing Agreement (the "Financing Agreement") between the Board and the City and (ii) certain other funds held by the Trustee under the Indenture.

The City anticipates that it will make Loan Payments due under the Financing Agreement primarily from the revenues generated by its Fire Protection Sales Tax and Marijuana Sales Tax (each defined herein). No revenues generated by either such tax are or can be pledged to the payment of Loan Payments or any other payments due with respect to the Series 2025A Bonds.

The scheduled payment of principal of and interest on the Series 2025A Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Series 2025A Bonds by **ASSURED GUARANTY INC.**



THE SERIES 2025A BONDS ARE NOT AN INDEBTEDNESS OF THE BOARD, THE CITY, THE STATE OF MISSOURI OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY PROVISION OF THE CONSTITUTION OR LAWS OF THE STATE OF MISSOURI. NEITHER THE FULL FAITH AND CREDIT NOR THE TAXING POWERS OF THE CITY, THE STATE OR ANY OTHER POLITICAL SUBDIVISION THEREOF IS PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2025A BONDS. THE ISSUANCE OF THE SERIES 2025A BONDS SHALL NOT, DIRECTLY, INDIRECTLY OR CONTINGENTLY, OBLIGATE THE CITY, THE STATE OR ANY OTHER POLITICAL SUBDIVISION THEREOF TO LEVY ANY FORM OF TAXATION THEREFOR OR TO MAKE ANY APPROPRIATION FOR THEIR PAYMENT. THE BOARD HAS NO TAXING POWER.

PAYMENT OF THE PRINCIPAL AND INTEREST ON THE SERIES 2025A BONDS IS NOT SECURED BY ANY DEED OF TRUST, MORTGAGE OR OTHER LIEN ON ANY PROPERTY OF THE CITY.

The Series 2025A Bonds are offered when, as and if issued by the Board and accepted by the Underwriter, subject to prior sale, withdrawal or modification of the offer without notice and subject to the approval of their validity by Gilmore & Bell, P.C., Kansas City, Missouri, Bond Counsel, as described herein. Certain legal matters will be passed upon for the Underwriter by its counsel, Pierson Ferdinand LLP. Certain legal matters will be passed on for the City by Lauber Municipal Law, Lee's Summit, Missouri, serving as the City Counselor of Independence, Missouri, and for the Board by Gilmore & Bell, P.C., Kansas City, Missouri. It is expected that the Series 2025A Bonds will be available for delivery through DTC on or about May 27, 2025.



The date of this Official Statement is April 29, 2025.

MISSOURI DEVELOPMENT FINANCE BOARD

\$46,825,000

Infrastructure Facilities Revenue Bonds
(City of Independence, Missouri - Public Safety Projects)
Series 2025A

Dated: Date of Delivery

Due: December 1 as shown below

Maturity Schedule

Serial Bonds

<u>Maturity</u> <u>December 1</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price</u>	<u>CUSIP No. †</u>
2025	\$650,000	5.00%	100.747%	60636S LH5
2026	710,000	5.00	102.055	60636S LJ1
2027	745,000	5.00	103.332	60636S LK8
2028	780,000	5.00	104.511	60636S LL6
2029	820,000	5.00	105.525	60636S LM4
2030	865,000	5.00	106.375	60636S LN2
2031	905,000	5.00	107.102	60636S LP7
2032	955,000	5.00	107.371	60636S LQ5
2033	1,000,000	5.00	107.676	60636S LR3
2034	1,055,000	5.00	107.004	60636S LS1
2035	1,105,000	5.00	106.484	60636S LT9
2036	1,165,000	5.00	105.748	60636S LU6
2037	1,225,000	5.00	105.309	60636S LV4
2038	1,285,000	5.00	105.090	60636S LW2
2039	1,350,000	5.00	104.581	60636S LX0
2040	1,425,000	5.50	107.371	60636S LY8
2041	1,510,000	5.50	106.641	60636S LZ5
2042	1,590,000	5.50	105.917	60636S MA9
2043	1,680,000	5.50	105.271	60636S MB7
2044	1,775,000	5.50	104.772	60636S MC5
2045	1,875,000	5.50	104.275	60636S MD3
2046	1,985,000	5.50	104.134	60636S ME1
2047	2,095,000	5.50	103.922	60636S MF8

Term Bonds

<u>Maturity</u> <u>December 1</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>	<u>Price</u>	<u>CUSIP No. †</u>
2050	\$7,030,000	5.50%	103.711%	60636S MG6
2054	11,245,000	5.00	99.540	60636S MH4

† CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc.. Copyright© 2021 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CUSIP Global Services. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the Board, the City, the Municipal Advisor or the Underwriter takes any responsibility for the accuracy of such numbers.

REGARDING USE OF THIS OFFICIAL STATEMENT

No dealer, broker, salesman or other person has been authorized by the Board, the City, the Municipal Advisor or the Underwriter to give any information or to make any representations, other than those contained in this Official Statement, and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. Statements contained in this Official Statement which involve estimates, forecasts or matters of opinion, whether or not expressly so described herein, are intended solely as such and are not to be construed as a representation of fact. The information set forth herein has been obtained from the Board, the City and other sources believed to be reliable, but is not guaranteed as to accuracy or completeness and is not to be construed as a representation by the Board, the Municipal Advisor or the Underwriter. The Underwriter has reviewed the information in this Official Statement in accordance with, and as part of its responsibilities to investors, under the Federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information. The information and expressions of opinion contained herein are subject to change without notice and neither the delivery of this Official Statement nor any sale made hereunder shall under any circumstances create any implication that there has been no change in the affairs of the Board or the City since the date hereof.

IN CONNECTION WITH THE OFFERING OF THE SERIES 2025A BONDS, THE UNDERWRITER MAY OVER ALLOT OR EFFECT TRANSACTIONS THAT STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2025A BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

THE SERIES 2025A BONDS HAVE NOT BEEN REGISTERED WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE INDENTURE BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE CITY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE BONDS HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY BOARD. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Assured Guaranty Inc. (“AG” or the “Insurer”) makes no representation regarding the Series 2025A Bonds or the advisability of investing in the Series 2025A Bonds. In addition, AG has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AG supplied by AG and presented under the heading “BOND INSURANCE” and “*Appendix H: SPECIMEN MUNICIPAL BOND INSURANCE POLICY*”.

CAUTIONARY STATEMENTS REGARDING FORWARD-LOOKING STATEMENTS IN THIS OFFICIAL STATEMENT

This Official Statement contains “forward-looking statements.” These forward-looking statements include statements about the City’s projections and future plans and strategies, and other statements that are not historical in nature. These forward-looking statements are based on the current expectations of the City. When used in this Official Statement, the words “project,” “estimate,” “intend,” “expect” and similar expressions are intended to identify forward-looking statements. Forward-looking statements involve future risks and uncertainties that could cause actual results and experience to differ materially from the anticipated results or other expectations expressed in forward-looking statements. These future risks and uncertainties include but are not limited to those discussed in the “PLAN OF FINANCING,” “THE CITY’S GENERAL FUND,” and “BONDOWNERS’ RISKS” sections of this Official Statement. The City undertakes no obligation to update any forward-looking statements contained in this Official Statement to reflect future events or developments.

EXCEPT FOR INFORMATION CONCERNING THE BOARD IN THE SECTIONS OF THIS OFFICIAL STATEMENT CAPTIONED “INTRODUCTORY STATEMENT – The Board,” “THE BOARD” AND “LITIGATION – The Board,” NONE OF THE INFORMATION IN THIS OFFICIAL STATEMENT HAS BEEN SUPPLIED OR VERIFIED BY THE BOARD AND THE BOARD MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

TABLE OF CONTENTS

	<u>Page</u>		<u>Page</u>
INTRODUCTORY STATEMENT	1	Insurer Control of Remedies	25
Purpose of the Official Statement	1	Bankruptcy	26
The Board	1	No Reserve Fund	26
The City	1	Determination of Taxability	26
The Plan of Financing	1	Risk of Audit	26
The Series 2025A Bonds	1	Lack of Secondary Market for the Series 2025A Bonds	27
Security for the Bonds	2	Defeasance Risks	27
The Insurer	2	The Hancock Amendment	27
Bondowners' Risks	3	Senior Property Tax Credit Program	28
Continuing Disclosure	3	State Tax Commission Order	28
Definitions and Forms of Legal Documents	3	Cybersecurity Risks	29
THE BOARD	3	Potential Impacts Resulting from Epidemics or Pandemics	30
General	3	Bond Ratings	30
Organization and Membership	3	Amendment of Documents	30
Other Indebtedness of the Board	4	Federal Investigation of Certain Transactions	30
THE CITY	5	Titan Fish Lawsuit	31
PLAN OF FINANCING	5	Barry Jones Lawsuit	31
General	5	Crackerneck Creek Lawsuit	32
The Projects	5	Suitability of Investment	32
Estimated Sources and Uses of Funds	6	LITIGATION	32
THE CITY'S GENERAL FUND	6	The Board	32
Introduction	6	The City	33
Audited Financial Information for Fiscal Year 2024	6	LEGAL MATTERS	33
Summary of General Fund Revenues, Expenditures and Changes in Fund Balances	7	TAX MATTERS	33
General Fund Balance Sheet Summary	8	Opinion of Bond Counsel	34
The City's Fiscal Year 2024-25 Adopted Budget	9	Other Tax Consequences	34
THE SERIES 2025A BONDS	10	RATINGS	35
General Terms	10	FINANCIAL STATEMENTS	36
Book-Entry Only System	11	CONTINUING DISCLOSURE	36
Redemption	13	UNDERWRITING	37
Registration, Transfer and Exchange	15	MUNICIPAL ADVISOR	37
CUSIP Numbers	16	MISCELLANEOUS	37
SECURITY AND SOURCES OF PAYMENT FOR THE BONDS	16	Appendix A: Information Concerning the City of Independence, Missouri	
General	16	Appendix B: Annual Comprehensive Financial Report of the City of Independence, Missouri for Fiscal Year Ended June 30, 2024	
Special, Limited Obligations	16	Appendix C: The City's Fiscal Year 2024-25 Adopted Budget	
The Financing Agreement	16	Appendix D: Forms of Certain Legal Documents	
Anticipated Sources of Funds for Appropriations ...	17	Appendix E: Form of Opinion of Bond Counsel	
The Indenture	18	Appendix F: Actuarial Report of GRS Retirement Consulting	
Provisions Relating to Bond Insurance	18	Appendix G: Actuarial Report of Lewis & Ellis, Inc.	
BOND INSURANCE	19	Appendix H: Specimen Municipal Bond Insurance Policy	
BONDOWNER'S RISKS	21	Appendix I: Provisions Relating to Bond Insurance	
General	21		
Risk Factors Relating to the City's Obligations to Make Loan Payments	21		
Pensions and Other Postemployment Benefits	23		
Additional Bonds and Obligations	24		
Shortfalls Relating to Other Annual Appropriation Obligations	24		
Anticipated Future Financings	25		
Loss of Premium Upon Early Redemption	25		
Enforcement of Remedies	25		

OFFICIAL STATEMENT

MISSOURI DEVELOPMENT FINANCE BOARD

\$46,825,000

Infrastructure Facilities Revenue Bonds

(City of Independence, Missouri - Public Safety Projects)

Series 2025A

INTRODUCTORY STATEMENT

The following introductory statement is subject in all respects to more complete information contained elsewhere in this Official Statement. The order and placement of materials in this Official Statement, including the Appendices, are not to be deemed to be a determination of relevance, materiality or relative importance, and this Official Statement, including the Cover Page and Appendices, must be considered in its entirety. All capitalized terms used in this Official Statement that are not otherwise defined herein shall have the meanings ascribed to them in Appendix D hereto.

Purpose of the Official Statement

This Official Statement, including the cover page and the Appendices, sets forth certain information in connection with (i) the issuance and sale by the Missouri Development Finance Board, a body corporate and politic of the State of Missouri (the “Board”), of the above-described series of bonds (the “Series 2025A Bonds”), (ii) the Board, (iii) the City of Independence, Missouri (the “City”) and (iv) the financing of certain improvements and costs relating thereto as more fully described herein under the caption “PLAN OF FINANCING” (the “Projects”) with the proceeds of the Series 2025A Bonds.

The Board

The Board is a body corporate and politic duly created and existing under the laws of the State of Missouri, including particularly the Missouri Development Finance Board Act, Sections 100.250 to 100.297, inclusive, of the Revised Statutes of Missouri, as amended (the “Act”). See “THE BOARD” herein.

The City

The City of Independence, Missouri (the “City”) is a constitutional charter city and political subdivision of the State of Missouri. See the caption “THE CITY” herein and “Appendix A: INFORMATION CONCERNING THE CITY OF INDEPENDENCE, MISSOURI.”

The Plan of Financing

The proceeds of the Series 2025A Bonds are being loaned to the City pursuant to the Financing Agreement dated as of May 1, 2025 (said Financing Agreement, together with all amendments and supplements thereto, being referred to herein as the “Financing Agreement”) between the Board and the City to finance the costs of the Projects described herein and pay the costs of issuing the Series 2025A Bonds.

The Series 2025A Bonds

The Series 2025A Bonds are being issued pursuant to the Act and a Bond Trust Indenture dated as of May 1, 2025 (said Bond Trust Indenture, together with all amendments and supplements thereto, being referred to herein as the “Indenture”), between the Board and UMB Bank, N.A., Kansas City, Missouri (the “Trustee”), for the purpose of providing funds to make a loan to the City pursuant to the Financing Agreement to be used

to (1) finance the costs of the Projects and (2) pay the costs of issuance of the Series 2025A Bonds, in consideration of payments by the City, which will be sufficient to pay the principal and the interest on the Series 2025A Bonds, all as more fully described in the Financing Agreement and the Indenture. A description of the Series 2025A Bonds is contained in this Official Statement under “THE SERIES 2025A BONDS.” All references to the Series 2025A Bonds are qualified in their entirety by the definitive forms thereof and the provisions with respect thereto included in the Indenture and the Financing Agreement.

The Indenture provides for the future issuance of additional bonds (“Additional Bonds”) which, if issued, would rank on a parity with the Series 2025A Bonds and any other bonds then outstanding under the Indenture. See “FORM OF THE INDENTURE ” in *Appendix D* hereto. The Series 2025A Bonds and any future Additional Bonds issued under the Indenture are referred to collectively as the “Bonds.” The Indenture does not limit the amount of such Additional Bonds that may be issued.

Security for the Bonds

The Bonds and the interest thereon are special, limited obligations of the Board, payable by the Board solely from (1) certain payments to be made by the City under the Financing Agreement, and (2) certain other funds held by the Trustee under the Indenture and not from any other fund or source of the Board, and are secured under the Indenture and the Financing Agreement as described herein. Payments under the Financing Agreement are designed to be sufficient, together with other funds available for such purpose, to pay when due the principal of, premium, if any, and interest on the Bonds. All payments by the City under the Financing Agreement are subject to annual appropriation. Pursuant to the Indenture, the Board will assign to the Trustee, for the benefit and security of the registered owners of the Bonds, substantially all of the rights of the Board in the Financing Agreement, including all Loan Payments payable thereunder.

The Bonds shall not constitute a debt or liability of the State or of any political subdivision thereof within the meaning of any State constitutional provision or statutory limitation and shall not constitute a pledge of the faith and credit of the State or of any political subdivision thereof. The issuance of the Bonds shall not directly or indirectly obligate the Board, its officers, directors or employees, the State or any political subdivision thereof to provide any funds for their payment. The issuance of the Bonds shall not, directly, indirectly, or contingently, obligate the State or any political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment. The Board has no taxing power. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS” herein.

The City anticipates that it will make Loan Payments due under the Financing Agreement primarily from the revenues generated by its Fire Protection Sales Tax and Marijuana Sales Tax (each defined herein). No revenues generated by either such tax are or can be pledged to the payment of Loan Payments or any other payments due with respect to the Series 2025A Bonds. See the caption “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Anticipated Sources of Funds for Appropriations” herein.

The Insurer

Assured Guaranty Inc. (“AG” or the “Insurer”) has committed to issue, effective as of the date on which the Series 2025A Bonds are delivered, a municipal bond insurance policy (the “Policy”), which Policy guarantees the scheduled payments of principal of and interest on the Series 2025A Bonds as the same become due. See the caption “BOND INSURANCE” herein and “*Appendix I: PROVISIONS RELATING TO BOND INSURANCE.*” A specimen of the Policy is contained in *Appendix H*.

Bondowners' Risks

Payment of the principal of and interest on the Bonds is dependent upon the City's decision to continue to appropriate sufficient moneys to make Loan Payments under the Financing Agreement. See "BONDOWNERS' RISKS" for a discussion of certain risks.

Continuing Disclosure

The City will execute a Continuing Disclosure Undertaking for the benefit of the owners of the Series 2025A Bonds to provide certain annual financial information and notices of the occurrence of certain material events. The form of the Continuing Disclosure Undertaking is attached to this Official Statement in *Appendix D*.

Definitions and Forms of Legal Documents

Definitions of certain words and terms used in this Official Statement are set forth in *Appendix D* of this Official Statement in the forms of documents contained therein. Forms of the Indenture, the Financing Agreement and the Continuing Disclosure Undertaking are included in this Official Statement in *Appendix D* hereto. All references herein to the specified documents are qualified in their entirety by reference to the definitive forms of such documents, copies of which will be available at the offices of the Underwriter, Stifel, Nicolaus & Company, Incorporated, 4622 Pennsylvania Avenue, Ste. 1210, Kansas City, MO 64112, during the period of the offering and, thereafter, at the payment office of the Trustee.

THE BOARD

General

The issuer of the Bonds is the Missouri Development Finance Board (the "Board"), a body corporate and politic duly created and existing under the laws of the State of Missouri, including particularly the Missouri Development Finance Board Act, Sections 100.250 to 100.297, inclusive, of the Revised Statutes of Missouri, as amended (the "Act"). The Bonds will be authorized and issued by the Board under the provisions of the statutes of the State, including the Act. Missouri law requires that the State shall not be liable in any event for the payment of the principal of or interest on any bonds of the Board or for the performance of any pledge, mortgage, obligation or agreement undertaken by the Board and no breach of any such pledge, mortgage, obligation or agreement may impose any pecuniary liability upon the State or any charge upon the general credit or taxing power of the State.

Organization and Membership

The Board was established pursuant to the Act in 1982 and consists of twelve members, eight of which are appointed by the Governor, with the advice and consent of the Senate. The Lieutenant Governor, the Director of the Department of Economic Development, the Director of the Department of Agriculture and the Director of the Department of Natural Resources serve as ex-officio, voting members of the Board. No more than five of the members may be of the same political party except for the Lieutenant Governor, the Director of the Department of Economic Development, the Director of the Department of Agriculture and the Director of the Department of Natural Resources. Appointed members serve terms of four years. Each member of the Board continues to serve until a successor has been duly appointed and qualified, unless such position becomes vacant under Missouri law.

Mark Stombaugh serves as Executive Director of the Board.

As of the date hereof, the members of the Board and the terms of appointed members are as follows.

- **Marie Carmichael** – Chair; term as a member expired September 14, 2020. Ms. Carmichael is owner of Affordable Homes Development in Springfield, Missouri.
- **Brent Buerck** – Vice Chair; term as a member expires September 14, 2026. Mr. Buerck is City Administrator of the City of Perryville, Missouri.
- **Matthew Dameron** – Treasurer; term as a member expired September 14, 2019. Mr. Dameron is a partner with Williams Dirks Dameron LLC in Kansas City, Missouri.
- **John Parry** – Secretary; term as a member expires September 14, 2024. Mr. Parry is chief executive officer of The Parry Group, a holding company for health care properties in Liberty, Missouri.
- **Dan Cranshaw** – term as a member expired September 14, 2022. Mr. Cranshaw is the Executive Director of the KC Health Collaborative in Kansas City, Missouri.
- **Rick Holton, Jr.** – term as a member expired September 14, 2024. Mr. Holton is Managing Partner of FINTOP Capital in St. Louis, Missouri.
- **Jonas Arjes** – term as a member expires September 14, 2027. Mr. Arjes is the Senior Vice President of Economic Development for the Springfield Area Chamber of Commerce in Springfield, Missouri.
- **Jessica Craig** – term as a member expires September 14, 2027. Ms. Craig is the Executive Director at Economic Development Sedalia – Pettis County in Sedalia, Missouri.
- **David Wasinger** – ex-officio member. The Honorable David Wasinger is the Lieutenant Governor of the State of Missouri.
- **Michelle Hataway** – ex-officio member. Ms. Hataway is the Director of the Department of Economic Development.
- **Chris Chinn** – ex-officio member. Ms. Chinn is the Director of the Department of Agriculture.
- **Kurt Schaefer** – ex-officio member. Mr. Schaefer is the Director of the Department of Natural Resources.

Other Indebtedness of the Board

The Board has sold and delivered other bonds and notes secured by instruments separate and apart from, and not secured by, the Bond Indenture securing the Bonds. The holders and owners of such bonds and notes have no claim on assets, funds or revenues of the Board pledged under the Bond Indenture, and the owners of the Bonds will have no claim on assets, funds or revenues of the Board securing other bonds and notes. The Board has never defaulted on any of its bonds or notes.

With respect to additional indebtedness of the Board, the Board intends to enter into separate agreements for the purpose of providing financing for other eligible projects and programs. Issues that may be sold by the Board in the future will be created under separate and distinct indentures or resolutions and secured by instruments, properties and revenues separate from those securing the Bonds.

EXCEPT FOR INFORMATION CONCERNING THE BOARD IN THE SECTIONS OF THIS OFFICIAL STATEMENT CAPTIONED “INTRODUCTORY STATEMENT – The Board,” “THE BOARD” AND “LITIGATION – The Board,” NONE OF THE INFORMATION IN THIS OFFICIAL STATEMENT HAS BEEN SUPPLIED OR VERIFIED BY THE BOARD AND THE BOARD MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

THE CITY

The City is a constitutional charter city and a political subdivision of the State of Missouri. Incorporated in 1849, the City of Independence, Missouri (the “City”) is the county seat of Jackson County, Missouri and adjoins Kansas City, Missouri to the west. The City is the fifth largest city in Missouri. The City is governed according to a Council-Manager Plan. The City Council, which consists of seven members, including the Mayor, is the legislative governing body of the City. Non-partisan elections are held every two years to provide for staggered terms of office. The Mayor and two at-large council members are elected to four-year terms and, in alternating elections, the four district council members are elected to four-year terms. Certain information describing the City is attached hereto in *Appendix A*.

PLAN OF FINANCING

General

The proceeds of the Bonds will be loaned by the Board to the City pursuant to the Financing Agreement. The City will use such proceeds to finance the costs of the Projects described herein and pay the costs of issuing the Bonds. Under the Financing Agreement the City is obligated (subject to annual appropriation) to make Loan Payments which will be sufficient to pay the principal and the interest on the Bonds, all as more fully described in the Financing Agreement and in the Indenture.

The Projects

The City will use a portion of the proceeds of the Series 2025A Bonds, in the amount of approximately \$42,675,000, to construct, improve, furnish and equip three new fire stations and related improvements within the City, including demolition of existing improvements (the “Fire Stations Project”) and a portion of the proceeds of the Series 2025A Bonds, in the amount of approximately \$5,000,000, to renovate, improve, furnish and equip the existing Independence Utilities Center for law enforcement uses, including space for police headquarters (the “Police Project”). The Fire Stations Project and the Police Project together are referred to as the “Projects”. The Fire Stations Project is anticipated to be completed by June 30, 2027 at an estimated total cost of \$49,675,000 and the Police Project is anticipated to be completed by December 31, 2025 at an estimated total cost of \$5,000,000. The City has approximately \$7,000,000 of funds on hand that it intends to apply to the costs of the Fire Stations Project in addition to proceeds of the Series 2025A Bonds.

[remainder of page intentionally left blank]

Estimated Sources and Uses of Funds

Sources of Funds:

Principal amount of the Series 2025A Bonds	\$46,825,000.00
Net original issue premium	<u>1,722,310.25</u>
Total sources of funds	<u>\$48,547,310.25</u>

Uses of Funds:

Project Fund deposit	\$47,675,000.00
Costs of Issuance ⁽¹⁾	<u>872,310.25</u>
Total uses of funds	<u>\$48,547,310.25</u>

⁽¹⁾ Includes Underwriter's discount and bond insurance premium.

THE CITY'S GENERAL FUND

Introduction

The General Fund is the City's primary operating fund and accounts for the financial resources of the general governmental operations of the City, with the exception of those required to be accounted for in another fund. Based on the City's Fiscal Year 2024-25 Adopted Budget, 78% of the City's General Fund expenditures for Fiscal Year 2025 will consist of salary and benefits, 19% will consist of other operating expenses (including internal services), and the remaining 3% will consist of debt service and contingency. During such period, the Fiscal Year 2024-25 Adopted Budget anticipates that 30% of the City's General Fund expenditures will relate to the fire department, 45% will relate to the police department, 8% will relate to community development, 7% will relate to municipal services, and the remaining 10% will relate to debt service, municipal court and legal costs, non-departmental and other expenses. See "Appendix B: ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE CITY OF INDEPENDENCE, MISSOURI FOR FISCAL YEAR ENDED JUNE 30, 2024," and "Appendix C: THE CITY'S FISCAL YEAR 2024-25 ADOPTED BUDGET."

Audited Financial Information for Fiscal Year 2024

For Fiscal Year 2024, General Fund revenues totaled \$84,720,800 (including \$22,142,507 of net transfers in, consisting almost entirely of payments in lieu of tax transferred to the General Fund from the City's utility funds), while expenditures totaled \$80,161,292. This resulted in a net increase in fund balance of \$4,559,508 and an ending fund balance for the General Fund at June 30, 2024 of \$15,606,698, up from \$11,047,190 at June 30, 2023. See "Summary of General Fund Revenues, Expenditures and Changes in Fund Balances" and "General Fund Balance Sheet Summary," below, and "Appendix B: ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE CITY OF INDEPENDENCE, MISSOURI FOR FISCAL YEAR ENDED JUNE 30, 2024." The ending unassigned General Fund balance (meaning funds that are spendable and are not contractually or legally restricted, committed by City Council or assigned to a specific purpose by management) at June 30, 2024 was \$14,590,280, increased from \$10,185,654 at the end of Fiscal Year 2023.

[remainder of page intentionally left blank]

Summary of General Fund Revenues, Expenditures and Changes in Fund Balances

The following table sets forth a summary of the statement of revenues, expenditures, and changes in fund balances for the General Fund for the Fiscal Years shown based on the City's audited financial statements for such years:

	<u>Fiscal Year Ended June 30</u>				
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Revenues:					
Taxes	\$33,455,975	\$32,439,613	\$34,568,612	\$37,623,557	\$38,698,300
Licenses and permits	5,012,961	4,772,400	5,597,300	4,515,592	4,861,003
Intergovernmental	5,106,634	5,655,410	5,883,865	7,044,054	7,223,392
Charges for services	2,538,096	2,013,571	2,177,202	2,519,197	2,733,278
Interfund charges for support services	5,035,500	5,035,500	5,035,500 ⁽¹⁾	2,354,600 ⁽¹⁾	4,376,682
Fines, forfeitures, and court costs	2,890,421	2,152,627	2,116,883	2,125,274	2,454,405
Investment income	447,157	86,640	(95)	185,978	680,468
Other	1,236,303	1,319,968	1,014,870	676,341	1,550,765
Total	\$55,723,047	\$53,475,729	\$56,394,137	\$57,044,593	\$62,578,293
Expenditures:					
Administrative services	\$8,564,556	\$8,598,724	\$10,236,725 ⁽¹⁾	\$4,549,155 ⁽¹⁾	\$4,465,053
Public safety	55,781,405	55,311,652	58,552,056	59,252,584	63,412,141
Public works / Municipal services	4,927,968	5,256,263	5,480,201	5,371,361	5,677,184
Health / Animal Services	8,572	69,009	3,263	-	-
Culture and recreation	1,798,035	-	212,352	212,419	214,685
Community development	4,797,872	3,902,963	3,853,580	4,901,339	5,737,488
General government	18,000	79	-	-	43,901
Capital outlay	-	1,192,500	-	-	44,812
Debt service	165,670	165,879	339,274	180,739	566,028
Total	\$76,062,078	\$74,497,069	\$78,677,451	\$74,467,597	\$80,161,292
Excess (deficiency) of revenues over expenditures	\$(20,339,031)	\$(21,021,340)	\$(22,283,314)	\$(17,423,004)	\$(17,582,999)
Other sources:					
Utility payments in lieu of taxes	\$19,191,559	\$19,255,236	\$20,168,635	\$21,760,119	\$22,149,695
Transfers in	-	808,036	3,529,000	-	22,018
Transfers out	(11,727)	(35,300)	(883,286)	(217,275)	(29,206)
Proceeds of Borrowing	-	1,192,500	75,620	-	-
Total	\$19,179,832	\$21,220,472	\$22,889,969	\$21,542,844	\$22,142,507
Net change in fund balance	\$(1,159,199)	\$199,132	\$606,655	\$4,119,840	\$4,559,508
Fund balance, beginning	7,280,762	6,121,563	6,320,695	6,927,350	11,047,190
Fund balance, ending	\$6,121,563	\$6,320,695	\$6,927,350	\$11,047,190	\$15,606,698

Source: City's Annual Comprehensive Financial Reports for Fiscal Years 2020 through 2024.

(1) The reductions in interfund charges for support services and in administrative services expenditures beginning in fiscal year 2023 is due to the revenues from and expenditures related to the Finance, Human Resources, and Technology Services departments being moved from the General Fund into a separate internal service fund.

General Fund Balance Sheet Summary

The following table sets forth a summary of the General Fund balance sheet for the Fiscal Years shown based on the City's audited financial statements for such years:

	<u>Fiscal Year Ended June 30</u>				
	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
Assets:					
Pooled cash and investments	\$2,062,198	\$2,813,040	\$3,548,536	\$7,693,147	\$11,830,527
Receivables:					
Taxes	12,134,680	10,099,945	10,491,271	11,190,847	11,662,498
Accounts, net	138,707	106,489	208,810	731,975	905,663
Special assessment principal	672,580	580,435	630,037	808,133	1,264,214
Accrued interest	24,961	17,129	10,074	17,222	10,222
Leases	-	-	828,867	808,930	788,464
Due from other funds	4,347,984	2,054,491	2,157,372	1,458,744	2,063,941
Due from other governments	816,026	968,651	979,269	1,095,280	1,159,827
Prepaid Items	-	19,755	-	-	-
Restricted cash and investments	244,915	202,166	268,206	150,298	79,615
Total Assets	\$20,442,051	\$16,862,101	\$19,122,442	\$23,954,576	\$29,764,971
Liabilities:					
Accounts and contracts payable	\$271,804	\$266,024	\$364,021	\$206,836	\$273,940
Due to other funds	165,750	-	-	-	-
Due to other governments	155,367	-	-	-	35,563
Accrued items	3,296,793	2,332,060	2,830,917	2,793,555	3,119,624
Other current liabilities	889,705	1,018,650	1,098,901	1,345,681	1,842,243
Unearned revenue	-	-	-	-	-
Liabilities payable from restricted assets:					
Deposits and court bonds	244,915	202,166	268,206	150,298	79,615
Total Liabilities	\$5,024,334	\$3,818,900	\$4,562,045	\$4,664,711	\$5,350,985
Deferred Inflows of Resources:					
Unavailable - special assessments	\$677,914	\$580,435	\$630,386	\$811,029	\$1,267,110
Unavailable - real estate taxes	8,618,240	6,142,071	6,178,463	6,648,618	6,798,320
Unavailable - leases	-	-	824,198	783,028	741,858
Total Deferred Inflows	\$9,296,154	\$6,722,506	\$7,633,047	\$8,242,675	\$8,807,288
Total liabilities and deferred inflows	\$14,320,488	\$10,541,406	\$12,195,092	\$12,907,386	\$14,158,273
Fund Balances:					
Nonspendable	-	\$19,755	-	-	-
Restricted	\$78,022	118,750	\$93,848	\$225,394	\$354,280
Committed	18,105	16,373	17,145	50,985	65,619
Assigned	723,920	465,453	534,629	585,157	596,519
Unassigned	5,301,516	5,700,364	6,281,728	10,185,654	14,590,280
Total	\$6,121,563	\$6,320,695	\$6,927,350	\$11,047,190	\$15,606,698
Total liabilities, deferred inflows of resources, and fund balance	\$20,442,051	\$16,862,101	\$19,122,442	\$23,954,576	\$29,764,971

Source: City's Annual Comprehensive Financial Reports for Fiscal Years 2020 through 2024.

The City's Fiscal Year 2024-25 Adopted Budget

The following information describing the City's General Fund is contained in and/or summarizes portions of the City's Fiscal Year 2024-25 Adopted Budget, which is attached hereto as *Appendix C*.

Total revenues for the General Fund in the Fiscal Year 2024-25 Adopted Budget are \$83,318,302, an increase of \$5,256,089 from the Fiscal Year 2023-24 Adopted Budget. Total expenditures for the General Fund in the Fiscal Year 2024-25 Adopted Budget are \$83,318,302, an increase of \$5,256,089 from the Fiscal Year 2023-24 Adopted Budget. The City Manager's Budget Letter attributes the increase over Fiscal Year 2024 primarily to growth in property tax, use tax receipts and retail sales tax receipts (including voter authorized sales tax increases).

Increased revenues have allowed the City to achieve compliance for Fiscal Year 2024 with Resolution 17-729 (setting a policy of maintaining an unassigned General Fund balance of at least 16% of General Fund expenditures) for the first time since passage of such resolution by City Council. However, the City Manager's Budget Letter cautions that such results may be temporary due to anticipated increases in expenses. The letter states, in part:

As the charts below indicate, expenditure growth is outpacing revenue growth. This structural imbalance leaves a projected ending fund balance of (\$20M) by FY 28-29. This is not a sustainable trend as it does not provide the City with sufficient resources to navigate any further economic disruptions or the flexibility to capitalize on opportunities, invest strategically, or provide service enhancements within the financial plan period.

* * *

This year, the City began utilizing Priority Based Budgeting to address the structural issues through the reallocation of existing resources in the absence of new revenue streams. Through this process, departments identified the programs and services they are providing to the citizens of Independence, developed a cost for each program and then rated it against the Action Plan identified by City Council. Continued stabilization of the City's fiscal condition will require additional efforts to critically examine and prioritize services, evaluate revenue options, as well as focus on attracting capital investment and other initiatives that contribute to the economic expansion of Independence.

* * *

Better than forecasted revenue growth in some areas has relieved some of the financial issues at the initial planning stages of the budget, however long-term fiscal sustainability is still an area of primary concern. As I cautioned in the previous two years' budget messages, without further structural reductions in operating expenses or an infusion of new revenues, the financial constraints experienced each year will continue to manifest and limit service delivery.

Such options include:

- Make strategic changes to legacy expenditures that are growing at unsustainable rates, such as health benefits and overtime practices.
- Attract and retain industry that meets market demand and provides employment opportunities for Independence residents.
- Reallocate current resources (both people and dollars) to higher performing programs that align more closely to the strategic plan and community needs.
- Capitalize on opportunities to enhance revenue:
 - Economic development and capital investment

- Regional events (one-time)
- New revenue sources

See page 10 of the City's Fiscal Year 2024-25 Adopted Budget, which is attached hereto as *Appendix C*, for the chart referred to in the quotation above and see pages 7 through 15 of the City's Fiscal Year 2024-25 Adopted Budget for extended discussion relating the current and anticipated health of the City's General Fund.

The City Manager's Budget Letter highlights certain areas of economic development as examples of progress towards one of the goals stated above:

- We are growing our revenues through meaningful economic development. Applications for new business licenses as well as renewals of existing business licenses increased in 2023.
- The City realized a 66% increase in permits for new single family home construction in 2023. Two new multi-family housing projects gained City Council approval in 2023. There are now 1,243 Class A, market-rate apartments either newly finished or set for construction in Independence. This growth isn't just limited to market-rate housing, though. In June 2022, the City implemented a temporary building permit fee waiver program with the goal of encouraging infill single family residential construction and substantial rehabilitation of single family homes. Since the launch of this program, 13 new infill single family homes have been constructed. Additionally, private reinvestment has included \$30 million in improvements to the Hawthorne Place apartments, and \$4.4 million for improvements to the Cimmaron apartments. Both apartment complexes offer affordable housing to residents, demonstrating that all housing types and income levels are welcome in Independence.
- The first two facilities have opened in Eastgate Commerce Center, providing nearly 600,000 in industrial space. Cargo Largo opened its 500,000 sq. ft. facility and now employs 500 people. This is a \$65 million capital investment in our community.
- The Hub Shopping Center located at the southwest corner of 23rd Street and Hub Drive near 291 Hwy was approved for a \$36 million redevelopment project aimed at modernizing the grocery-anchored shopping center for continued use for retail and other commercial purposes.

See pages 8-9 of the City's Fiscal Year 2024-25 Adopted Budget, which is attached hereto as *Appendix C*.

THE SERIES 2025A BONDS

The following is a summary of certain terms and provisions of the Series 2025A Bonds. Reference is hereby made to the Series 2025A Bonds and the provisions with respect thereto in the Indenture and the Financing Agreement for the detailed terms and provisions thereof.

General Terms

The Series 2025A Bonds are being issued in the principal amount set forth on the cover page, are dated the date of issuance and delivery thereof, will bear interest from the date thereof or from the most recent interest payment date to which interest has been paid at the rates per annum set forth on the inside cover page, payable semiannually on June 1 and December 1 of each year, beginning on December 1, 2025, and will mature on the dates set forth on the inside cover page. The Bonds are issuable as fully registered bonds in the denomination of \$5,000 or any integral multiple thereof. The principal of the Bonds is payable at the payment office of the Trustee. The interest on the Bonds is payable (a) by check or draft mailed by the Trustee to the persons who are the registered owners of the Bonds as of the close of business on the 15th day of the month preceding the respective interest payment dates, as shown on the bond registration books maintained by the Trustee, or (b) at the expense of the registered owner, by electronic transfer of immediately available funds at the written request of any registered owner of \$500,000 or more in aggregate principal amount of Bonds, if such written notice specifying the electronic transfer instructions is provided to the Trustee not less than 5 days

prior to the Interest Payment Date. Purchases of the Bonds will be made in book-entry only form (as described immediately below), in the denomination of \$5,000 or any integral multiple thereof. Purchasers of the Bonds will not receive certificates representing their interests in the Bonds purchased. If the specified date for any payment on the Bonds is a date other than a Business Day, such payment may be made on the next Business Day without additional interest and with the same force and effect as if made on the specified date for such payments.

Book-Entry Only System

General. The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Series 2025A Bonds. The Series 2025A Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Bond certificate will be issued for each maturity of the Series 2025A Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

So long as Cede & Co., as nominee of DTC, is the registered owner of the Series 2025A Bonds, the Beneficial Owners of the Series 2025A Bonds will not receive or have the right to receive physical delivery of the Series 2025A Bonds, and references herein to the Bondowners or registered owners of the Series 2025A Bonds shall mean Cede & Co. and shall not mean the Beneficial Owners of the Series 2025A Bonds.

DTC and its Participants. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. The information on such website is not incorporated herein by such reference or otherwise.

Purchase of Ownership Interests. Purchases of Series 2025A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2025A Bonds on DTC’s records. The ownership interest of each actual purchaser of each Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2025A Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates

representing their ownership interests in Bonds, except in the event that use of the book-entry system for the Series 2025A Bonds is discontinued.

Transfers. To facilitate subsequent transfers, all Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2025A Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2025A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Notices. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2025A Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2025A Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Bond documents. For example, Beneficial Owners of Series 2025A Bonds may wish to ascertain that the nominee holding the Series 2025A Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2025A Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Voting. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Board as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Payments of Principal and Interest. Redemption proceeds, distributions, and dividend payments on the Series 2025A Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Board or the Trustee, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the Board, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Board or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

Discontinuation of Book Entry System. DTC may discontinue providing its services as depository with respect to the Series 2025A Bonds at any time by giving reasonable notice to the Board or the Bond Trustee. Under such circumstances, in the event that a successor depository is not obtained, Bond certificates are required to be printed and delivered.

The Board may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Board, the City and the Underwriter believe to be reliable, but the Board, the City and the Underwriter take no responsibility for the accuracy thereof, and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters but should instead confirm the same with DTC or the DTC Participant, as the case may be.

Redemption

Optional Redemption. The Series 2025A Bonds are subject to redemption and payment prior to maturity, at the option of the Board, which shall be exercised upon written direction from the City, on and after December 1, 2033, in whole or in part at any time at a redemption price equal to the principal amount thereof, plus accrued interest thereon to the redemption date.

Mandatory Sinking Fund Redemption. The Series 2025A Bonds maturing on December 1, 2050 and December 1, 2054 are subject to mandatory redemption and payment prior to maturity pursuant to the mandatory redemption requirements of the Indenture on each December 1 on the dates and in the amounts set forth below, at 100% of the principal amount thereof plus accrued interest to the redemption date, without premium:

Term Bonds Maturing December 1, 2050

<u>December 1</u>	<u>Principal Amount</u>
2048	\$2,215,000
2049	2,340,000
2050	2,475,000 [†]

[†]Final Maturity

Term Bonds Maturing December 1, 2054

<u>December 1</u>	<u>Principal Amount</u>
2051	\$2,605,000
2052	2,735,000
2053	2,875,000
2054	3,030,000 [†]

[†]Final Maturity

The Trustee shall, in each year in which the Series 2025A Bonds are to be redeemed pursuant to the terms of the mandatory sinking fund requirements of the Indenture summarized above make timely selection of such bonds or portions thereof to be so redeemed in \$5,000 units of principal amount by lot or in such other equitable manner as the Trustee may determine and shall give notice thereof without further instructions from the Board or the City. At the option of the City, to be exercised on or before the 45th day next preceding each mandatory redemption date, the City shall: (1) deliver to the Trustee for cancellation Bonds of the same maturity in the aggregate principal amount desired; or (2) furnish to the Trustee funds, together with appropriate instructions, for the purpose of purchasing any of said Bonds of the same maturity from any owner thereof in the open market at a price not in excess of 100% of the principal amount thereof, whereupon the

Trustee shall use its best efforts to expend such funds for such purposes to such extent as may be practical; or (3) elect to receive a credit in respect to the mandatory redemption obligation under this subsection for any Bonds of the same maturity which prior to such date have been redeemed (other than through the operation of the requirements of this subsection) and cancelled by the Trustee and not theretofore applied as a credit against any redemption obligation under this subsection. Each Bond so delivered or previously purchased or redeemed shall be credited at 100% of the principal amount thereof on the obligation of the Board to redeem Bonds of the same maturity on the next mandatory redemption date that is at least 45 days after receipt by the Trustee of such instructions from the City any excess of such amount shall be credited on future mandatory redemption obligations for Bonds of the same maturity in chronological order or such other order as the City may designate, and the principal amount of Series 2025A Bonds of the same maturity to be redeemed on such future mandatory redemption dates by operation of the requirements of this paragraph shall be reduced accordingly. If the City intends to exercise any option granted by the provisions of clauses (1), (2) or (3) of this paragraph, the City will, on or before the 45th day next preceding the applicable mandatory redemption date, furnish the Trustee an Officer's Certificate indicating to what extent the provisions of said clauses (1), (2) and (3) are to be complied with, and the Series 2025A Bonds of the same maturity, in the case of its election pursuant to clause (1), in respect to such mandatory redemption payment.

Notice of Redemption. Unless waived by any owner of Bonds to be redeemed, official notice of any such redemption shall be given by the Trustee on behalf of the Board by mailing a copy of an official redemption notice by first class mail, at least 30 days and not more than 60 days prior to the redemption date to each registered owner of the Bonds to be redeemed at the address shown on the bond register or at such other address as is furnished in writing by such registered owner to the Trustee.

All official notices of redemption shall be dated and shall state: (1) the redemption date; (2) the redemption price; (3) the principal amount of Bonds to be redeemed; (4) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date; and (5) the place where the Bonds to be redeemed are to be surrendered for payment of the redemption price, which place of payment shall be the payment office of the Trustee or other Paying Agent.

The failure of any owner of Bonds to receive notice given as provided herein, or any defect therein, shall not affect the validity of any proceedings for the redemption of any Bonds. Any notice mailed as provided herein shall be conclusively presumed to have been duly given and shall become effective upon mailing, whether or not any owner receives such notice.

For so long as DTC is effecting book-entry transfers of the Bonds, the Trustee shall provide the notices specified in this Section to DTC. It is expected that DTC will, in turn, notify its Participants and that the Participants, in turn, will notify or cause to be notified the beneficial owners. Any failure on the part of DTC or a Participant, or failure on the part of a nominee of a beneficial owner of a Bond (having been mailed notice from the Trustee, DTC, a Participant or otherwise) to notify the beneficial owner of the Bond so affected, shall not affect the validity of the redemption of such Bond.

Selection by Trustee of Bonds to be Redeemed. Bonds may be redeemed only in the principal amount of \$5,000 or any integral multiple thereof. When less than all of the Outstanding Series 2025A Bonds are to be redeemed, such Series 2025A Bonds shall be redeemed from the Stated Maturities selected by the Board, at the direction of the City, and Series 2025A Bonds of less than a full Stated Maturity shall be selected by the Paying Agent in \$5,000 units of principal amount by lot or in such other equitable manner as the Paying Agent may determine.

The Trustee shall promptly notify the Board and the City in writing of the Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

Deposit of Redemption Price. Prior to any redemption date, the Board shall deposit with the Trustee or with a Paying Agent, from moneys provided by the City, an amount of money sufficient to pay the redemption price of all the Bonds which are to be redeemed on that date. Such money shall be held in trust for the benefit of the Persons entitled to such redemption price and shall not be deemed to be part of the Trust Estate.

Bonds Payable on Redemption Date. Notice of redemption having been given as aforesaid, the Bonds to be so redeemed shall, on the redemption date, become due and payable at the redemption price therein specified and from and after such date (unless the Board shall default in the payment of the redemption price) such Bonds shall cease to bear interest. Upon surrender of any such Bond for redemption in accordance with said notice, such Bond shall be paid by the Board at the redemption price. Installments of interest with a due date on or prior to the redemption date shall be payable to the owners of the Bonds registered as such on the relevant Record Dates according to the terms of such Bonds.

If any Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid, bear interest from the redemption date at the rate prescribed therefor in the Bond.

Bonds Redeemed in Part. Any Bond which is to be redeemed only in part shall be surrendered at the place of payment therefor (with, if the Board or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Board and the Trustee duly executed by, the owner thereof or his attorney or legal representative duly authorized in writing) and the Board shall execute and the Trustee shall authenticate and deliver to the owner of such Bond, without service charge, a new Bond or Bonds of the same series and maturity of any authorized denomination or denominations as requested by such owner in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered. If the owner of any such Bond shall fail to present such Bond to the Trustee for payment and exchange as aforesaid, said Bond shall, nevertheless, become due and payable on the redemption date to the extent of the \$5,000 (or other denomination) unit or units of principal amount called for redemption (and to that extent only).

Subject to the approval of the Trustee, in lieu of surrender under the preceding paragraph, payment of the redemption price of a portion of any Bond may be made directly to the registered owner thereof without surrender thereof, if there shall have been filed with the Trustee a written agreement of such owner and, if such owner is a nominee, the Person for whom such owner is a nominee, that payment shall be so made and that such owner will not sell, transfer or otherwise dispose of such Bond unless prior to delivery thereof such owner shall present such Bond to the Trustee for notation thereon of the portion of the principal thereof redeemed or shall surrender such Bond in exchange for a new Bond or Bonds for the unredeemed balance of the principal of the surrendered Bond.

Registration, Transfer and Exchange

The Bonds will be issued in fully registered form in denominations of \$5,000 and any integral multiple thereof, and each Bond will be registered in the name of the owner thereof on the registration books maintained by the Trustee. The Bonds are transferable by the registered holder thereof or by such holder's attorney duly authorized in writing upon presentation thereof at the payment office of the Trustee. Any Bond may be exchanged at the payment office of the Trustee for a like aggregate principal amount of Bonds of the same maturity of other authorized denominations. The Trustee and the Board may charge a fee covering taxes and other governmental charges in connection with any exchange, change in registration or transfer of any Bond. The foregoing provisions for the registration, transfer and exchange of the Bonds will not be applicable to purchasers of the Bonds so long as the Bonds are subject to the DTC or other book-entry only system.

CUSIP Numbers

It is anticipated that CUSIP identification numbers will be printed on the Bonds, but neither the failure to print such numbers on any Bonds, nor any error in the printing of such numbers, shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for any Bonds.

SECURITY AND SOURCES OF PAYMENT FOR THE BONDS

General

The Bonds will be issued under and will be equally and ratably secured under the Indenture, which will assign and pledge to the Trustee (1) certain rights of the Board under the Financing Agreement, including the right to receive Loan Payments thereunder, and (2) the funds and accounts, including the money and investments in them, which the Trustee holds under the terms of the Indenture.

Special, Limited Obligations

The Bonds and the interest thereon are special, limited obligations of the Board, payable solely from certain payments to be made by the City under the Financing Agreement and certain other funds held by the Trustee under the Indenture and not from any other fund or source of the Board, and are secured under the Indenture and the Financing Agreement as described herein. **All payments by the City under the Financing Agreement are subject to annual appropriation.**

The Bonds shall not constitute a debt or liability of the State or of any political subdivision thereof within the meaning of any State constitutional provision or statutory limitation and shall not constitute a pledge of the faith and credit of the State or of any political subdivision thereof. The issuance of the Bonds shall not directly or indirectly obligate the Board, its officers, directors or employees, the State or any political subdivision thereof to provide any funds for their payment. The issuance of the Bonds shall not, directly, indirectly, or contingently, obligate the State or any political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment. The Board has no taxing power.

The Financing Agreement

Loan Payments and Other Payments. Under the Financing Agreement, the City is required to make Loan Payments to the Trustee for deposit into the Debt Service Fund in amounts sufficient to pay the principal of and interest on the Bonds when due. The City's obligations to pay the Loan Payments and Additional Payments shall be limited, special obligations of the City payable solely from, subject to annual appropriation by the City as described above, all legally available revenues (including general fund revenues) of the City. The taxing power of the City is not pledged to the payment of the Loan either as to principal or interest. The City's obligation to pay the Loan Payments and Additional Payments shall not constitute general obligations of the City, nor shall they constitute an indebtedness of the City within the meaning of any constitutional, statutory or charter provision, limitation or restriction.

Annual Appropriations. The City intends, on or before the last day of each Fiscal Year, to budget and appropriate moneys sufficient to pay all Loan Payments and reasonably estimated Additional Payments for the next succeeding Fiscal Year. The City shall deliver written notice to the Trustee no later than 15 days after the commencement of its Fiscal Year stating whether or not the City Council has appropriated funds sufficient for the purpose of paying the Loan Payments and Additional Payments reasonably estimated to become due during such Fiscal Year. If the City Council shall have made the appropriation necessary to pay the Loan Payments and reasonably estimated Additional Payments to become due during such Fiscal Year, the failure of the City to deliver the foregoing notice on or before the 15th day after the commencement of its Fiscal Year shall not constitute an Event of Nonappropriation and, on failure to receive such notice 15 days after the

commencement of the City's Fiscal Year, the Trustee shall make independent inquiry of the fact of whether or not such appropriation has been made. If the City Council shall not have made the appropriation necessary to pay the Loan Payments and Additional Payments reasonably estimated to become due during such succeeding Fiscal Year, the failure of the City to deliver the foregoing notice on or before the 15th day after the commencement of its Fiscal Year shall constitute an Event of Nonappropriation.

Annual Budget Request. The City Manager or other officer of the City at any time charged with the responsibility of formulating budget proposals shall include in the budget proposals submitted to the City Council, in each Fiscal Year in which the Financing Agreement shall be in effect, an appropriation for all payments required for the ensuing Fiscal Year; it being the intention of the City that the decision to appropriate or not to appropriate under the Financing Agreement shall be made solely by the City Council and not by any other official of the City. The City intends, subject to the provisions above respecting the failure of the City to budget or appropriate funds to make Loan Payments and Additional Payments, to pay the Loan Payments and Additional Payments hereunder. The City reasonably believes that legally available funds in an amount sufficient to make all Loan Payments and Additional Payments during each Fiscal Year can be obtained. The City further intends to do all things lawfully within its power to obtain and maintain funds from which the Loan Payments and Additional Payments may be made, including making provision for such Loan Payments and Additional Payments to the extent necessary in each proposed annual budget submitted for approval in accordance with applicable procedures of the City and to exhaust all available reviews and appeals in the event such portion of the budget is not approved. The City's Director of Finance is directed to do all things lawfully within such person's power to obtain and maintain funds from which the Loan Payments and Additional Payments may be paid, including making provision for such Loan Payments and Additional Payments to the extent necessary in each proposed annual budget submitted for approval or by supplemental appropriation in accordance with applicable procedures of the City and to exhaust all available reviews and appeals in the event such portion of the budget or supplemental appropriation is not approved. Notwithstanding the foregoing, the decision to budget and appropriate funds is to be made in accordance with the City's normal procedures for such decisions.

Loan Payments to Constitute Current Expenses of the City. The Board and the City acknowledge and agree that the Loan Payments and Additional Payments hereunder shall constitute currently budgeted expenditures of the City, and shall not in any way be construed or interpreted as creating a liability or a general obligation or debt of the City in contravention of any applicable constitutional or statutory limitation or requirements concerning the creation of indebtedness by the City, nor shall anything contained herein constitute a pledge of the general credit, tax revenues, funds or moneys of the City. The City's obligations to pay Loan Payments and Additional Payments hereunder shall be from year to year only, and shall not constitute a mandatory payment obligation of the City in any ensuing Fiscal Year beyond the then current Fiscal Year. Neither the Financing Agreement nor the issuance of the Bonds shall directly or indirectly obligate the City to levy or pledge any form of taxation or make any appropriation or make any payments beyond those appropriated for the City's then current Fiscal Year, but in each Fiscal Year Loan Payments and Additional Payments shall be payable solely from the amounts budgeted or appropriated therefor out of the income and revenue provided for such year, plus any unencumbered balances from previous years; provided, however, that nothing herein shall be construed to limit the rights of the owners of the Bonds or the Trustee to receive any amounts which may be realized from the Trust Estate pursuant to the Indenture. Failure of the City to budget and appropriate said moneys on or before the last day of any Fiscal Year shall be deemed an Event of Nonappropriation.

Anticipated Sources of Funds for Appropriations

The City anticipates that it will make Loan Payments due under the Financing Agreement primarily from the revenues generated by its (1) 0.5% sales tax on all taxable retail sales imposed for the purpose of providing revenues for the operation of the municipal fire department (the "Fire Protection Sales Tax") and (2) 3.0% tax on the retail sale of adult use non-medical marijuana (the "Marijuana Sales Tax"). The Fire Protection Sales Tax was previously imposed at the rate of 0.125% but an increase to 0.5% was approved by voters in November of

2021. The Marijuana Sales Tax was approved by voters April of 2023. Fire Protection Sales Tax proceeds are anticipated to be used to pay debt service on the portion of the Series 2025A Bonds allocable to costs of the Fire Stations Project while Marijuana Sales Tax proceeds are anticipated to be used to pay debt service on the portion of the Series 2025A Bonds allocable to costs of the Police Project. The ordinance authorizing the Fire Protection Sales Tax states that 50% of the proceeds of such tax shall be allocated to funding capital improvements and 50% shall be allocated to funding additional uniformed fire personnel, meaning that only one-half of the proceeds of such tax will be available for appropriation to pay debt service on the portion of the Series 2025A Bonds allocable to costs of the Fire Stations Project.

The application of such revenues to pay Loan Payments is subject to annual appropriation by the City. No revenues generated by the Fire Protection Sales Tax or the Marijuana Sales Tax are or can be pledged to the payment of Loan Payments or any other payments due with respect to the Series 2025A Bonds. See below for historical collections of the Fire Protection Sales Tax and the Marijuana Sales Tax.

	0.5%	3.0%
Fiscal Year	Fire Protection Sales Tax ⁽¹⁾	Marijuana Sales Tax
2024	\$12,245,154	\$678,880 ⁽³⁾
2023	11,784,656	n/a
2022	3,720,007 ⁽²⁾	n/a
2021	2,250,479	n/a
2020	2,080,829	n/a

⁽¹⁾ The ordinance authorizing the Fire Protection Sales Tax states that 50% of the proceeds of such tax shall be allocated to funding capital improvements and 50% shall be allocated to funding additional uniformed fire personnel, meaning that only one-half of the proceeds of such tax will be available for appropriation to pay debt service on the portion of the Series 2025A Bonds allocable to costs of the Fire Stations Project.

⁽²⁾ The Fire Protection Sales Tax was increased from 0.125% to 0.5% in the third quarter of Fiscal Year 2022.

⁽³⁾ Collections of the Marijuana Sales Tax began in Fiscal Year 2024 and reflect a partial year of tax imposition. The City's Fiscal Year 2024-25 Adopted Budget anticipates full-year collections of \$900,000 for Fiscal Year 2025, which equates to 0.64% of the total governmental revenues budgeted for Fiscal Year 2024-25 or 1.07% of the combined revenues of the General Fund and Marijuana Sales Tax Fund budgeted for Fiscal Year 2024-25.

The Indenture

Under the Indenture, the Board will pledge and assign to the Trustee, for the benefit of the bondowners, all of its rights under the Financing Agreement, including all Loan Payments and other amounts payable under the Financing Agreement (except for certain fees, expenses and advances and any indemnity payments payable to the Board) as security for the payment of the principal of and interest on the Bonds. See "FORM OF THE INDENTURE " in *Appendix D* hereto.

Provisions Relating to Bond Insurance

Certain provisions relating to the Insurer and the Policy have been incorporated into the Indenture and the Financing Agreement. These provisions grant rights to the Insurer under the Indenture and the Financing Agreement in addition to those granted to the owners of the Series 2025A Bonds. See "*Appendix I: PROVISIONS RELATING TO BOND INSURANCE*" and the caption "BONDOWNERS' RISKS – Insurer Control of Remedies."

[remainder of page intentionally left blank]

BOND INSURANCE

Bond Insurance Policy

Concurrently with the issuance of the Series 2025A Bonds, Assured Guaranty Inc. (“AG” or the “Insurer”) will issue its Municipal Bond Insurance Policy (the “Policy”) for the Series 2025A Bonds. The Policy guarantees the scheduled payment of principal of and interest on the Series 2025A Bonds when due as set forth in the form of the Policy included as an appendix to this Official Statement.

The Policy is not covered by any insurance security or guaranty fund established under New York, Maryland, California, Connecticut or Florida insurance law.

Assured Guaranty Inc.

AG is a Maryland domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. (“AGL” and together with its subsidiaries, “Assured Guaranty”), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol “AGO.” AGL, through its subsidiaries, provides credit enhancement products to the U.S. and non-U.S. public finance (including infrastructure) and structured finance markets and participates in the asset management business through ownership interests in Sound Point Capital Management, LP and certain of its investment management affiliates. Only AG is obligated to pay claims under the insurance policies AG has issued, and not AGL or any of its shareholders or other affiliates.

AG’s financial strength is rated “AA” (stable outlook) by S&P Global Ratings, a business unit of Standard & Poor’s Financial Services LLC (“S&P”), “AA+” (stable outlook) by Kroll Bond Rating Agency, Inc. (“KBRA”) and “A1” (stable outlook) by Moody’s Investors Service, Inc. (“Moody’s”). Each rating of AG should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of AG in its sole discretion. In addition, the rating agencies may at any time change AG’s long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by AG. AG only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by AG on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

Merger of Assured Guaranty Municipal Corp. Into Assured Guaranty Inc.

On August 1, 2024, Assured Guaranty Municipal Corp., a New York domiciled financial guaranty insurance company and an affiliate of AG (“AGM”), merged with and into AG, with AG as the surviving company (such transaction, the “Merger”). Upon the Merger, all liabilities of AGM, including insurance policies issued or assumed by AGM, became obligations of AG.

Current Financial Strength Ratings

On October 18, 2024, KBRA announced it had affirmed AG’s insurance financial strength rating of “AA+” (stable outlook).

On July 10, 2024, Moody’s, following Assured Guaranty’s announcement of the Merger, announced that it had affirmed AG’s insurance financial strength rating of “A1” (stable outlook).

On May 28, 2024, S&P announced it had affirmed AG's financial strength rating of "AA" (stable outlook). On August 1, 2024, S&P stated that following the Merger, there is no change in AG's financial strength rating of "AA" (stable outlook).

AG can give no assurance as to any further ratings action that S&P, Moody's and/or KBRA may take. For more information regarding AG's financial strength ratings and the risks relating thereto, see AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2024.

Capitalization of AG

At December 31, 2024:

- The policyholders' surplus of AG was approximately \$3,524 million.
- The contingency reserve of AG was approximately \$1,392 million.
- The net unearned premium reserves and net deferred ceding commission income of AG and its subsidiaries (as described below) were approximately \$2,424 million. Such amount includes (i) 100% of the net unearned premium reserve and net deferred ceding commission income of AG and (ii) the net unearned premium reserves and net deferred ceding commissions of AG's wholly owned subsidiary Assured Guaranty UK Limited ("AGUK"), and its 99.9999% owned subsidiary Assured Guaranty (Europe) SA ("AGE").

The policyholders' surplus, contingency reserve, and net unearned premium reserves and net deferred ceding commission income of AG were determined in accordance with statutory accounting principles. The net unearned premium reserves and net deferred ceding commissions of AGUK and AGE were determined in accordance with accounting principles generally accepted in the United States of America.

Incorporation of Certain Documents by Reference

Portions of AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2024 filed with the Securities and Exchange Commission (the "SEC") on February 28, 2025 that relate to AG are incorporated by reference into this Official Statement and shall be deemed to be a part hereof.

All information relating to AG included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof "furnished" under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the Series 2025A Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC's website at <http://www.sec.gov>, at AGL's website at <http://www.assuredguaranty.com>, or will be provided upon request to Assured Guaranty Inc.: 1633 Broadway, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL's website shall be deemed to be part of or incorporated in this Official Statement.

Any information regarding AG included herein under the caption "BOND INSURANCE – Assured Guaranty Inc." or included in a document incorporated by reference herein (collectively, the "AG Information") shall be modified or superseded to the extent that any subsequently included AG Information (either directly or through incorporation by reference) modifies or supersedes such previously included AG Information. Any AG Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

Miscellaneous Matters

AG makes no representation regarding the Series 2025A Bonds or the advisability of investing in the Series 2025A Bonds. In addition, AG has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding AG supplied by AG and presented under the heading “BOND INSURANCE”.

BONDOWNER’S RISKS

The following is a discussion of certain risks that could affect payments to be made by the City with respect to the Bonds. Such discussion is not, and is not intended to be, exhaustive and should be read in conjunction with all other parts of this Official Statement and should not be considered as a complete description of all risks that could affect such payments. Prospective purchasers of the Bonds should analyze carefully the information contained in this Official Statement, including the Appendices hereto, and additional information in the form of the documents contained in Appendix D.

General

The Bonds are limited obligations of the Board payable by the Board solely from payments to be made by the City pursuant to the Financing Agreement and from certain other funds held by the Trustee under the Indenture. No representation or assurance can be given that the City will realize revenues in amounts sufficient to make such payments under the Financing Agreement with respect to the Bonds.

The City anticipates that it will make Loan Payments due under the Financing Agreement primarily from the revenues generated by its Fire Protection Sales Tax and Marijuana Sales Tax. No revenues generated by either such tax are or can be pledged to the payment of Loan Payments or any other payments due with respect to the Series 2025A Bonds. The ordinance authorizing the Fire Protection Sales Tax states that 50% of the proceeds of such tax shall be allocated to funding capital improvements and 50% shall be allocated to funding additional uniformed fire personnel, meaning that only one-half of the proceeds of such tax will be available for appropriation to pay debt service on the portion of the Series 2025A Bonds allocable to costs of the Fire Stations Project. See the caption “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Anticipated Sources of Funds for Appropriations” herein.

The likelihood that the City will be able to generate sufficient municipal revenues (including but not limited to proceeds of the Fire Protection Sales Tax and Marijuana Sales Tax) to pay the Loan Payments and Additional Payments throughout the term of the Series 2025A Bonds is dependent in part upon certain factors which are beyond the control of the City, including demographic conditions within the City, the value of taxable property within the City and the amount of taxable retail sales that occur within the City.

IF THE CITY FAILS TO APPROPRIATE AMOUNTS SUFFICIENT TO PAY THE LOAN PAYMENTS IN ANY FISCAL YEAR, NO OTHER FUNDS WILL BE AVAILABLE TO PAY SUCH PRINCIPAL AND INTEREST.

Risk Factors Relating to the City’s Obligations to Make Loan Payments

General. All payments by the City under the Financing Agreement are subject to annual appropriation.

Risk of Non-Appropriation. The City’s obligation to make Loan Payments under the Financing Agreement is subject to annual appropriation. Although the City has covenanted to request annually that the

appropriation of the Loan Payments be included in the budget submitted to the City Council for each fiscal year, there can be no assurance that such appropriation will be made, and the City is not legally obligated to do so.

Construction Risks. Weather, labor disputes, availability of materials and supplies, casualty damages, unanticipated subsoil conditions, unanticipated construction difficulties and other “force majeure” occurrences or events or financial failure or failure to perform by a contractor, subcontractor or supplier may affect the timely construction of the Projects. No assurance can be given that the Projects will be completed on schedule, within budget or without material errors and defects. Any such failure could affect the City’s decision to continue appropriations under the Financing Agreement.

Changes in Economic, Demographic and Market Conditions. Changes in real estate market conditions in the area of the City, as well as changes in general or local demographic or economic conditions, could adversely affect the value of the property located within the City and the level of economic activity in the City and, consequently, the amounts of real estate taxes, sales taxes and other revenues generated by the City. Such changes could also have an adverse impact on the financial condition of the City and, thus, the City resources available for appropriation for the payment of Loan Payments relating to the Series 2025A Bonds.

In particular, sales tax revenues historically have been sensitive to changes in local, regional and national economic conditions. For example, sales tax revenues have historically declined during economic recessions, when high unemployment adversely affects consumption. Demographic changes in the population of the City may adversely affect the level of sales tax revenues. A decline in the City’s population, or reductions in the level of commercial and industrial activity in the City, could reduce the number and value of taxable transactions and thus reduce the amount of sales tax revenues. Internet and on-line sales have also caused local sales tax collections to decline. The City does currently impose a use tax to address such sales. It is not possible to predict whether or to what extent any such changes in economic conditions, demographic characteristics, population or commercial and industrial activity will occur, and what impact any such changes would have on sales tax revenues.

Reliance on Sales and Use Tax Revenue. The City depends significantly on retail sales and use tax revenues, with approximately 51.5% of the City’s general and program revenues from governmental activities during the fiscal year ended June 30, 2024 being derived from such taxes.

Uncertainties Regarding Marijuana Sales Tax Collections. The City anticipates that it will make Loan Payments due under the Financing Agreement primarily from the revenues generated by its Fire Protection Sales Tax and Marijuana Sales Tax. The Marijuana Sales Tax proceeds are anticipated to be used to pay debt service on the portion of the Series 2025A Bonds allocable to costs of the Police Project. The Marijuana Sales Tax is a 3.0% tax on the retail sale of adult use non-medical marijuana. The application of such revenues to pay Loan Payments is subject to annual appropriation by the City. No revenues generated by any sales tax are or can be pledged to the payment of Loan Payments or any other payments due with respect to the Series 2025A Bonds. See “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Anticipated Sources of Funds” for further discussion of the Marijuana Sales Tax.

The commercial retail sale of marijuana in Missouri is a recent development, having just been legalized at the State level in 2022, with the first legal sales occurring in early 2023. The long-term market for and viability of the retail marijuana market is impossible to predict and the potential effects of changes in general or local demographic or economic conditions and the general level of economic activity in the City on the retail marijuana market are unknown. Additionally, marijuana is subject to regulation by State, local and federal government, any of which may impose additional restrictions on (potentially including prohibition of) the sale, use or transportation of marijuana in the future. The federal government currently classifies marijuana as a “Schedule I” illegal drug, although approximately 35 states allow the sale of marijuana in some form.

Marijuana Sales Tax revenues in the City are generated by only four retailers. The closure of one or more of such retailers could have a significant effect on the amount of revenues generated by the Marijuana Sales Tax.

General Fund Capacity. The City anticipates that it will make Loan Payments due under the Financing Agreement primarily from the revenues generated by its Fire Protection Sales Tax and Marijuana Sales Tax. However, no revenues generated by either such tax are or can be pledged to the payment of Loan Payments or any other payments due with respect to the Series 2025A Bonds. See the caption “SECURITY AND SOURCES OF PAYMENT FOR THE BONDS – Anticipated Sources of Funds for Appropriations” herein. To the extent that proceeds of such sales taxes are insufficient to pay debt service on the Series 2025A Bonds (after consideration of other expenditures that the City may make from such sales tax proceeds), the City anticipates utilizing balances in the City’s General Fund to make Loan Payments. See “THE CITY’S GENERAL FUND,” above, for a discussion of General Fund revenues, expenses and ending fund balances for Fiscal Year 2024 and the City’s Fiscal Year 2024-25 Adopted Budget.

General Fund Expenses. For the fiscal year ending June 30, 2025, approximately 78% of the General Fund revenues are expected to be spent for City personnel costs – salaries, wages and benefits. Appropriations from the General Fund to pay debt service on the Bonds, if necessary in future years, may require the consideration and implementation of expenditure reductions, including reductions to salaries, wages and benefits. Such reductions could be very difficult to implement and may impact the City’s decision of whether to continue to support the payment of debt service on all of its outstanding annual appropriation obligations by appropriating revenues from its General Fund and other legally available funds.

A significant portion of the City’s General Fund expenditures for salaries, wages and benefits are related to contributions to a defined benefit pension plan known as LAGERS (\$18,381,179 in the fiscal year ending June 30, 2024) and to “Other Post-Employment Benefits” or “OPEB” (\$7,404,000 in the fiscal year ending June 30, 2024). Audited numbers for Fiscal Year 2024 are contained in *Appendix B*, starting at page 84 of the City’s Annual Comprehensive Financial Report. In addition, *Appendix B* presents multi-year trend information as of June 30, 2024, showing whether the actuarial value of defined benefit pension plans assets is increasing or decreasing over time relative to the actuarial accrued liability and also includes information concerning the historical trends of OPEB. Both the contribution to LAGERS and the projected OPEB costs are based upon actuarial reports that include certain key assumptions. The most recent actuarial report received by the City relating to the City’s contribution to LAGERS is attached hereto as *Appendix F*. The most recent actuarial report received by the City relating to the projected OPEB liability is attached hereto as *Appendix G*. Prospective investors should evaluate whether the assumptions used in such reports are reasonable and the future impact such costs could have on the General Fund.

No Pledge, Lease or Mortgage of the Projects or any other Facilities of the City. Payment of the principal of and interest on the Bonds is **not** secured by any deed of trust, mortgage or other lien on the Projects or any other facilities or property of the City. The Bonds are payable solely from annual appropriation by the City.

Pensions and Other Postemployment Benefits

The City contributes to the Missouri Local Government Employees Retirement System (“LAGERS”), an agent multi-employer, statewide public employee retirement plan for entities of local government which is legally separate and fiscally independent of the State of Missouri. The City also provides other postemployment benefits (“OPEB”) as part of the total compensation offered to attract and retain the services of qualified employees. Future required contribution increases beyond the current fiscal year may require the City to increase its revenues, reduce its expenditures, or some combination thereof, which may impact the City’s operations or limit the City’s ability to generate additional revenues in the future.

For more information specific to the City's participation, including the City's past contributions, net pension liability, and pension expense, see "THE CITY – Employee Retirement System" and "Post-Employment Health Benefits" in *Appendix A* hereto (including the references to the City's Annual Comprehensive Financial Report attached hereto as *Appendix B*) and the reports provided as *Appendix F* and *Appendix G* hereto.

Additional Bonds and Obligations

The City has numerous outstanding obligations payable from annual appropriations. See the list in *Appendix A* under the heading "FINANCIAL INFORMATION CONCERNING THE CITY – Obligations of the City – *Revenue Obligations*." The City may issue additional bonds or other obligations payable from annual appropriations as such needs arise. The Indenture and Financing Agreement do not limit such additional financings.

Shortfalls Relating to Other Annual Appropriation Obligations

The City has a variety of obligations relating to bonds or leases issued for various municipal and economic development purposes, which are secured by annual appropriations of the City. See "FINANCIAL INFORMATION CONCERNING THE CITY – Obligations of the City – *Revenue Obligations*" in *Appendix A* hereto. Any shortfall in the intended revenue sources for these obligations may decrease the City's willingness or ability to appropriate moneys sufficient to make Loan Payments under the Financing Agreement relating to the Series 2025A Bonds. Sales tax revenues (including proceeds of the Fire Protection Sales Tax and the Marijuana Sales Tax) as well as amounts in the City's General Fund and other legally available funds could serve as a source of appropriations for certain of the City's other annual appropriation obligations as well as the Series 2025A Bonds and there is no guarantee as to how the City would prioritize payment in case of shortfalls with respect to various tranches of obligations. See "FINANCIAL INFORMATION CONCERNING THE CITY – Debt Service on Obligations Secured by Annual Appropriations," in *Appendix A* hereto, for a table showing debt service on outstanding obligations of the City secured by annual appropriations.

Two of the City's economic development projects have historically underperformed and are anticipated to require significant appropriations from non-project-generated sources over the coming years. With respect to the "Santa Fe Redevelopment Project," two series of bonds are currently outstanding, including (1) the Board's Infrastructure Facilities Revenue Bonds (City of Independence, Missouri – Santa Fe Redevelopment Project), Series 2015A (outstanding in the principal amount of \$4,085,000 as of March 15, 2025), and (2) the Board's Taxable Infrastructure Facilities Revenue Bonds (City of Independence, Missouri – Santa Fe Redevelopment Project), Series 2015B (outstanding in the principal amount of \$2,875,000 as of March 15, 2025). With respect to the "Falls at Crackerneck Creek Redevelopment Project," two series of bonds are currently outstanding, including (1) the Board's Infrastructure Facilities Refunding Revenue Bonds (City of Independence, Missouri – Crackerneck Creek Project), Series 2015C (outstanding in the principal amount of \$43,365,000 as of March 15, 2025), and (2) the Board's Infrastructure Facilities Refunding Revenue Bonds (City of Independence, Missouri – Crackerneck Creek Project), Series 2021 (outstanding in the principal amount of \$30,265,000 as of March 15, 2025). See "FINANCIAL INFORMATION CONCERNING THE CITY – The Santa Fe Redevelopment Project" and "– The Falls at Crackerneck Creek Redevelopment Project" in *Appendix A* hereto for more discussion on these projects and anticipated shortfalls in project-generated revenues.

The City has implemented a Tax Increment Financing Supplemental Appropriation Policy (the "TIF Supplemental Appropriation Policy") relating to certain new revenues previously captured for application within tax increment financing redevelopment areas that become available as tax increment financing expires within such areas in order to provide for the retention of such revenues in an amount sufficient for the full payment of all of the City's tax increment financing obligations after considering project-generated revenues anticipated to be available to pay such obligations. See "FINANCIAL INFORMATION CONCERNING THE

CITY – The City’s Tax Increment Financing Supplemental Appropriation Policy” in *Appendix A* hereto for further discussion. The retention of amounts under the TIF Supplemental Appropriation Policy will be recommended to the City Council in connection with each annual budget, but such retention is ultimately subject to an annual decision of the City Council to appropriate funds for such purpose.

As described above, the City is obligated to pay debt service with respect to numerous borrowings on an annual appropriation basis. Although repayment of certain borrowings is limited to appropriations from revenues produced by operation of the City’s utilities, many of the City’s obligations are ultimately backed by a pledge to annually appropriate from any legally available source. Shortfalls in revenues anticipated to make payments with respect to certain series of outstanding bonds may reduce the City’s ability to make appropriations from the General Fund to pay debt service on other series of bonds.

Although the City’s TIF Supplemental Appropriation Policy is designed to address anticipated shortfalls in project revenues available for payment of its bond-financed tax increment financing projects, there is no guarantee that the City will not experience shortfalls in revenue available to pay debt service on any particular series of bonds for which it has an annual appropriation obligation. Any such shortfall could affect the City’s willingness to appropriate funds in an amount sufficient to pay the debt service on its other outstanding annual appropriation obligations.

Anticipated Future Financings

The City has plans for certain additional future financings, including but not limited to the issuance of general obligation bonds recently approved by voters. See “FINANCIAL INFORMATION CONCERNING THE CITY – Anticipated Future Financings” in *Appendix A* hereto for further discussion.

Loss of Premium Upon Early Redemption

Purchasers of maturities of the Series 2025A Bonds sold at a price in excess of their principal amount should consider the fact that the Series 2025A Bonds are subject to redemption at a redemption price equal to their principal amount plus accrued interest under certain circumstances. See “THE SERIES 2025A BONDS – Redemption.”

Enforcement of Remedies

The enforcement of the remedies related to the Series 2025A Bonds, the Indenture and the Financing Agreement may be limited or restricted by federal or state laws or by the application of judicial discretion, and may be delayed in the event of litigation to enforce the remedies. State laws concerning the use of assets of political subdivisions and federal and state laws relating to bankruptcy, fraudulent conveyances, and rights of creditors may affect the enforcement of remedies. Similarly, the application of general principles of equity and the exercise of judicial discretion may preclude or delay the enforcement of certain remedies. The legal opinions to be delivered with the delivery of the Series 2025A Bonds will be qualified as they relate to the enforceability of the various legal instruments by reference to the limitations on enforceability of those instruments under (1) applicable bankruptcy, insolvency, reorganization or similar laws affecting the enforcement of creditors’ rights, (2) general principles of equity, and (3) the exercise of judicial discretion in appropriate cases.

Insurer Control of Remedies

In the event that the principal of and interest on the Series 2025A Bonds are not paid when due, any owner of Series 2025A Bonds shall have recourse against the Insurer for such payments. The principal risk that could affect payment of the Series 2025A Bonds is the inability or refusal of the Insurer to perform its duties under the Policy. In addition, the Policy does not insure payment of principal and interest coming due by reason of acceleration or redemption (other than mandatory sinking fund redemption), nor does it insure the

payment of any redemption premium payable upon the redemption of the Series 2025A Bonds. Under no circumstances, including the situation in which the interest on the Series 2025A Bonds becomes subject to federal or state taxation for any reason, can the maturities of the Series 2025A Bonds be accelerated except with the consent of the Insurer. Furthermore, so long as the Insurer performs its obligations under the Policy, the Insurer may direct, and its consent must be obtained before the exercise of, any remedies to be undertaken by the Trustee on behalf of the owners of the Series 2025A Bonds under the Indenture. In the event that the Insurer is unable to make payments of principal and interest on the Series 2025A Bonds as such payments become due, the Series 2025A Bonds are payable solely from moneys received by the Trustee pursuant to the Indenture. See “*Appendix H: SPECIMEN MUNICIPAL BOND INSURANCE POLICY*” and “*Appendix I: PROVISIONS RELATING TO BOND INSURANCE.*” Certain provisions have been incorporated into the Indenture and Financing Agreement that grant rights to the Insurer under the Indenture and the Financing Agreement in addition to those granted to the owners of the Series 2025A Bonds. See “*Appendix H: SPECIMEN MUNICIPAL BOND INSURANCE POLICY*” and “*Appendix I: PROVISIONS RELATING TO BOND INSURANCE.*”

Bankruptcy

In addition to the limitations on remedies contained in the Indenture and Financing Agreement, the rights and remedies provided by the Series 2025A Bonds may be limited by and are subject to (i) bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws affecting creditors’ rights, (ii) the application of equitable principles, and (iii) the exercise of judicial discretion in appropriate cases and to limitations on legal remedies against political subdivisions in the State of Missouri. The City, like all other Missouri political subdivisions, is specifically authorized by Missouri law to institute proceedings under Chapter 9 of the Federal Bankruptcy Code. Such proceedings, if commenced, are likely to have an adverse effect on the market price of the Series 2025A Bonds.

No Reserve Fund

No reserve fund or other credit enhancement, except for the Policy, will be issued or funded to insure payment of the principal of or interest on the Series 2025A Bonds. Accordingly, any potential purchaser of the Series 2025A Bonds should consider whether the City will appropriate moneys from sales tax proceeds and other sources sufficient to make Loan Payments under the Financing Agreement.

Determination of Taxability

The Series 2025A Bonds are not subject to redemption, nor are the interest rates on the Series 2025A Bonds subject to adjustment, in the event of a determination by the Internal Revenue Service or a court of competent jurisdiction that the interest paid or to be paid on any Series 2025A Bond is or was includible in the gross income of the owner of a Series 2025A Bond for federal income tax purposes. Such determination may, however, result in a breach of tax covenants, which may constitute an event of default under the Indenture. Likewise, the Indenture does not require the redemption of the Series 2025A Bonds or the adjustment of interest rates on the Series 2025A Bonds if the interest thereon loses its exemption from income taxes imposed by the State. ***It may be that Bondowners would continue to hold their Bonds, receiving principal and interest as and when due, but would be required to include such interest payments in gross income for Missouri and federal income tax purposes.***

Risk of Audit

The Internal Revenue Service (the “Service”) has established an ongoing program to audit tax-exempt obligations to determine whether interest on such obligations should be included in gross income for federal income tax purposes. No assurance can be given that the Service will not commence an audit of the Series 2025A Bonds. Owners of the Series 2025A Bonds are advised that, if an audit of the Series 2025A Bonds were commenced, in accordance with its current published procedures, the Service is likely to treat the Board as the

taxpayer, and the owners of the Series 2025A Bonds may not have a right to participate in such audit. Public awareness of any audit could adversely affect the market value and liquidity of the Series 2025A Bonds during the pendency of the audit, regardless of the ultimate outcome of the audit.

Lack of Secondary Market for the Series 2025A Bonds

No assurance can be given that a secondary market for the Series 2025A Bonds will develop following the completion of the offering of the Series 2025A Bonds.

Defeasance Risks

Bonds will be deemed to be paid and discharged and no longer Outstanding under the Indenture and will cease to be entitled to any lien, benefit or security of the Indenture if the Board shall pay or provide for the payment of such Bonds in any one or more of the following ways: (a) by paying or causing to be paid the principal of (including redemption premium, if any) and interest on such Bonds, as and when the same become due and payable; (b) by delivering such Bonds to the Trustee for cancellation; or (c) by depositing in trust with the Trustee or other Paying Agent moneys and Government Obligations in an amount, together with the income or increment to accrue thereon, without consideration of any reinvestment thereof, sufficient to pay or redeem (when redeemable) and discharge the indebtedness on such Bonds at or before their respective maturity or redemption dates (including the payment of the principal of, premium, if any, and interest payable on such Bonds to the maturity or redemption date thereof); provided that, if any such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption is given in accordance with the requirements of the Indenture or provision satisfactory to the Trustee is made for the giving of such notice. Government Obligations include the following: (a) bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed by, the United States of America; and (b) evidences of direct ownership of a proportionate or individual interest in future interest or principal payments on specified direct obligations of, or obligations the payment of the principal of and interest on which are unconditionally guaranteed by, the United States of America, which obligations are held by a bank or trust company organized and existing under the laws of the United States of America or any state thereof in the capacity of custodian in form and substance satisfactory to the Trustee. Historically, such United States obligations have been rated in the highest rating category by the rating agencies. There is no legal requirement in the Indenture that Government Obligations consisting of such United States obligations be or remain rated in the highest rating category by any rating agency. Prices of municipal securities in the secondary market are subject to adjustment upward and downward in response to changes in the credit markets and that could include any rating of the Series 2025A Bonds, if the Series 2025A Bonds are then rated, defeased with Government Obligations to the extent the Government Obligations have a change or downgrade in rating.

The Hancock Amendment

The City's ability to raise property taxes is substantially constrained by Missouri law. An amendment to the Missouri Constitution limiting taxation and government spending was approved by Missouri voters on November 4, 1980. This amendment limits the ability of the City to impose new or increased taxes to provide funding for the payment of the Series 2025A Bonds, or other governmental purposes of the City, without voter approval. The amendment (commonly known as the Hancock Amendment) limits the rate of increase and the total amount of taxes which may be imposed in any fiscal year, and the limit may not be exceeded without voter approval. The tax rate ceiling, determined annually, is the rate of levy which, when charged against the newly assessed valuation of the City for the current year, excluding new construction and improvements, will produce an amount of tax revenues equal to tax revenues for the previous year increased by 5% or the Consumer Price Index, whichever is lower. The limitation on local governmental units does not apply to taxes imposed for the payment of principal of and interest on general obligation bonds approved by the requisite percentage of voters.

The Hancock Amendment also requires political subdivisions of the State to obtain voter approval in order to increase any “*tax, license or fee.*” The precise meaning and application of the phrase “*tax, license or fee*” is unclear, but decisions of the Missouri Supreme Court have indicated that it does not apply to traditionally set user fees. The limitations imposed by the Hancock Amendment restrict the City’s ability to increase many but not all taxes, licenses and certain fees without obtaining voter approval.

In 2008, through the enactment of Senate Bill 711 (“SB 711”), the Missouri General Assembly approved further limitations on the amount of property taxes that can be imposed by a political subdivision such as the City. Prior to the enactment of SB 711, a Hancock rollback would not necessarily result in a reduction of the City’s property tax levy if its current tax levy was less than its current tax levy ceiling, due to the City’s voluntary rollback from the maximum authorized tax levy. The property tax levy is the levy actually imposed by a political subdivision while the tax rate ceiling is the maximum levy the political subdivision may impose under the provisions of the Hancock Amendment. Under SB 711, in reassessment years (odd-numbered years), the Hancock rollback is applied to a political subdivision’s actual property tax levy, regardless of whether that levy is at the political subdivision’s tax levy ceiling. This further reduction is sometimes referred to as an “SB 711 rollback.” In non-reassessment years (even-numbered years), the property tax levy may be increased to the political subdivision’s tax levy ceiling (as adjusted by the Hancock rollback), only after a public hearing and adoption of a resolution or policy statement justifying the action.

On March 2, 2021, the Missouri Court of Appeals, Eastern Division, held in *Blankenship v. Franklin County Collector* (619 S.W. 3d 491) that an increase in the operating levy by political subdivisions pursuant to the provisions of Section 137.073.5(2), which allows political subdivisions to increase the operating levy to account for inflation in certain situations, cannot result in a levy that exceeds the highest voter-approved levy in violation of the Hancock Amendment. Approximately 600 taxing authorities were notified by the Missouri State Auditor’s Office that their 2020 tax rates did not comply with the Blankenship decision and would need to be recalculated to determine their 2021 tax rates. To the extent a taxing authority levied taxes in violation of the Blankenship decision, refunds of such taxes are permitted if (1) a taxpayer files for injunctive relief before such taxes become payable, which is December 31 of the tax year, or (2) a taxpayer pays such taxes under protest and files suit against the tax collector within ninety days. The City did not receive a letter from the Missouri State Auditor’s Office and will not need to adjust revenues because of the Blankenship decision.

Senior Property Tax Credit Program

In 2023, the Missouri General Assembly passed Senate Bill 190, which authorizes counties to grant property tax credits to residential property owners eligible to receive social security benefits equal to the difference between the real property tax liability on the homestead in the current year minus the real property tax liability on such homestead in the year in which the taxpayer became eligible to receive the tax credit (the “Senior Property Tax Credit Program”). Implementation of the Senior Property Tax Credit Program requires either adoption of an ordinance by the county or an initiative petition and voter approval process. Property tax bills within counties that participate in the Senior Property Tax Credit Program will reflect the tax credit for eligible taxpayers, thereby reducing the amount of property taxes that the eligible taxpayer would otherwise pay. Jackson County has approved the implementation of the Senior Property Tax Credit Program. The potential financial impact of the Senior Property Tax Credit Program on the City is not yet ascertainable.

State Tax Commission Order

The State Tax Commission of Missouri (the “STC”) issued an Order (the “Order”) on August 6, 2024, finding errors in Jackson County’s (the “County”) conduct of its biennial reassessment for 2023. The Order finds, in part, that County assessing officials failed to give proper notice to property owners and failed to perform physical inspections, as required by Section 137.115 RSMo., where the assessed valuation of residential real property increased by more than fifteen percent since the last assessment. Additionally, the Order directs County assessing officials to correct the assessment roll for tax year 2023 for residential real property so that, excluding increases due to new construction or improvements, said valuations do not increase

in excess of fifteen percent since the last assessment. The Order also directs County assessing officials that, in the creation of the 2024 assessment roll, residential real property shall remain at the same assessed valuations as in the 2023 assessment roll, excluding increases due to new construction or improvements.

As a result of the Order, the County Executive sent a letter (the “County Letter”) to each taxing jurisdiction within the County identifying the estimated immediate impact to each taxing jurisdiction based on the County’s preliminary analysis of the Order. The County Letter estimated the impact to the City to be \$1,059,852.79, however this estimate is preliminary and subject to change.

The County filed a lawsuit against the STC asserting that the Order is unlawful, void and unenforceable and that the STC overstepped its statutory authority and violated procedural requirements by failing to provide notice or hold hearings before issuing the Order. On March 31, 2025, the trial court ruled in favor of the STC on all counts.

The financial impact of the Order, future orders by the STC, any corrections (retroactive or otherwise) or changes resulting from appeals of the Order, any limitation based on or in response to the Order to assessed valuations or property taxes previously or to be levied by the City or the outcome of any appeals of the trial court’s judgment is unknown at this time and cannot be predicted.

Cybersecurity Risks

The City, like other public and private entities, relies on a large and complex technology environment to conduct its operations, and consequently faces the threat of cybersecurity incidents. Such incidents can result from unintentional events, or from deliberate attacks by unauthorized entities or individuals attempting to gain access to the City’s information technology systems to misappropriate assets or information or to cause operational disruption and damage. As a recipient and provider of personal, private or sensitive information, the City and its agencies and offices face multiple cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computers and other sensitive digital networks and systems.

In July of 2020, the City began an investment program of over four million dollars in upgrades to its computer and information-technology systems in order to better prepare for potential cyber-attacks. On December 5, 2020, during the period in which such upgrades were being implemented, the City was hit with a ransomware attack. Ransomware works by attacking user files, encrypting them and essentially holding the information hostage in exchange for a payment. The attack was successful in encrypting and removing files, but did not infect any of the City’s critical operational systems. The City took its entire network offline temporarily to assess the extent of the damage, during which time the City’s online utility bill payment system and other publicly accessible features were unavailable. Because of the downtime, the City temporarily waived late fees and penalties for power and water customers and temporarily suspended residential utility shutoffs for failure to pay. The files encrypted and/or removed during the attack were backed up on other City data storage devices, so the City did not lose access to any of its system. The City has since closed the investigation and has not discovered any personal or other sensitive information taken as part of the attack. The City sent notices to customers cautioning them that information may have been subject to the attack. To date, no lawsuits have been filed against the City as a result of the attack. The City has since completed its program of upgrades to provide increased protection against cyber-attacks.

It is possible that security measures will not prevent improper or unauthorized access or disclosure of personally identifiable information or damage to operating systems resulting from cyber-attacks. Security breaches, including electronic break-ins, computer viruses, attacks by hackers and similar breaches can create disruptions or shutdowns of the City’s computer and information-technology systems and the services they provide, or the unauthorized disclosure of confidential and other credit information. If personal or otherwise protected information is improperly accessed, tampered with or distributed, the City may incur significant costs to remediate possible injury to the affected persons, and the City may be subject to sanctions and civil penalties if it is found to be in violation of federal or state laws or regulations. Any failure to maintain proper

functionality and security of computer and information-technology systems could interrupt the City's operations, delay receipt of revenues, damage its reputation, subject it to liability claims or regulatory penalties and could have a material adverse effect on its operations and financial condition. The City does carry insurance to cover damages related to cyber-attacks.

Potential Impacts Resulting from Epidemics or Pandemics

The City's finances may be materially adversely affected by unforeseen impacts of future epidemics and pandemics. The City cannot predict future impacts of epidemics or pandemics, any similar outbreaks, or their impact on travel, on assemblies or gatherings, on the State, national or global economy, or on securities markets, or whether any such disruptions may have a material adverse impact on the financial condition or operations of the City, including but not limited to the payment of debt service on any of its outstanding annual appropriation obligations.

Bond Ratings

There is no assurance that the ratings assigned to the Series 2025A Bonds at the time of issuance will not be lowered or withdrawn at any time, the effect of which could adversely affect the market price for and marketability of the Series 2025A Bonds.

Amendment of Documents

Certain amendments to the Indenture and the Financing Agreement may be made without the consent of or notice to the registered owners of the Bonds. Such amendments may adversely affect the security for the Bonds. See the forms of the Indenture and the Financing Agreement included in this Official Statement in *Appendix D* hereto. In addition to the foregoing, in some jurisdictions outside the State of Missouri, there are a variety of trust instruction procedure ("TIP") statutes, which generally allow judicially supervised remedies for trust estates of trustees that have a nexus, such as the Trustee's office, with such jurisdiction. Under such TIP statutes, such jurisdictions may allow or order the Trustee to amend the documents relating to the Bonds in contravention of the manner provided for in these documents, including without limitation allowing the Trustee to disregard provisions requiring the consent of the holders of the Bonds prior to certain amendments of these documents.

Federal Investigation of Certain Transactions

In March of 2020, a federal grand jury issued a subpoena for records of closed-session (non-public) meetings held by the City Council of the City. Governing bodies of cities in Missouri are allowed by law to hold non-public meetings for a variety of purposes for which information discussed at such meetings may be detrimental if released to the public, including but not limited to buying or selling real estate and attorney-client matters such as litigation and contract negotiations. The three meetings for which records were requested were held on December 19, 2016, May 15, 2017 and October 23, 2017. During such meetings, the City Council discussed two transactions conducted by the City around the time of such meetings (although the City Council's discussion was not limited exclusively to such transactions). In one transaction, the City purchased approximately 94 acres of land and then leased the property to a private power company for the operation of a solar farm (the "Solar Farm Transaction"). In the other transaction, as part of the decommissioning of the "Missouri City Power Plant" that was once a part of the City's electric utility (known as "Independence Power & Light"), the City awarded a contract to demolish the Missouri City Power Plant (the "Power Plant Demolition Transaction"). The Solar Farm Transaction involved the purchase of property by the City for \$985,000, which property had been acquired by the seller within the prior year for \$550,000. The Power Plant Demolition Transaction involved the acceptance by the City of the higher of two bids received for the demolition project (the bid accepted was for approximately \$9.75 Million and the rejected bid was for approximately \$4.45 Million).

In March of 2020, the Federal Bureau of Investigations (“FBI”) requested from the City copies of a resolution dated July 21, 2014 relating to the Power Plant Demolition Transaction, minutes of two meetings (June 27, 2016 and July 18, 2016), and a request for qualifications distributed by the City with respect to the Power Plant Demolition Transaction. In April of 2020, the FBI requested minutes of a June 23, 2017 meeting of the City utility board that advises the City Council on the governance of Independence Power & Light. In May of 2020, the FBI requested reimbursement receipts submitted by four members of the City Council and requested video of an April 3, 2017 City Council meeting. The Power Plant Demolition Transaction had been discussed at each of the meetings for which records were requested by the FBI. In June of 2020, the FBI requested data files establishing the boundaries of neighborhood council districts displayed on the City’s website. The neighborhood councils are a system of not-for-profit entities at the neighborhood level that operate within defined boundaries and advocate for public services and improvements and economic development within their areas.

Based on the City’s present knowledge and information available to the City, the City does not believe the ultimate resolution of the investigations will have a material adverse effect on the City’s General Fund revenues or the overall financial condition of the City.

Titan Fish Lawsuit

In July of 2020, Titan Fish Partners, LLC and a named individual filed a petition against the City and two City Council members (the “Titan Fish Lawsuit”). Titan Fish Partners, LLC is the seller of land to the City in the Solar Farm Transaction discussed above under “BONDOWNERS’ RISKS – Federal Investigation of Certain Transactions.” The petition claims that certain statements made by such City Council members to and reported in the *Kansas City Star* charged Titan Fish Partners, LLC with being under investigation by the FBI, and that such statements caused damage to the plaintiffs based on defamation, intentional infliction of emotional distress, and tortious interference with a business expectancy. The defendants filed a motion for summary judgement denying the petition, in response to which the court granted the City’s motion for summary judgment based on sovereign immunity, removing the City from the case. The case continued against the individual City Council members that were named in the petition until December 19, 2023, when the court entered summary judgement in favor of the remaining defendants. No appeal has been filed in this case and the City considers this litigation to be completed.

Barry Jones Lawsuit

In December of 2018, Barry Jones, an individual customer of Independence Power & Light, brought suit (the “Barry Jones Lawsuit”) against the City, Independence Power & Light, the Acting Director of Independence Power & Light and three companies that provided computer software to Independence Power & Light, seeking to certify a class for a class action lawsuit and alleging that Independence Power & Light had overcharged its customers on their electric utility bills by overstating the amount of electricity consumed. The allegations included violation of the Missouri Merchandising Practices Act, conversion by wrongfully taking money, unjust enrichment, fraudulent misrepresentation, negligent misrepresentation, breach of contract, and negligence *per se*. In February of 2019, the plaintiff filed a first amended petition adding two named plaintiffs to represent classes of for-profit and non-profit customers, in addition to the class of individual persons represented by Barry Jones. In June of 2021, the plaintiffs were granted leave to file a second amended petition in order to (1) add three additional defendants, including then-Mayor Eileen Weir, the City Council itself, and the City’s Public Utilities Advisory Board, and (2) plead an additional nine causes of action, including additional claims of unjust enrichment, breach of contract, fraud, breach of fiduciary duty, negligence, civil conspiracy, negligence *per se*, substantial assistance and encouragement in the commission of a tort, and substantial assistance and encouragement in the commission of a tort. The second amended petition added the allegation that the 9.08% payment in lieu of tax charged by the City on gross receipts of Independence Power & Light violates Section 3.17 of the City’s charter, which provides that “[t]he electric utility shall not be operated for the benefit of other municipal functions, and shall not be used directly or

indirectly as a general revenue producing agency for the city, but it may pay to the city an amount in lieu of such taxes as are normally placed upon private business enterprises” and that “[a]fter providing for depreciation accruals and amortization of bonds, and for reasonable accumulation of surplus, the electric utility shall apply all annual profits to rate reductions.”

A series of motions to dismiss were filed by the defendants. On January 18, 2022, the court entered an order granting motions to dismiss on claims against City Council, the City, Independence Power & Light, then-Mayor Eileen Weir and the City’s Public Utilities Advisory Board for breach of fiduciary duty and on claims against City Council and the City’s Public Utilities Advisory Board for civil conspiracy. Motions to dismiss other claims were denied. In the same order, the judge certified the class for the lawsuit as including all residential and commercial customers of Independence Power & Light from and after January 1, 2011 and all non-profit customers of Independence Power & Light from and after May 14, 2018.

On August 25, 2022, the court granted summary judgment in favor of the City and other defendants. On April 5, 2024, the Missouri Court of Appeals - Western District affirmed the ruling. The City considers this litigation to be completed.

Crackerneck Creek Lawsuit

On January 5, 2024, Crackerneck Creek, L.L.C., as the developer of the “Falls at Crackerneck Creek Redevelopment Project,” filed suit against the City, demanding payment from the City for contractual, quasi-contractual, and tort damages. In its amended complaint, Crackerneck Creek, L.L.C. states that its damages include, but are not limited to: (a) the full amount of certain savings to which it claims it was entitled (\$5,054,000 less payments made by the City); (b) improper forfeiture of certain savings to which it claims it was entitled (\$2,637,362); and (c) failure of the City to reimburse the Developer for certain improvements (\$2,509,603 for various improvements). The City raised various defenses to the Developer’s claims, including contractual breaches by the Developer and sovereign immunity to tort claims, and counterclaimed for damages including amounts already paid by the City to address debt service shortfall (as described under the heading “FINANCIAL INFORMATION CONCERNING THE CITY – The Falls at Crackerneck Creek Redevelopment Project” in *Appendix A* hereto) and anticipated future debt service shortfall amounts. Currently, the case schedule requires the parties to participate in a formal mediation by June 18, 2025.

See “BONDOWNER’S RISKS – Shortfalls Relating to Other Annual Appropriation Obligations” in this Official Statement and “FINANCIAL INFORMATION CONCERNING THE CITY – The Falls at Crackerneck Creek Redevelopment Project” and “– The City’s Tax Increment Financing Supplemental Appropriation Policy” in *Appendix A* hereto for more discussion on this lawsuit and background on the Falls at Crackerneck Creek Redevelopment Project.

Suitability of Investment

Each prospective investor should carefully examine this Official Statement, including the Appendices hereto, and its own financial condition to make a judgment as to its ability to bear the economic risk of such an investment, and whether or not the Series 2025A Bonds are an appropriate investment.

LITIGATION

The Board

There is not now pending or, to the knowledge of the Board, threatened any litigation against the Board seeking to restrain or enjoin the issuance or delivery of the Bonds, or questioning or affecting the validity of the Bonds or the proceedings of the Board under which they are to be issued, or which in any

manner questions the right of the Board to enter into the Indenture or the Financing Agreement or to secure the Bonds in the manner provided in the Indenture or the Act.

The City

There is not now pending or, to the knowledge of the City, threatened any litigation against the City seeking to prohibit, restrain, or enjoin the issuance, sale, or delivery of the Series 2025A Bonds or the collection of the Trust Estate pledged or to be pledged by the Board to pay the principal of and interest on the Series 2025A Bonds, or the pledge thereof, which in any manner questions the right of the City to enter into the Financing Agreement or to secure the City's Loan Payments with respect to the Series 2025A Bonds in the manner provided in the Financing Agreement or as described herein, or affecting or seeking to prohibit, restrain or enjoin the City's covenant for the City Manager to include or cause to be included in each budget submitted to the City Council the necessary annual appropriation for the Loan Payments as required under the Financing Agreement.

LEGAL MATTERS

Certain legal matters incident to the authorization and issuance of the Series 2025A Bonds by the Board are subject to the approval of Gilmore & Bell, P.C., Kansas City, Missouri, Bond Counsel, whose approving opinion will be delivered with the Series 2025A Bonds. Certain legal matters will be passed upon for the Board by its counsel, Gilmore & Bell, P.C., Kansas City, Missouri. Certain legal matters relating to the Official Statement will be passed upon for the City by Gilmore & Bell, P.C., Kansas City, Missouri. Certain legal matters will be passed upon for the City by Lauber Municipal Law, Lee's Summit, Missouri, serving as the City Counselor of the City. Certain legal matters will be passed upon for the Underwriter by its counsel, Pierson Ferdinand LLP.

The various legal opinions to be delivered concurrently with the delivery of the Bonds express the professional judgment of the attorneys rendering the opinions as to the legal issues explicitly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of that expression of professional judgment, of the transaction opined upon, or of the future performance of parties to such transaction, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

TAX MATTERS

The following is a summary of the material federal and State of Missouri income tax consequences of holding and disposing of the Series 2025A Bonds. This summary is based upon laws, regulations, rulings and judicial decisions now in effect, all of which are subject to change (possibly on a retroactive basis). This summary does not discuss all aspects of federal income taxation that may be relevant to investors in light of their personal investment circumstances or describe the tax consequences to certain types of owners subject to special treatment under the federal income tax laws (for example, dealers in securities or other persons who do not hold the Series 2025A Bonds as a capital asset, tax-exempt organizations, individual retirement accounts and other tax deferred accounts, and foreign taxpayers), and, except for the income tax laws of the State of Missouri, does not discuss the consequences to an owner under any state, local or foreign tax laws. The summary does not deal with the tax treatment of persons who purchase the Series 2025A Bonds in the secondary market. Prospective investors are advised to consult their own tax advisors regarding federal, state, local and other tax considerations of holding and disposing of the Series 2025A Bonds.

Opinion of Bond Counsel

In the opinion of Gilmore & Bell, P.C., Bond Counsel, under the law existing as of the issue date of the Series 2025A Bonds:

Federal and State of Missouri Tax Exemption. The interest on the Series 2025A Bonds (including any original issue discount properly allocable to an owner thereof) is excludable from gross income for federal income tax purposes and is exempt from income taxation by the State of Missouri.

Alternative Minimum Tax. The interest on the Series 2025A Bonds is not an item of tax preference for purposes of computing the federal alternative minimum tax.

Bank Qualification. The Series 2025A Bonds have not been designated as “qualified tax-exempt obligations” for purposes of Section 265(b)(3) of the Code.

Bond Counsel’s opinions are provided as of the date of the original issue of the Series 2025A Bonds, subject to the condition that the Board and the City comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Series 2025A Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Board and the City have covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause the inclusion of interest on the Series 2025A Bonds in gross income for federal and Missouri income tax purposes retroactive to the date of issuance of the Series 2025A Bonds. Bond Counsel is expressing no opinion regarding other federal, state or local tax consequences arising with respect to the Series 2025A Bonds but has reviewed the discussion under the heading “**TAX MATTERS.**”

Other Tax Consequences

Original Issue Discount. For federal income tax purposes, original issue discount is the excess of the stated redemption price at maturity of a Bond over its issue price. The stated redemption price at maturity of a Bond is the sum of all payments on the Bond other than “qualified stated interest” (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a Bond is generally the first price at which a substantial amount of the Series 2025A Bonds of that maturity have been sold to the public. Under Section 1288 of the Code, original issue discount on tax-exempt bonds accrues on a compound basis. The amount of original issue discount that accrues to an owner of a Bond during any accrual period generally equals (1) the issue price of that Bond, plus the amount of original issue discount accrued in all prior accrual periods, multiplied by (2) the yield to maturity on that Bond (determined on the basis of compounding at the close of each accrual period and properly adjusted for the length of the accrual period), minus (3) any interest payable on that Bond during that accrual period. The amount of original issue discount accrued in a particular accrual period will be considered to be received ratably on each day of the accrual period, will be excludable from gross income for federal income tax purposes, and will increase the owner’s tax basis in that Bond. Prospective investors should consult their own tax advisors concerning the calculation and accrual of original issue discount.

Original Issue Premium. For federal income tax purposes, premium is the excess of the issue price of a Bond over its stated redemption price at maturity. The stated redemption price at maturity of a Bond is the sum of all payments on the Bond other than “qualified stated interest” (i.e., interest unconditionally payable at least annually at a single fixed rate). The issue price of a Bond is generally the first price at which a substantial amount of the Bonds of that maturity have been sold to the public. Under Section 171 of the Code, premium on tax-exempt bonds amortizes over the term of the Bond using constant yield principles, based on the purchaser’s yield to maturity. As premium is amortized, the owner’s basis in the Bond and the amount of tax-exempt interest received will be reduced by the amount of amortizable premium properly allocable to the owner, which will result in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes on sale or disposition of the Bond prior to its maturity. Even though the owner’s basis is reduced,

no federal income tax deduction is allowed. Prospective investors should consult their own tax advisors concerning the calculation and accrual of bond premium.

Sale, Exchange or Retirement of Series 2025A Bonds. Upon the sale, exchange or retirement (including redemption) of a Bond, an owner of the Bond generally will recognize gain or loss in an amount equal to the difference between the amount of cash and the fair market value of any property actually or constructively received on the sale, exchange or retirement of the Bond (other than in respect of accrued and unpaid interest) and such owner's adjusted tax basis in the Bond. To the extent a Bond is held as a capital asset, such gain or loss will be capital gain or loss and will be long-term capital gain or loss if the Bond has been held for more than 12 months at the time of sale, exchange or retirement.

Reporting Requirements. In general, information reporting requirements will apply to certain payments of principal, interest and premium paid on the Series 2025A Bonds, and to the proceeds paid on the sale of the Series 2025A Bonds, other than certain exempt recipients (such as corporations and foreign entities). A backup withholding tax will apply to such payments if the owner fails to provide a taxpayer identification number or certification of foreign or other exempt status or fails to report in full dividend and interest income. The amount of any backup withholding from a payment to an owner will be allowed as a credit against the owner's federal income tax liability.

Collateral Federal Income Tax Consequences. Prospective purchasers of the Series 2025A Bonds should be aware that ownership of the Series 2025A Bonds may result in collateral federal income tax consequences to certain taxpayers, including, without limitation, certain applicable corporations subject to the corporate alternative minimum tax, financial institutions, property and casualty insurance companies, individual recipients of Social Security or Railroad Retirement benefits, certain S corporations with "excess net passive income," foreign corporations subject to the branch profits tax, life insurance companies, and taxpayers who may be deemed to have incurred or continued indebtedness to purchase or carry or have paid or incurred certain expenses allocable to the Series 2025A Bonds. Bond Counsel expresses no opinion regarding these tax consequences. Purchasers of Series 2025A Bonds should consult their tax advisors as to the applicability of these tax consequences and other federal income tax consequences of the purchase, ownership and disposition of the Series 2025A Bonds, including the possible application of state, local, foreign and other tax laws.

Bond Counsel notes that interest on the Series 2025A Bonds may be included in adjusted financial statement income of applicable corporations for purposes of determining the applicability and amount of the federal corporate alternative minimum tax.

RATINGS

S&P Global Ratings, a Standard & Poor's Financial Services LLC business ("S&P") has assigned the Series 2025A Bonds an underlying rating of "A-" (stable outlook), as shown on the cover page of this Official Statement. Additionally, S&P is anticipated to assign the Series 2025A Bonds an insured rating of "AA" (stable outlook), as shown on the cover page of this Official Statement. Such ratings reflect only the view of S&P, and any further explanation of the significance of such ratings may be obtained only from the rating agency. The ratings do not constitute a recommendation by the rating agency to buy, sell or hold any bonds, including the Series 2025A Bonds. There is no assurance that any rating when assigned to the Series 2025A Bonds will continue for any period of time or that it will not be revised or withdrawn. A revision or withdrawal of the ratings assigned to the Series 2025A Bonds may have an adverse effect on the market price of the Series 2025A Bonds.

The City has furnished the rating agency with certain information and materials relating to the Series 2025A Bonds and the City that have not been included in this Official Statement. Generally, rating agencies base their ratings on the information and materials so furnished and on investigations, studies and assumptions made by the rating agencies.

Neither the City, the Board nor the Underwriter has undertaken any responsibility to bring to the attention of the Owners of the Series 2025A Bonds any proposed revision or withdrawal of a rating of the Series 2025A Bonds or to oppose any such proposed revision or withdrawal, except that the City has agreed in the Continuing Disclosure Undertaking to inform Owners of any such revision to the ratings as set forth in the Continuing Disclosure Undertaking. Any downward revision or withdrawal of the ratings may have an adverse effect on the market price and marketability of the Series 2025A Bonds.

FINANCIAL STATEMENTS

The City's Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024 is included in *Appendix B* hereto the City's Fiscal Year 2024-25 Adopted Budget is included in *Appendix C* hereto. The financial statements for the fiscal year ended June 30, 2024 contained in the Annual Comprehensive Financial Report have been audited by RubinBrown LLP, independent certified public accountants, to the extent and for the periods indicated in their report which is also included in *Appendix B* hereto. RubinBrown LLP has not been engaged to perform, and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. RubinBrown LLP also has not performed any procedures relating to this Official Statement.

CONTINUING DISCLOSURE

The City will execute a Continuing Disclosure Undertaking with respect to ongoing disclosure which will constitute the written understanding for the benefit of the holders of the Series 2025A Bonds required by Rule 15c2-12 under the Securities Exchange Act of 1934, as amended. A form of the Continuing Disclosure Undertaking is included in *Appendix D*. The Board has determined that no financial or operating data concerning the Board is material to an evaluation of the offering of the Series 2025A Bonds or to any decision to purchase, hold or sell Series 2025A Bonds and the Board will not provide any such information. Any commitment or obligation for continuing disclosure with respect to the Series 2025A Bonds or the City has been undertaken solely by the City.

The City has previously entered into continuing disclosure undertakings similar to the Continuing Disclosure Undertaking related to most of the outstanding bonds listed in *Appendix A* under the heading "FINANCIAL INFORMATION CONCERNING THE CITY – Obligations of the City – *Revenue Obligations*." The City believes it has complied in all material respects during the past five years with its prior undertakings, except as follows:

The City did not file event notices relating to certain bond redemptions, defeasances or rating changes for certain prior bond issues for which it was the "obligated person" in full compliance with its prior continuing disclosure undertakings. The City believes, however, that any prior deficiency with respect to those event notices is not material, as the information was disseminated or available through other sources. Notwithstanding the foregoing, the City has posted notice of such rating changes in March of 2021.

For Fiscal Year 2020, the City's audited financial statements were not available by the filing deadline required under its prior undertakings. In accordance with its prior undertakings, the City filed unaudited financial statements on December 23, 2020, and filed its audited financial statements when they became available on January 6, 2021.

In order to promote future compliance with its continuing disclosure undertakings, the City engaged Gilmore & Bell, P.C., to assist the City in better meeting its continuing disclosure obligations. Additionally, in the spring of 2021, the City adopted a new continuing disclosure compliance policy for the purpose of

formalizing procedures to better ensure compliance with its continuing disclosure undertakings and designating a specific City staff member as having responsibility for continuing disclosure and ensuring that such staff member understands the City's continuing disclosure obligations. The City believes the actions described in this paragraph establish processes sufficient to ensure that in the future it will make its continuing disclosure filings as required.

UNDERWRITING

The Series 2025A Bonds are being purchased by Stifel, Nicolaus & Company, Incorporated (the "Underwriter"). The purchase contract for the Series 2025A Bonds (the "Bond Purchase Agreement") sets forth the obligation of the Underwriter to purchase the Series 2025A Bonds at a price equal to \$48,304,097.75 (which reflects the par amount of the Series 2025A Bonds plus net original issue premium of \$1,722,310.25 and less an underwriting discount of \$243,212.50). The Underwriter's obligation to purchase the Series 2025A Bonds is subject to certain terms and conditions, including, without limitation, the approval of certain legal matters by counsel. The Bond Purchase Agreement provides that the Underwriter will purchase all of the Series 2025A Bonds if any are purchased. The Underwriter may offer and sell the Series 2025A Bonds to certain dealers (including dealers depositing the Series 2025A Bonds into investment trusts) and others at prices different from the public offering prices stated on the inside cover page of this Official Statement. The public offering prices may be changed from time to time at the discretion of the Underwriter.

MUNICIPAL ADVISOR

Columbia Capital Management, LLC, Merriam, Kansas, a registered municipal advisor, is serving as municipal advisor to the City with respect to the Series 2025A Bonds (the "Municipal Advisor"). The Municipal Advisor is a financial and investment advisory and consulting organization and is not engaged in the underwriting, marketing or trading of municipal securities or other negotiable instruments. The Municipal Advisor has assisted in various matters relating to the planning, structuring and issuance of the Series 2025A Bonds, including advice in the preparation of this Official Statement, but has not verified the accuracy or completeness of the factual information contained in this Official Statement.

MISCELLANEOUS

The references herein to the Act, the Indenture, the Financing Agreement and the Continuing Disclosure Undertaking are brief outlines of certain provisions thereof and do not purport to be complete. For full and complete statements of the provisions thereof, reference is made to the Act, the Indenture, the Financing Agreement and the Continuing Disclosure Undertaking. Copies of such documents are on file at the offices of the Underwriter and following delivery of the Series 2025A Bonds will be on file at the office of the Trustee as described above under the caption "INTRODUCTORY STATEMENT - Definitions and Forms of Legal Documents".

The agreement of the Board with the owners of the Series 2025A Bonds is fully set forth in the Indenture, and neither any advertisement of the Series 2025A Bonds nor this Official Statement is to be construed as constituting an agreement with the purchasers of the Series 2025A Bonds. Statements made in this Official Statement involving estimates, projections or matters of opinion, whether or not expressly so stated, are intended merely as such and not as representations of fact.

The Cover Page hereof and the Appendices hereto are integral parts of this Official Statement and must be read together with all of the foregoing statements.

The execution and delivery of this Official Statement has been duly authorized by the City, and its use has been approved by the Board.

CITY OF INDEPENDENCE, MISSOURI

By: /s/ Zachary Walker
City Manager

APPENDIX A
INFORMATION CONCERNING
THE CITY OF INDEPENDENCE, MISSOURI

TABLE OF CONTENTS

THE CITY	A-1
General Information.....	A-1
Employee Retirement System	A-1
Post-Employment Health Benefits	A-2
Insurance	A-2
Payment Record.....	A-3
ECONOMIC INFORMATION CONCERNING THE CITY	A-4
Commerce and Industry.....	A-4
General and Demographic Information	A-4
Income Statistics	A-6
Housing Structures.....	A-6
Building Construction.....	A-7
FINANCIAL INFORMATION CONCERNING THE CITY.....	A-7
Accounting, Budgeting and Auditing Procedures	A-7
Tax Revenues.....	A-8
Property Valuations	A-8
Obligations of the City.....	A-10
Debt Service on Obligations Secured by Annual Appropriations.....	A-13
The Santa Fe Redevelopment Project	A-13
The Falls at Crackerneck Creek Redevelopment Project	A-15
The City's Tax Increment Financing Supplemental Appropriation Policy.....	A-19
Independence Events Center	A-19
Impact of Shortfalls on the General Fund	A-21
Overlapping or Underlying Indebtedness	A-22
Anticipated Future Financings	A-22

THE CITY

General Information

Incorporated in 1849, the City is the county seat of Jackson County and adjoins Kansas City, Missouri to the west. The City is the fifth largest City in Missouri based on the 2020 Census.

The City is organized under the laws of the State of Missouri and operates under a Constitutional Charter approved by the voters in October 1961. The City is governed according to a Council-Manager Plan. The City Council, which consists of seven members, including the Mayor, is the legislative governing body of the City. Non-partisan elections are held every two years to provide for staggered terms of office. The Mayor and two at-large council members are elected to four-year terms and, in alternating elections, the four district council members are elected to four-year terms.

The present Mayor and members of the Council, their occupations and terms are listed below:

<u>Council Members</u>	<u>Occupation</u>	<u>District</u>	<u>Expiration of Term</u>
Rory Rowland, Mayor	Consulting	n/a	2026
John Perkins	Assistant Meat Manager	District 1	2028
Brice Stewart	Information Technology	District 2	2028
Heather Wiley	Art Director/Designer	District 3	2028
Jennie Vaught	Business Owner	District 4	2028
Jared Fears	Financial Advisor	At-Large	2026
Bridget McCandless	CEO of Non-Profit	At-Large	2026

The City Council appoints a City Manager who is the chief executive and administrative officer of the City. Zachary Walker serves as the City Manager, and was appointed to that position in October 2016. The Director of Finance, who is appointed by the City Manager, acts as the chief financial officer of the City. Melissa Cabrera serves as the Director of Finance and began serving in such position on January 6, 2025. The City Manager appoints the City Counselor who acts as the chief legal advisor to the City. Jeremiah Cover, a partner of Lauber Municipal Law, has served as City Counselor on a contract basis since the summer of 2021.

For additional general information regarding the City, see the Letter of Transmittal contained in pages 2-6 of the City's Annual Comprehensive Financial Report for the Fiscal Year ended June 30, 2024 which is included in **Appendix B** hereto.

Employee Retirement System

Plan Description. The City's defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The City participates in the Missouri Local Government Employees Retirement System ("LAGERS"). LAGERS is an agent multiple-employer, statewide public employee pension plan established in 1967 and administered in accordance with RSMo. 70.600 - 70.755. As such, it is LAGERS responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and is tax exempt. The responsibility for the operations and administration of LAGERS is vested in the LAGERS Board of Trustees consisting of seven persons. LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by accessing the LAGERS website at www.molagers.org.

Benefits Provided. LAGERS provides retirement, death and disability benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing LAGERS. All benefits vest after 5 years of credited service. Employees who retire on or after age 60 (55 for Police and Fire) with 5 or more years of service are entitled to an allowance for life based upon

the benefit program information provided below. Employees may retire with an early retirement benefit with a minimum of 5 years of credited service and after attaining age 55 (50 for Police and Fire) and receive a reduced allowance.

Additional Information. For additional information regarding LAGERS, the City's required contributions, net pension liability, actuarial assumptions, and other information relating to the City's defined benefit pension plan, see pages 84-87 and 103-104 of the City's Annual Comprehensive Financial Report for the Fiscal Year ended June 30, 2024 which is included in *Appendix B* hereto. The most recent actuarial report received by the City relating to the City's contribution to LAGERS is attached to the Official Statement as *Appendix F*.

Post-Employment Health Benefits

In addition to LAGERS, the City provides post-employment healthcare benefits ("OPEB") to all retired employees meeting the service criteria for this benefit. From an accrual accounting perspective, the cost of post-employment healthcare benefits, like the cost of pension benefits, generally should be associated with the periods in which the cost occurs, rather than in a future year when it actually will be paid.

Plan Description. The City's defined benefit OPEB plan, a single-employer health care plan provides OPEB for all active and retired employees and their eligible dependents. The plan is administered by the City and the City Council has the authority to establish or amend the plan provisions or contribution requirements at any time. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The plan does not issue a stand-alone financial report.

Benefits Provided. The City provides for a continuation of medical, prescription drug, hearing and vision insurance benefits to retired employees who participate in LAGERS. The benefits for pre-Medicare retirees are self-insured by the City, and administered through Cigna. The benefits for Medicare retirees are covered under a fully-insured, stand-alone plan.

Additional Information. For additional information regarding the City's post-employment health benefits, including the City's contributions, OPEB liability, funding assumptions, and other information relating to the City's post-employment health benefits, see pages 88-91 and 102 of the City's Annual Comprehensive Financial Report for the Fiscal Year ended June 30, 2024 which is included in *Appendix B* hereto. The most recent actuarial report received by the City relating to the City's OPEB liability is attached to the Official Statement as *Appendix G*.

Insurance

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. As a result, there are a number of claims and/or lawsuits to which the City is a party as a result of certain law enforcement activities, injuries, and various other matters and complaints arising in the ordinary course of City activities. The City is entitled to the defense of sovereign and official immunity against tort action that provides immunity except in two areas – motor vehicles and dangerous conditions of property of governmental entities. The City carries commercial property, boiler and machinery, liability, cyber and flood insurance, and settlements of covered claims have not exceeded insurance limits for each of the past three fiscal years. The City also carries automobile physical damage with varying deductibles as well as large contactors equipment.

The City carries excess liability insurance provided by Obsidian Specialty Insurance Company. Under the policy, the City assumes the first \$1,000,000 of each liability occurrence under a self-insured retention. The policy limits are \$10,000,000 for each occurrence and for the policy aggregate.

The City is self-insured for workers' compensation and purchased excess coverage for workers' compensation claims in excess of \$1,500,000 per accident for the 2023-24 policy year. In order to maintain this self-insured status for workers compensation, the State of Missouri requires the City to maintain a surety bond in the amount of \$2,320,000 and an escrow account in the amount of \$200,000. The escrow account of \$200,000 is reflected as restricted assets in the workers' compensation fund. Estimated workers' compensation claims incurred but not reported are accrued as liabilities in the City's workers' compensation fund.

The City offers its employees and retirees contributory self-insurance healthcare plans (Staywell Open Access Plan 1, Staywell Open Access Plan 2, Staywell Local Plus Plan, Staywell Base Plan, and the Post-65 Retiree Medicare Plan). An excess coverage insurance policy covers the portion of specific claims in excess of \$275,000 and aggregate claims in excess of \$24,430,836 for the open access plan and for the in-network plan. The City's share of the premiums for this employee and retiree benefit was \$19,311,444. For the Staywell Health Care Plan, the premiums paid by the City are recorded as expenditures/expenses of the various funds and premium revenue in the Staywell Health Care (Internal Service) Fund. Incurred but not reported medical, vision, and prescription claims are accrued as a liability in the Internal Service Fund. For the Post-65 Retiree Medicare Plan, the premiums paid by the City are recorded as expenditures/expenses of the various funds and remitted to Cigna.

Changes in the balances of the workers' compensation and health care claims liability during the last two years for which audited financial statements are as follows:

	Claims Payable			
	<u>Workers' Compensation</u>		<u>Staywell</u>	
	<u>2023</u>	<u>2024</u>	<u>2023</u>	<u>2024</u>
Beginning of year	\$8,110,693	\$8,887,495	\$1,464,200	\$1,704,200
Current year claims and changes in estimates	3,845,613	9,180,219	20,472,697	17,870,811
Claims payments	(3,068,811)	(6,649,309)	(20,232,697)	(17,916,311)
End of year	\$8,887,495	\$11,418,405	\$1,704,200	\$1,658,700

Source: City of Independence, Missouri, Annual Comprehensive Financial Report for Fiscal Year ended June 30, 2024.

Payment Record

The City has never defaulted on any financial obligations.

[remainder of page intentionally left blank]

ECONOMIC INFORMATION CONCERNING THE CITY

Commerce and Industry

Historically, the character of the City has been viewed as predominantly residential. In recent years industrial expansion has been a focus within the City. The City has several industrial sites which have been set aside to assure orderly development in light of anticipated increases in industrial activity. The labor force encompasses a wide variety of skills and occupations. Manufacturing, health, education, social services and retail trades employ the majority of the City's workers.

Major employers in the City include the following:

<u>Employer</u>	<u>Product/Service</u>	<u>Number of Employees</u>
Independence School District	Public School District	2,200
Winchester (Lake City)	Small Arms Ammunition	1,500
Centerpoint Medical Center	Health Care	1,400
City of Independence	Local Government	1,063
Rosewood Health Center at the Groves	Retirement Community	444
Unilever	Food Manufacturing	385
Cable Dahmer Automotive	Vehicle Sales & Repair	340
Burd & Fletcher	Paper Carton Manufacturing	334
Jackson County Circuit Court	Local Government – Court System	274
Mid-Continent Public Library	Public Library System	160

Source: City of Independence, Missouri, Annual Comprehensive Financial Report for Fiscal Year ended June 30, 2024.

General and Demographic Information

The following tables set forth certain population information.

	<u>1980</u>	<u>1990</u>	<u>2000</u>	<u>2010</u>	<u>2020</u>	<u>2023</u>
City of Independence	111,797	112,301	113,288	121,212	123,011	121,944
Jackson County	629,266	633,232	654,880	671,057	717,204	717,021
State of Missouri	4,916,686	5,117,073	5,595,211	5,965,573	6,154,913	6,168,181

Source: U.S. Census Bureau. 2023 information from American Community Survey, 5-year estimates (2023).

[remainder of page intentionally left blank]

Population Distribution by Age

<u>Age</u>	<u>City of Independence</u>	<u>Jackson County</u>	<u>State of Missouri</u>
Under 5	6.5%	6.2%	5.8%
Age 5 to 9	6.5	6.6	6.2
Age 10 to 14	6.5	6.7	6.5
Age 15 to 19	6.1	6.3	6.6
Age 20 to 24	5.8	6.1	6.5
Age 25 to 29	7.1	7.7	6.5
Age 30 to 34	7.3	7.6	6.6
Age 35 to 39	6.4	6.9	6.6
Age 40 to 44	5.7	6.4	6.1
Age 45 to 49	4.9	5.7	5.7
Age 50 to 54	5.9	5.8	6.0
Age 55 to 59	6.3	6.1	6.5
Age 60 to 64	6.7	6.4	6.8
Age 65 to 69	4.7	5.1	5.7
Age 70 to 74	5.2	4.3	4.6
Age 75 to 79	2.9	2.5	3.1
Age 80 to 84	2.6	1.8	2.0
Age 85 and over	2.8	1.9	2.0
Median Age	38.4	36.9	38.9

Source: U.S. Census Bureau, American Community Survey, 5-year estimates (2023).

The following table sets forth annual average unemployment figures for the last five years for the Missouri portion of the Kansas City metropolitan statistical area (“Kansas City MSA (MO Part)”), Jackson County, Missouri, the State of Missouri and the United States. These data are considered provisional and may be subject to change.

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<u>Kansas City MSA (MO Part)</u>					
Total Labor Force	652,812	656,776	659,400	671,525	682,364
Unemployed	43,233	31,450	18,332	20,873	25,272
Unemployment Rate	6.6%	4.8%	2.8%	3.1%	3.7%
<u>Jackson County</u>					
Total Labor Force	355,392	356,641	357,678	364,674	370,774
Unemployed	25,913	18,359	10,598	12,313	14,889
Unemployment Rate	7.3%	5.1%	3.0%	3.4%	4.0%
<u>State of Missouri</u>					
Total Labor Force	3,037,880	3,050,028	3,036,611	3,087,759	3,141,242
Unemployed	185,933	124,810	79,259	94,172	115,424
Unemployment Rate	6.1%	4.1%	2.6%	3.0%	3.7%
<u>United States</u>					
Total Labor Force	160,742,000	161,204,000	164,287,000	167,116,000	168,106,000
Unemployed	12,947,000	8,623,000	5,996,000	6,080,000	6,761,000
Unemployment Rate	8.1%	5.3%	3.6%	3.6%	4.0%

Source: Missouri Economic Research and Information Center, Missouri Department of Economic Development. For 2024, values were calculated as averages of individual monthly data points provided by source.

Income Statistics

The following table sets forth estimated income statistics for 2023:

	<u>Per Capita</u>	<u>Median Household</u>
City of Independence	\$31,683	\$59,480
Jackson County	38,344	67,178
State of Missouri	38,497	68,920
United States	43,289	78,538

Source: U.S. Census Bureau, American Community Survey, 5-year estimates (2023).

Housing Structures

The following table sets forth statistics regarding housing structures by type in the City for 2023:

<u>Year Round Units</u>	<u>Number of Units</u>	<u>Percentage of Units</u>
Single Detached	39,935	72.1%
Single Attached	2,719	4.9
Double	1,392	2.5
3 to 19 Units	6,379	11.5
20+ Units	3,475	6.3
Mobile Homes	1,452	2.6
All Other	72	0.1
Total Units	55,424	100.00%

Source: U.S. Census Bureau, American Community Survey, 5-year estimates (2023).

The median value of owner occupied housing units in the area of the City, Jackson County, Missouri, the State of Missouri and the United States was estimated for 2023, as follows:

	<u>Owner Occupied Median Value</u>
City of Independence	\$166,400
Jackson County	213,300
State of Missouri	215,600
United States	303,400

Source: U.S. Census Bureau, American Community Survey, 5-year estimates (2023).

[remainder of page intentionally left blank]

Building Construction

The following table indicates the number of building permits and total estimated valuation of these permits issued within the City each Fiscal Year over a five-year period. These numbers reflect permits issued either for new construction or for major renovation in each of the Fiscal Years shown.

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2024</u>
<i>Residential</i>					
Number of Permits	533	588	646	709	640
Estimated Cost	\$93,074,467	\$30,981,217	\$43,001,466	\$66,516,079	\$31,909,933
<i>Non-Residential</i>					
Number of Permits	86	130	86	84	88
Estimated Cost	\$32,931,796	\$69,171,445	\$84,870,431	\$72,353,212	\$51,544,039

Source: City.

FINANCIAL INFORMATION CONCERNING THE CITY

Accounting, Budgeting and Auditing Procedures

The City currently produces financial statements that are in conformity with accounting principles generally accepted in the United States of America (“GAAP”). The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses as appropriate. The City has implemented Governmental Accounting Standards Board (“GASB”) Statement No. 34, *Basic Financial Statements - and Management’s Discussion and Analysis for State and Local Governments*.

An annual budget is prepared under the direction of the City Manager and submitted to the City Council for consideration prior to the fiscal year commencing on July 1. The operating budget includes proposed expenditures and revenue sources. Public hearings are conducted to obtain taxpayer comments. The budget is legally enacted through the adoption of an ordinance. The primary basis of budgetary control is at the departmental level. The City Manager is authorized to transfer budgeted amounts between programs within any department; however, any revisions that alter the total expenditures of any department must be approved by the City Council. Formal budgetary integration is employed as a management control device during the year for all funds. Budgets for all funds are adopted on a basis consistent with GAAP.

The financial records of the City are audited annually by a firm of independent certified public accountants in accordance with auditing standards generally accepted in the United States of America. The annual audit for the fiscal year ending June 30, 2024 was performed by RubinBrown LLP, in Kansas City, Missouri, and is contained in the City’s Annual Comprehensive Financial Report for fiscal year ended June 30, 2024, attached as *Appendix B* to this Official Statement. Copies of the City’s audited financial statements for the past five fiscal years are on file in the City Clerk’s Office and are available for review.

[remainder of page intentionally left blank]

Tax Revenues

The following table shows certain tax revenues and payments in lieu of taxes received by the City by source for the fiscal years shown:

Fiscal Year Ended June 30	Total	Real Estate Tax	Railroad Utilities Tax	Cigarette Tax	Transient Guest Tax	Sales Tax	Use Tax	Franchise Tax	In Lieu of Taxes
2024	\$109,664,182	\$8,498,000	\$42,287	\$331,202	\$2,304,882	\$56,810,128	\$10,822,207	\$8,705,781	\$22,149,695
2023	104,764,027	8,326,489	61,821	354,634	2,322,046	55,141,324	7,568,962	9,228,632	21,760,119
2022	89,699,433	8,376,190	42,389	354,525	2,116,326	44,616,320	5,863,853	8,161,195	20,168,635
2021	82,140,024	8,642,962	40,127	408,212	1,321,757	40,364,787	4,730,378	7,376,565	19,255,236
2020	76,865,925	7,759,781	37,303	415,193	1,554,582	38,712,349	1,671,812*	7,523,346	19,191,559
2019	77,631,016	7,859,632	42,846	412,888	1,967,003	38,326,339	-	8,651,580	20,370,728
2018	78,744,386	7,950,861	40,608	449,698	1,956,256	39,507,766	-	8,771,666	20,067,531
2017	76,337,352	7,663,413	41,536	471,109	1,994,953	38,464,140	-	8,703,530	18,998,671
2016	75,928,390	7,545,518	41,184	461,964	1,954,406	38,881,241	-	8,528,741	18,515,336
2015	76,723,399	7,544,987	39,503	436,414	1,616,667	38,711,511	-	9,960,928	18,413,389
2014	74,042,126	7,509,963	39,716	477,865	1,468,758	36,109,273	-	10,292,488	18,144,063
2013	73,571,048	7,423,146	37,904	499,152	1,356,592	35,818,354	-	10,414,823	18,021,077
2012	72,826,807	7,327,399	35,226	454,745	1,219,340	35,545,207	-	10,914,940	17,329,950
2011	75,265,266	7,459,074	31,864	468,859	1,077,506	34,483,950	-	15,532,633	16,211,380
2010	70,178,674	7,248,257	27,958	454,533	988,984	34,577,988	-	12,655,707	14,225,247

Source: City of Independence, Missouri, Annual Comprehensive Financial Report for fiscal years ended June 30, 2010 through June 30, 2024. Real estate tax and sales tax columns exclude revenue captured by tax increment financing areas.

* Collections of the City's use tax began during Fiscal Year 2020.

Property Valuations

Assessment Procedure:

All taxable real and personal property within the City is assessed annually by the County Assessor. Missouri law requires that real property be assessed at the following percentages of true value:

Residential real property	19%
Agricultural and horticultural real property	12%
Utility, industrial, commercial, railroad and all other real property	32%

A general reassessment of real property occurred statewide in 1985. In order to maintain equalized assessed valuations following this reassessment, the Missouri General Assembly adopted a maintenance law in 1986. Beginning January 1, 1987, and every odd-numbered year thereafter, each County Assessor must adjust the assessed valuation of all real property located within his or her county in accordance with a two-year assessment and equalization maintenance plan approved by the State Tax Commission.

The assessment ratio for personal property is generally 33-1/3% of true value. However, subclasses of tangible personal property are assessed at the following assessment percentages: grain and other agricultural crops in an unmanufactured condition, 1/2%; livestock, 12%; farm machinery, 12%; historic motor vehicles, 5%; and poultry, 12%.

The County Assessor is responsible for preparing the tax roll each year and for submitting the tax roll to the Board of Equalization. The County Board of Equalization has the authority to adjust and equalize the values of individual properties appearing on the tax rolls.

Current Assessed Valuation:

The following table shows the total assessed valuation, by category, of all taxable tangible property situated in the City as of January 1, 2024:

	<u>Assessed Valuation</u>	<u>Assessment Rate</u>	<u>Estimated Market Value</u>
Real Estate:			
Residential	\$1,446,853,524	19%	\$7,615,018,547
Commercial ⁽¹⁾	423,612,722	32%	1,323,789,756
Agricultural	1,559,931	12%	12,999,425
State Assessed Railroad and Utilities	<u>8,332,280</u>	32%	<u>26,038,375</u>
Real Estate Sub-Total	\$1,880,358,457		\$8,977,846,103
Personal Property⁽²⁾	<u>321,243,374</u>	33.3% ⁽²⁾	<u>963,730,122</u>
Total	\$2,201,601,831		\$9,941,576,225

Source: Jackson and Clay County Assessor's Office.

⁽¹⁾ Includes assessed valuation of locally assessed railroad and utilities.

⁽²⁾ Assumes all personal property is assessed at 33-1/3%; because certain subclasses of tangible personal property are assessed at less than 33-1/3%, the estimated actual valuation for personal property would likely be greater than that shown above. See "Assessment Procedure" discussed above.

History of Property Valuation:

The total assessed valuation of all taxable tangible property situated in the City (excluding the incremental increase in assessed valuation over the established assessed valuation base within TIF Redevelopment Areas (defined herein) located within the City) according to the assessments of January 1 in each of the following years has been as follows:

<u>Tax Year Ended December 31</u>	<u>Fiscal Year Ended June 30</u>	<u>Assessed Valuation</u>	<u>Percent Change</u>
2024	2025	\$2,201,601,831	-2.73%
2023	2024	2,263,456,187 ⁽¹⁾	26.57
2022	2023	1,788,344,428	5.41
2021	2022	1,696,607,580 ⁽¹⁾	8.60
2020	2021	1,562,300,351	-3.20
2019	2020	1,613,879,450 ⁽¹⁾	14.99
2018	2019	1,403,493,591	0.66
2017	2018	1,394,246,656	5.08
2016	2017	1,326,799,032	0.88
2015	2016	1,315,162,858	3.96

Source: Jackson and Clay County Assessor's Office for tax year 2024 (Fiscal Year 2025); City of Independence, Missouri, Annual Comprehensive Financial Report for fiscal year ended June 30, 2024 (*Table 7*) for other years.

⁽¹⁾ Increases due to reassessment of all real property located within Jackson County and Clay County during tax years ended December 31, 2019, 2021 and 2023 in accordance with a two-year assessment and equalization maintenance plan approved by the State Tax Commission as required by Missouri law.

Major Property Taxpayers:

The following table sets forth a list of the largest real property taxpayers in the City based on the 2024 assessed valuation. The City has not independently verified the accuracy or completeness of such information.

<u>Name of Taxpayer</u>	<u>Type</u>	2024	<u>Percentage of Total Assessed Valuation</u>
		<u>Assessed Valuation</u>	
Southern Union Co d/b/a MGE	Utility	\$24,272,540	1.10%
Independence Mall Holdings LLC	Commercial Retail	13,151,864	0.60
DT Independence Commons LLC	Commercial Retail	12,345,600	0.56
HEP KC Independence LLC	Residential Housing	9,880,000	0.45
Grace Holdings Independence LLC	Residential Housing	9,546,777	0.43
BRE Space Kansas City LLC	Underground Storage	7,973,706	0.36
Burd & Fletcher Co	Carton Manufacturing	7,346,026	0.33
Seven65 Cornerstone LLC	Residential Housing	7,273,067	0.33
CenterPoint Medical Center	Hospital/Medical	5,837,996	0.27
JVM Dunes Apartments LLC	Residential Housing	<u>5,795,000</u>	<u>0.26</u>
Total		\$103,422,576	4.69%

Source: Jackson County Collection Department.

Obligations of the City

General Obligation Debt

The Missouri Constitution permits a city, by vote of two-thirds of the voting electorate (four-sevenths at certain elections), to incur general obligation indebtedness for “City purposes” not to exceed 10% of the assessed value of taxable tangible property, and to incur additional general obligation indebtedness not exceeding, in the aggregate, an additional 10% of the assessed value of taxable tangible property. The additional indebtedness is allowed for the purpose of acquiring rights-of-way, constructing, extending and improving streets and avenues and/or sanitary or storm sewer systems, and purchasing or constructing waterworks, electric or other light and plants, provided that the total general obligation indebtedness of the city does not exceed 20% of the assessed valuation of taxable property.

The City had no general obligation debt outstanding as of March 15, 2025. The City previously had limited general obligation neighborhood improvement district bonds outstanding, but those bonds have been retired.

The City has received voter approval for general obligation bonds in the aggregate amount of \$55,000,000 for transportation purposes. For more information, see “FINANCIAL INFORMATION CONCERNING THE CITY – Anticipated Future Financings,” below.

[remainder of page intentionally left blank]

Revenue Obligations

The following is a summary of the outstanding principal amount, as of March 15, 2025, of the City's (1) tax increment financing loan obligations evidenced by infrastructure facilities revenue bonds (collectively, the "TIF Bonds") issued by the Missouri Development Finance Board (the "Board") and loaned to the City to finance or refinance various redevelopment projects, which are repayable from various revenue streams (including payments in lieu of tax and economic activity tax revenue) generated within the respective redevelopment areas and annual appropriations from the City's general fund (the "General Fund"), to the extent such revenue streams are insufficient, and (2) other loan obligations evidenced by infrastructure facilities revenue bonds (collectively, the "Revenue Bonds") issued by the Board and loaned to the City (a) to finance or refinance various water, sewer and electric utility system projects, which have been and are expected to be paid from annual appropriations generated from the net revenues of the City's respective water, sewer and electric utility systems (as indicated below), and (b) to finance and refinance the construction of the Events Center, which have been and are expected to be paid from annual appropriations of the net revenues generated from the City's Power and Light Fund, Water Fund, Sewer Fund and the CID Sales Tax Revenues:

Power and Light Fund – Secured by City's Annual Appropriation Powers

Original Principal Amount	Issuer	Issue Name	Series	Amount Outstanding
\$47,180,000	MDFB	Infrastructure Facilities Leasehold Revenue Bonds [†]	2016D	\$47,180,000
72,625,000	MDFB	Infrastructure Facilities Refunding Revenue Bonds [†]	2022	65,860,000

[†] Limited to annual appropriation of net electric system revenues.

Water Fund – Secured by City's Annual Appropriation Powers

Original Principal Amount	Issuer	Issue Name	Series	Amount Outstanding
\$36,240,000	MDFB	Infrastructure Facilities Leasehold Refunding Revenue ^{††}	2013D	\$12,930,000

^{††} Limited to annual appropriation of net water system revenues.

Sewer Fund – Secured by the City's Annual Appropriation Powers

Original Principal Amount	Issuer	Issue Name	Series	Amount Outstanding
\$21,170,000	MDFB	Infrastructure Facilities Revenue Bonds ^{†††}	2014C	\$17,930,000
24,760,000	MDFB	Infrastructure Facilities Refunding Revenue Bonds ^{†††}	2021A	21,060,000
41,565,000	MDFB	Taxable Infrastructure Facilities Refunding Revenue Bonds ^{†††}	2021B	35,450,000

^{†††} Limited to annual appropriation of Available Sewer Revenues.

Events Center – Secured by City’s Annual Appropriation Powers

Original Principal Amount	Issuer	Issue Name	Series	Amount Outstanding
\$12,005,000	MDFB	Infrastructure Facilities Refunding Revenue Bonds	2016A	\$8,410,000
9,730,000	MDFB	Infrastructure Facilities Refunding Revenue Bonds	2021	8,890,000
67,850,000	MDFB	Infrastructure Facilities Refunding and Improvement Revenue Bonds	2022	62,715,000

Crackerneck Creek TIF Project – Secured by City’s Annual Appropriation Powers

Original Principal Amount	Issuer	Issue Name	Series	Amount Outstanding
\$47,060,000	MDFB	Infrastructure Facilities Refunding Revenue Bonds	2015C	\$43,365,000
\$35,920,000	MDFB	Infrastructure Facilities Refunding Revenue Bonds	2021	30,265,000

Centerpoint TIF Project – Secured by City’s Annual Appropriation Powers

Original Principal Amount	Issuer	Issue Name	Series	Amount Outstanding
\$12,050,000	MDFB	Infrastructure Facilities Revenue Bonds	2012D	\$3,690,000
2,030,000	MDFB	Infrastructure Facilities Revenue Bonds	2014B	810,000
17,275,000	MDFB	Infrastructure Facilities Refunding Revenue Bonds	2016B	7,850,000

Santa Fe TIF Project – Secured by City’s Annual Appropriation Powers

Original Principal Amount	Issuer	Issue Name	Series	Amount Outstanding
\$5,225,000	MDFB	Infrastructure Facilities Revenue Bonds	2015A	\$4,085,000
3,545,000	MDFB	Taxable Infrastructure Facilities Revenue Bonds	2015B	2,875,000

Other Obligations Secured by the City’s Annual Appropriation Powers*Capital Leases:*

Capital leases payable as of March 15, 2025 (the “Capital Leases”), which are subject to annual appropriation, are comprised of the following:

	<u>Outstanding Principal Amount</u>
Lease Purchase Agreement (building acquisition and improvements), annual installments of \$585,000 to \$1,565,000 through 2044; interest at 5.180%	\$19,415,000
Lease Purchase Agreement (vehicles and infrastructure improvements), annual installments of \$1,220,000 to \$1,575,000 through 2035; interest at 2.42%	15,285,000

Motorola Solutions (radio equipment), semi-annual installments of \$158,096 to \$178,587 through 2027; interest at 2.480%	536,198
Caterpillar Financial Services Equipment Lease-Purchase Agreement (wheel loader), annual installments of \$34,830 to \$38,053 through 2025; interest at 3.025%	39,140
Various computer and other small equipment leases	115,426
TOTAL	<u>\$35,390,764</u>

Debt Service on Obligations Secured by Annual Appropriations

The table below shows scheduled debt service for the obligations discussed above ⁽¹⁾ as of March 15, 2025. As noted above, obligations designated “Power and Light,” “Water,” and “Sewer” in the table below are limited to repayment from appropriations from specific utility revenues. Other obligations listed are payable from appropriations from any legally available revenues, including General Fund revenues.

		Governmental Activities					
		Loans Payable		TIF Loans		Total	
		Principal	Interest	Principal	Interest	Principal	Interest
2025	\$	1,385,000	687,797	2,700,000	429,356	4,085,000	1,117,153
2026		2,035,000	1,326,149	6,635,000	3,633,350	8,670,000	4,959,499
2027		2,105,000	1,259,021	8,085,000	3,371,794	10,190,000	4,630,815
2028		2,175,000	1,189,234	6,245,000	3,047,019	8,420,000	4,236,252
2029		2,250,000	1,116,786	3,505,000	2,779,163	5,755,000	3,895,949
2030 - 2034		10,865,000	4,449,104	15,620,000	11,898,125	26,485,000	16,347,229
2035 - 2039		6,815,000	2,731,681	13,950,000	8,745,050	20,765,000	11,476,731
2040 - 2044		7,070,000	1,117,593	11,935,000	6,211,431	19,005,000	7,329,024
2045 - 2049		-	-	16,010,000	3,266,019	16,010,000	3,266,019
2050 - 2051		-	-	8,255,000	549,600	8,255,000	549,600
	\$	<u>34,700,000</u>	<u>13,877,364</u>	<u>92,940,000</u>	<u>43,930,906</u>	<u>127,640,000</u>	<u>57,808,270</u>

		Business-type Activities									
		Power and Light		Water		Sewer		Events Center		Total	
		Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$	3,730,000	2,446,672	-	269,569	-	1,243,250	3,640,000	1,142,592	7,370,000	5,102,082
2026		3,915,000	4,706,844	2,035,000	498,438	3,790,000	2,439,464	3,890,000	2,184,757	13,630,000	9,829,502
2027		4,110,000	4,511,094	2,120,000	415,338	3,895,000	2,334,617	4,145,000	2,077,527	14,270,000	9,338,576
2028		4,315,000	4,305,594	2,210,000	325,975	4,010,000	2,213,725	4,415,000	1,963,376	14,950,000	8,808,670
2029		4,530,000	4,089,844	2,305,000	230,031	4,145,000	2,082,762	4,705,000	1,831,804	15,685,000	8,234,440
2030 - 2034		26,295,000	16,815,219	4,260,000	90,525	22,965,000	8,173,971	28,410,000	6,823,760	81,930,000	31,903,475
2035 - 2039		28,140,000	10,320,144	-	-	22,460,000	4,180,556	30,810,000	2,189,663	81,410,000	16,690,363
2040 - 2044		26,110,000	5,364,906	-	-	13,175,000	1,683,330	-	-	39,285,000	7,048,236
2045 - 2047		11,895,000	692,225	-	-	-	-	-	-	11,895,000	692,225
	\$	<u>113,040,000</u>	<u>53,252,541</u>	<u>12,930,000</u>	<u>1,829,875</u>	<u>74,440,000</u>	<u>24,351,675</u>	<u>80,015,000</u>	<u>18,213,478</u>	<u>280,425,000</u>	<u>97,647,569</u>

⁽¹⁾ This table excludes the last three entries in the table captioned “Other Obligations Secured by the City’s Annual Appropriation Powers,” which total \$690,764 in principal amount as of March 15, 2025.

The Santa Fe Redevelopment Project

The Santa Fe Redevelopment Project (the “Santa Fe Project”) consists of the redevelopment of approximately 29 acres in the City (the “Santa Fe Redevelopment Area”). Tax increment financing was approved for the Santa Fe Redevelopment Project in 2001. The project involved clearing existing retail, commercial and residential buildings within the 29-acre area and new mixed use commercial, retail and residential development and related off-site improvements. Total projected redevelopment costs were estimated at \$25,567,017, including approximately \$7,500,000 in reimbursable project costs funded from a series of bonds issued in 2001 by the Board.

A number of years ago, the 29-acre area was cleared of buildings and debris and prepared for construction. The only businesses located in the Redevelopment Area to date are a car dealership, an auto parts store, a moving company, a dance center, an engineering company and a television repair shop.

In 2007, the Board issued its \$10,060,000 Taxable Infrastructure Facilities Revenue Bonds (City of Independence, Missouri – Santa Fe Project) (the “Series 2007C Bonds”), to refund the bonds issued in 2001 to fund costs related to the Santa Fe Project. The Series 2007C Bonds were secured by payments in lieu of taxes and economic activity taxes generated within the Santa Fe Redevelopment Area and by the City’s General Fund, subject to annual appropriation. Payments in lieu of taxes and economic activity taxes generated within the Santa Fe Redevelopment Area were insufficient to make debt service payments on the Series 2007C Bonds. The developer of the Santa Fe project (the “Santa Fe Developer”), voluntarily made payments to the City to cover a portion of the shortfalls in debt service payments on the Series 2007C Bonds. The Santa Fe Developer’s voluntary reimbursements to the City totaled \$4,600,653.08, with \$1,775,780 in shortfalls remaining to be funded by the City without reimbursement.

The City and the Santa Fe Developer entered into an agreement (the “Reimbursement Agreement”) under which the City agreed to consider implementation of additional tax increment financing (“TIF”) redevelopment projects under the Noland Road & 23rd Street TIF Plan, a TIF Plan for the redevelopment of an area (the “Noland Road Redevelopment Area”) generally adjacent to the Santa Fe Redevelopment Area. To assist in funding debt service shortfalls, the Developer agreed to fund up to \$233,000 per year of the shortfall, such amount to be reduced by any payments in lieu of taxes and economic activity taxes generated from new businesses opening in the Santa Fe Redevelopment Area, and the City agreed to attempt to refinance the Series 2007C Bonds and attempt to extend the maturity of the financing. In 2015, the Board issued its Infrastructure Facilities Revenue Bonds (City of Independence, Missouri – Santa Fe Redevelopment Project), Series 2015A (the “Series 2015A Bonds”), in the original principal amount of \$5,225,000, and its Taxable Infrastructure Facilities Revenue Bonds (City of Independence, Missouri – Santa Fe Redevelopment Project), Series 2015B (the “Series 2015B Bonds,” together with the Series 2015A Bonds, the “Outstanding Santa Fe Bonds”), in the original principal amount of \$3,545,000, to refund the Series 2007C Bonds. Since the date of issuance of the Outstanding Santa Fe Bonds, payments in lieu of taxes and economic activity taxes generated within the Santa Fe Redevelopment Area have also been insufficient to make debt service payments on the Outstanding Santa Fe Bonds. According to the City’s audited financial statements, payments in lieu of taxes and economic activity taxes generated in the Santa Fe Redevelopment Area during Fiscal Year ended June 30, 2024, were \$41,114. Under an agreement with Jackson County, the City also received certain non-City-sales-tax-generated economic activity taxes from automobile sales which amounted to \$28,217 for the Fiscal Year ended June 30, 2024. The collection of tax increment financing revenues within the Santa Fe Project expired on November 5, 2023. The final maturity of the Outstanding Santa Fe Bonds is October 1, 2044. See the subheading “Santa Fe TIF Project – Secured by City’s Annual Appropriation Powers” under “Obligations of the City,” above, for the outstanding principal amount of each series of the Outstanding Santa Fe Bonds as of June 30, 2024.

The obligation of the Developer to pay up to \$233,000 per year (the “Developer Payments”) is limited to a portion of the debt service shortfall calculated after the application of payments in lieu of taxes, economic activity taxes and state TIF revenues from the Santa Fe Redevelopment Area (collection of which has now expired), payments in lieu of taxes and economic activity taxes from two projects within the Noland Road Redevelopment Area, interest on debt service reserves and amounts in the special allocation fund for the Santa Fe Redevelopment Area, and half of the City’s uncaptured general sales tax within the Noland Road Redevelopment Area. That amount is then reduced by 50% of the payments in lieu of taxes and economic activity taxes created by businesses in the Santa Fe Redevelopment Area that operate on land that was vacant in August of 2014. The result of this formula is that the City received \$-0- in payments from the Santa Fe Developer under the Reimbursement Agreement during the Fiscal Year ended June 30, 2024.

The Falls at Crackerneck Creek Redevelopment Project

On October 18, 2004, the City approved the Crackerneck Creek Tax Increment Financing Plan. This approval established the Crackerneck Creek Redevelopment Area, designated such area as blighted, and designated Crackerneck Creek, L.L.C. as the developer for all projects in the Crackerneck Creek Redevelopment Area (the “Developer”). The Crackerneck Creek Tax Increment Financing Plan provided for the development and construction of a proposed 450,000 square foot commercial retail center. The Crackerneck Creek Project was originally projected to include (i) the Bass Pro Store described below, (ii) a minimum of 300,000 square feet of additional retail space and (iii) a hotel. As of September 1, 2021, the Crackerneck Creek Project included the Bass Pro Store, a hotel, approximately 94,732 square feet of retail and approximately 28,266 square feet of restaurant uses.

As part of the Project, the City entered into the Lease with Options (as amended from time to time, the “Bass Pro Lease”) with Bass Pro Outdoor World L.L.C. (“Bass Pro”). Pursuant to the Bass Pro Lease, the City leases to Bass Pro approximately twenty (20) acres on which Bass Pro constructed a “Bass Pro Shops Outdoor World” retail store building containing approximately 160,000 square feet (the “Bass Pro Store”) and leases the Bass Pro Store to Bass Pro under the terms and conditions contained in the Bass Pro Lease. Under the Bass Pro Lease, the City was obligated to make \$25,000,000 available to Bass Pro. This amount was funded from the proceeds of a series of bonds issued in 2006 and was used to construct the Bass Pro Store. The Board at the request of the City has issued a total of \$89,570,000 of taxable and tax-exempt bonds for the Crackerneck Creek project to fund project costs (together with certain subsequent refunding bonds, the “Crackerneck Creek Project Bonds”). Presently, two series of Crackerneck Creek Project Bonds remain outstanding in the principal amounts shown under the heading “Obligations of the City – *Revenue Obligations – Crackerneck Creek TIF Project – Secured by City’s Annual Appropriation Powers*,” above, including the Infrastructure Facilities Refunding Revenue Bonds (City of Independence, Missouri – Crackerneck Creek Project) Series 2015C and the Infrastructure Facilities Refunding Revenue Bonds (City of Independence, Missouri – Crackerneck Creek Project) Series 2021.

Development of the Crackerneck Creek Redevelopment Area has occurred at a much slower pace than originally anticipated. The Bass Pro Store opened for business in March, 2008. A 55,000 square foot Hobby Lobby and a 25,000 square foot Mardels (a retailer selling Christian-oriented merchandise) opened in 2009. An 8,500 square foot Cheddar’s Casual Café restaurant opened in 2011, a 6,200 square foot Pizza Ranch opened in 2014 and the Stony Creek Inn, a 167 room hotel with approximately 30,000 square feet of conference space, opened in 2015. An approximately 14,732 square foot Duluth Trading Company location opened in 2016 and an approximately 13,566 square foot Los Cabos Mexican restaurant opened in 2017. No other leases or other binding commitments for potential commercial tenants for the Crackerneck Creek Redevelopment Area have been executed as of the date hereof. In 2021, the City approved a request by the Developer to amend the Crackerneck Creek Tax Increment Financing Plan to allow the Developer to pursue opportunities to construct a multifamily residential complex within the Crackerneck Creek Redevelopment Area. Since then, a 275-unit apartment complex has been completed immediately west of the Bass Pro building. The City is not aware of any other potential developments within the Crackerneck Creek Redevelopment Area at this time. It is impossible to predict whether any future development will occur or whether the existing businesses will continue in operation within the Crackerneck Creek Redevelopment Area.

Status of Developer and Development Agreement:

To implement the development of the Crackerneck Creek Redevelopment Area, the City and the Developer entered into the Tax Increment Financing Redevelopment Agreement dated as of February 9, 2005, as amended by that certain First Amendment dated March 16, 2006 (collectively, the “TIF Agreement”). Pursuant to the TIF Agreement, the Developer was obligated to produce commitments for Additional Retail Development according to the Additional Retail Development Leasing Schedule that is attached to the TIF Agreement. On December 1, 2006, the City provided a written demand to Developer to engage a national leasing firm to assist in obtaining leases for Additional Retail Development, as defined in the TIF Agreement,

and to take certain actions as required by the TIF Agreement to produce the required amount of Additional Retail Development in accordance with the Additional Retail Development Leasing Schedule.

The Developer failed to take the requested action, and on June 22, 2007, the City provided written notice to the Developer stating “[d]eveloper is hereby terminated as the developer of record under the TIF Agreement” for Developer’s failure to comply with certain provisions of the TIF Agreement, relating to compliance with the Additional Retail Development Leasing Schedule and the submission of covenants, conditions and restrictions that will be applicable to the Crackerneck Creek project.

On February 7, 2008, the City and Developer entered into an Agreement for Stay of Termination (the “Stay of Termination”). Under the provisions of the Stay of Termination, the City consented to stay the provisions of the termination until June 30, 2008 to provide the Developer additional time to procure retail development for the project. Because commitments for such retail development have not been secured, the City’s position is that it can proceed at any time with the termination of the Developer and the Developer has expressly waived any ability to challenge the termination proceedings as part of the Stay of Termination.

Subsequent to the execution of the Stay of Termination, the City and Developer have entered into an “Agreement for Parcel Development in the Falls at Crackerneck Project” dated October 9, 2008 (the “Parcel Development Agreement”). Under the terms of the Parcel Development Agreement, the City agrees to make up to \$5,054,100 from amounts saved under the original public improvements budget available to the Developer to assist in funding actual development costs of certain parcels in the Crackerneck Creek project for the Hobby Lobby store that opened in the Crackerneck Creek Project in 2009, a hotel and other potential development. Subsequent to the execution of the Parcel Development Agreement, the City and Developer agreed that \$425,000 of the \$5,054,100 made available under the Parcel Development Agreement would be reimbursed to the Developer for site costs related to the construction of a Cheddars restaurant at the Crackerneck Creek project.

In 2007 and 2008 the Developer protested the assessed value assigned by Jackson County, Missouri, to certain property in the Crackerneck Creek Redevelopment Area. During the time the protest was pending, the payments in lieu of tax attributable to such parcels were not available to the City to pay debt service on the Crackerneck Creek Project Bonds. The protest was resolved in 2009 and all payments in lieu of tax from the Crackerneck Creek Redevelopment Area eventually became available to the City. There can be no assurance that future valuations of property in the Crackerneck Creek Redevelopment Area will not be subject to protest.

In a letter dated November 25, 2019, the Developer requested that the City begin to make payment of approximately \$8.7 Million in amounts that the Developer claims are due to it under the various agreements described above. Such amounts have been the subject of an exchange of requests and responses between the Developer and the City dating back to 2017. In 2020 and 2023, the City reiterated its position to the Developer that, although some reimbursable amounts may have been incurred by the Developer in addition to what has been paid by the Crackerneck Creek Project Bonds, such amounts are payable only from a portion of the revenues generated by the Crackerneck Creek project after debt service on the Crackerneck Creek Project Bonds is provided for, and such revenues are currently not sufficient to pay debt service on the Crackerneck Creek Project Bonds, leaving nothing for payment of reimbursable project costs.

The Lawsuit:

On January 5, 2024, the Developer filed suit against the City, demanding payment from the City for contractual, quasi-contractual, and tort damages. In its amended complaint, Developer states that its damages include, but are not limited to: (a) the full amount of certain savings to which it claims it was entitled (\$5,054,000 less payments made by the City); (b) improper forfeiture of certain savings to which it claims it was entitled (\$2,637,362); and (c) failure of the City to reimburse the Developer for certain improvements (\$425,000 for Cheddar’s improvements; \$400,000 each for Pizza Ranch, Stoney Creek Hotel, Los Cabos, and Duluth Trading Company improvements for a cumulative total of \$1,600,000; \$264,370.83 for Missouri

Department of Transportation improvements; \$184,182 for Independence Power and Light improvements, and \$36,049.83 for waterfall park improvements). The City raised various defenses to the Developer's claims, including contractual breaches by the Developer and sovereign immunity to tort claims, and counterclaimed for damages including amounts already paid by the City to address debt service shortfall (as described below under "*Anticipated Shortfall of Crackerneck Creek Revenues*") and anticipated future shortfall amounts. Currently, the case schedule requires the parties to participate in a formal mediation by June 18, 2025.

The Bass Pro Store and the Bass Pro Lease:

On June 16, 2004 the City entered into the Bass Pro Lease with Bass Pro. The Bass Pro Lease was amended pursuant to the Amendment to Bass Pro Lease with Options dated December 20, 2004 and the Second Amendment to Lease With Options dated March 6, 2006. Pursuant to the Bass Pro Lease, \$25,000,000 of the cost of constructing the Bass Pro Store was funded by the City through the issuance of Crackerneck Creek Project Bonds. The City also constructed and made available to Bass Pro approximately 600 parking spaces. The Bass Pro Store offers the general public retail sales of sporting goods, sporting equipment and sporting services primarily relating to fishing, hunting, camping and boating. The Bass Pro Store opened in March, 2008.

The initial term of the Bass Pro Lease is 20 years, beginning at the commencement date of the Bass Pro Lease. Bass Pro has the option to renew the Bass Pro Lease for nine one-year periods, and three five-year periods. During the initial 20 year term, Bass Pro is required to pay the City rent equal to 2% of "Gross Sales," except for sales of boats, recreational vehicles, off-road vehicles and all-terrain vehicles, which Bass Pro is obligated to pay 1% with a maximum of \$250 per such boat or vehicle sold. In addition, Bass Pro is obligated to pay "Minimum Percentage Rent" of \$1,000,000 during each year of the initial term. All such rental payments are referred to herein as the "Bass Pro Lease Payments." Historically Bass Pro has never exceeded the \$1,000,000 Minimum Percentage Rent.

Pursuant to the Bass Pro Lease, Bass Pro covenanted that it would open for business on the commencement date stated in the Bass Pro Lease and it will remain open and continuously operate under the Bass Pro trade name during the entire 20 year initial term (the "Operating Covenant Period"). Following the Operating Covenant Period, Bass Pro will have no obligation to remain open for business to the public. The Operating Covenant Period runs through the year 2026.

During any of the nine one-year renewal options, Bass Pro will pay rent equal to \$10 per year. However, if the TIF bond financing provided by the City in a maximum amount of \$35,000,000 (the "Leased Premises TIF") has not been fully paid at the expiration of the initial term, then during each year thereafter (if any) until the Leased Premises TIF has been paid in full or until the expiration of the third one-year renewal option (if exercised by Bass Pro), whichever occurs first, Bass Pro shall be obligated to pay \$1,000,000 per year. During any of the three five year renewal options, Bass Pro will pay rent equal to 1% of Gross Sales in excess of \$30,000,000, except for Gross Sales respecting sales of boats, recreational vehicles, off-road vehicles and all-terrain vehicles, which shall be 0.5% of such Gross Sales. The Leased Premises TIF includes \$35,000,000 of Crackerneck Creek Project Bonds and has not yet been fully paid.

Bass Pro prevailed in litigation with the City over the amount owed by Bass Pro for a construction license surcharge related to construction of the Bass Pro Store. Including related attorneys fees, the City paid to Bass Pro approximately \$460,000 related to the verdict.

The City and Bass Pro settled litigation related to the initial lease payment. Thereafter, rent payments have been paid on time by Bass Pro, with the exception of rent due for two months during the COVID-19 response, which have since been caught up. Upon a default by the City under the Bass Pro Lease, Bass Pro may pursue all available legal and equitable remedies, including termination of the Bass Pro Lease.

As a result of the City's ownership, the land on which the Bass Pro Store is located is exempt from real estate taxes.

Under the Bass Pro Lease, Bass Pro has the option to purchase the Bass Pro Store at the expiration of the 20 year initial term and at the expiration of any renewal option for a purchase price equal to 90% of the fair market value thereof as determined by an MAI appraisal.

The Bass Pro Lease also required the City to purchase, prepare and give to Bass Pro at no cost an approximate five acre parcel located near or adjacent to the Bass Pro Store to be used for the construction of a hotel containing at least 150 rooms (the "Hotel") and such other improvements thereon as desired by Bass Pro. Bass Pro agreed that (subject to force majeure) it would cause the Hotel to be open for business within two (2) years of the opening date of the Bass Pro Store. Because the two year period expired without any progress by Bass Pro toward the construction of the Hotel, the City took control of the Hotel site and subsequently deeded it to the Developer. Any sales generated from the Hotel will be excluded from Bass Pro's gross sales and will not be included in the calculation of rent due under the Bass Pro Lease. This site is the location of the Stoney Creek Inn.

Under the Bass Pro Lease the City also constructed at its cost an approximate 15-acre lake and an additional wilderness/habitat area of approximately 15 acres. The City park includes a waterfall and presents a unique natural setting. The lake and park development was completed at approximately the same time the Bass Pro Store opened for business.

Anticipated Shortfall of Crackerneck Creek Revenues:

The Crackerneck Creek Project Bonds issued for the Crackerneck Creek Redevelopment Area are outstanding in the principal amounts shown and as of the date shown under the heading "Obligations of the City – Revenue Obligations – Crackerneck Creek TIF Project – Secured by City's Annual Appropriation Powers," above, and include the Infrastructure Facilities Refunding Revenue Bonds (City of Independence, Missouri – Crackerneck Creek Project) Series 2015C (the "Series 2015C Crackerneck Creek Bonds") and the Infrastructure Facilities Refunding Revenue Bonds (City of Independence, Missouri – Crackerneck Creek Project) Series 2021 (the "Series 2021 Crackerneck Creek Bonds") issued by the Board. The Outstanding Crackerneck Creek Project Bonds have maturities extending to 2051. The revenues generated within the Crackerneck Creek Redevelopment Area and anticipated to be available to pay debt service relating to the Crackerneck Creek Project Bonds include (1) payments in lieu of taxes generated by the Crackerneck Creek Redevelopment Area, which terminate in 2026, (2) economic activity taxes generated by the Crackerneck Creek Redevelopment Area, which terminate in 2027, (3) incremental state sales tax revenues, which terminate in 2026, (4) certain transportation development district revenues, which terminate in 2036, (4) Bass Pro Lease Payments, and (5) payments in lieu of taxes and economic activity taxes generated within the overlapping I-70 and Little Blue Parkway, which terminate in 2037 (altogether, the "Crackerneck Creek Project Revenues"). To the extent that the loan payments with respect to the Crackerneck Creek Project Bonds are not provided for by the Crackerneck Creek Project Revenues, the City has covenanted, subject to annual appropriation, to make payments from other available sources, including the City's General Fund, to make up the shortfall.

Due to many factors, revenues received from the Crackerneck Creek Project have been materially short of the City's original projections. The City believes that even with significant additional development, if any, it is highly unlikely that the Crackerneck Creek Redevelopment Area will be able to generate sufficient Crackerneck Creek Project Revenues to pay debt service on the Crackerneck Creek Project Bonds. Consequently, even if significant additional development occurs, additional revenues sources will need to be allocated to the payment of debt service on the Crackerneck Creek Project Bonds. To date, the City has expended \$13,951,364 from its General Fund, \$1,682,643 from utility funds, \$2,258,751 from sales tax funds, to support payments on the Crackerneck Creek Project Bonds. The City issued the Series 2021 Crackerneck Creek Bonds with the goal of better aligning anticipated revenues with debt service on Crackerneck Creek Project Bonds.

Even with the restructuring provided by the Series 2021 Crackerneck Creek Bonds, the City does not anticipate that the Crackerneck Creek Project Revenues will be sufficient to pay debt service on the Crackerneck Creek Project Bonds, either currently or between the time that the Crackerneck Creek Project Revenues terminate and the final maturity of the Crackerneck Creek Project Bonds. For this reason, the City has adopted the TIF Supplemental Appropriation Policy (discussed below under the subheading “The City’s Tax Increment Financing Supplemental Appropriation Policy”) to identify and set aside certain other revenues that become available to the City for debt service on the Crackerneck Creek Project Bonds and the Outstanding Santa Fe Bonds.

The City’s Tax Increment Financing Supplemental Appropriation Policy

In the spring of 2021, the City approved a Tax Increment Financing Supplemental Appropriation Policy (the “TIF Supplemental Appropriation Policy”) relating to certain new revenues previously captured for application within tax increment financing redevelopment areas that become available as tax increment financing expires within such areas. Under the TIF Supplemental Appropriation Policy, City Staff and consultants will monitor project-generated revenues available for application to the City’s various bond-financed tax increment financing projects, monitor the amounts of such new revenues being generated, and make a recommendation to City Council in connection with each annual budget as to the amount that should be retained from such new revenues in the following Fiscal Year in order to provide for full payment of all of the City’s tax increment financing obligations (including the Crackerneck Creek Project Bonds and the Outstanding Santa Fe Bonds), after considering project-generated revenues anticipated to be available to pay such obligations. Recommendations will be based on a five-year model of anticipated revenues and debt service requirements maintained by City consultants. Under the TIF Supplemental Appropriation Policy, the City Council will, on an annual basis, determine the amount of current revenues within the following Fiscal Year to retain in the fund established under the TIF Supplemental Appropriation Policy (the “TIF Supplemental Appropriation Fund”), and determine the amount (if any) of excess funds remaining from prior Fiscal Years to be released from the TIF Supplemental Appropriation Fund for deposit into the City’s General Fund and special tax funds. Amounts deposited into the TIF Supplemental Appropriation Fund will be used, subject to state law limitations on the purposes for which the taxes generating such amounts were levied, to pay debt service on the City’s tax increment financing obligations. During Fiscal Year 2024, \$423,057 was transferred from the TIF Supplemental Appropriation Fund to pay debt service on the City’s tax increment financing obligations. The TIF Supplemental Appropriation Fund had a balance of \$10,019,651 at the end of Fiscal Year 2024.

Independence Events Center

The issuance of the bonds described above under the subheading “Events Center – Secured by City’s Annual Appropriation Powers” either financed or refinanced construction of a multipurpose events center that is owned by the City (the “Events Center”). Such bonds (the “Events Center Bonds”) are secured by a community improvement district (the “Events Center CID”) sales tax within a designated area of the City (including, on a subordinate basis, proceeds of such tax that are captured by certain tax increment financing redevelopment areas within the Events Center CID (the “Events Center CID EATS”), and if not paid from such revenues, by the City’s General Fund, subject to annual appropriation. The Events Center improvements consisted of three basic categories of improvements, which included the Events Center, an Adjacent Ice and Practice Facility, and related infrastructure improvements, as further described below. Construction of the Events Center is complete and the facility is open and has been hosting events since November, 2009. The Events Center is located on an approximately 27 acre tract of land at the southeast quadrant of the intersection of Interstate 70 and Missouri Highway 291. Pursuant to a naming rights agreement, the Events Center was known as the Silverstein Eye Centers Arena from 2015 through early 2020. In March 2020, Cable Dahmer Automotive Group acquired naming rights to the Silverstein Eye Centers Arena, and was renamed Cable Dahmer Arena.

The Events Center is capable of hosting sporting, civic and entertainment events and contains approximately 162,000 square feet of space on two levels. The Events Center has 5,800 fixed seats, 25 luxury suites and 2,000 paved parking spaces on site. The capacity of the Events Center is expanded to a maximum of 7,000 for concerts and other special events by the use of folding or stacking chairs. The seating totals also include club seats and a separate loge section which is served by lounges with bars and concessions.

The rink area is based on NHL standards of 85 feet x 200 feet, with an ice rink designed to withstand repeated quick changes from ice events to non-ice events. The facility includes administrative offices, a box office, janitorial and equipment rooms, home team and visitor locker rooms, public toilet facilities, concession areas, and a stage for concert events. There are separate rooms to accommodate the press, radio, and statisticians and to control sound and lighting equipment.

The City, as owner of the Events Center, and Independence Professional Hockey LLC (“IPH”) entered into an Amended and Restated Arena Lease dated August 13, 2009 (“Hockey Lease”), which authorizes the lessee to play a minimum of 30 regular season home games per year, plus play-off games if necessary, and to utilize the Events Center for practices, training camp, and other team related activities. The Hockey Lease was assigned to Loretto Sports Ventures, LLC, a Texas limited liability company in January of 2015, and Loretta Sports Ventures, LLC became Kansas City Mavericks, LLC, a Texas limited liability company (“KCM”) through a series of name changes. The initial term of the Hockey Lease expired on April 30, 2020. On September 27, 2018, the City and KCM executed a First Amendment to Amended and Restated Arena Lease, which extended the Hockey Lease term to an expiration date of June 30, 2024, restructured the lease payments, primarily by basing the major component of the rental rate on type of game (regular season, various playoff rounds) instead of the day of the week on which the game was played, adjusted revenue sharing calculations for concession sales and reset the fees applicable to ticket pricing. On November 3, 2023, the City and KCM executed a Second Amendment to Amended and Restated Arena Lease, which extended the Hockey Lease term to an expiration date of June 30, 2026, and restructured the lease payments by adjusting the rate for all regular season games.

KCM owns the Kansas City Mavericks minor league hockey team (the “Mavericks”) that is currently playing its home games at the Events Center. The Mavericks are part of the East Coast Hockey League, which is a 27-team league.

The Events Center has also been home to the Kansas City Comets (the “Comets”) of the Major Arena Soccer League (“MASL”) franchise. MASL is a professional indoor soccer league with 15 teams. The Comets use the Events Center pursuant to a license agreement that is renewable annually by the parties until the end of the 2024-2025 MASL season, provided that if the MASL league ceases to operate, the agreement is terminable by the Comets upon 30-day notice. The license agreement has been extended through the 2024-2025 season and the parties have begun discussions on an extension.

The Events Center also schedules various other types of events such as monster truck rallies, concerts and conventions.

Adjacent Ice and Practice Facility. The Adjacent Ice and Practice Facility is under the same roof as the Events Center but is set up as a separate facility. The facility contains approximately 28,200 square feet, including a standard NHL size rink of 85 feet x 200 feet. The facility also includes its own lobby and spectator bleacher seating for approximately 270 spectators, a storage area for various hockey and figure skating gear, a skate rental area, separate concession areas, a party room, restroom facilities, and shared locker rooms with the main Events Center facility. The City’s Parks and Recreation Department has an administrative office in the facility. Scoreboards and some electronic signage have been installed. The facility utilizes the same mechanical equipment and infrastructure constructed for the Events Center. The Adjacent Ice and Practice Facility is used by the public and also for practices by the Mavericks.

Management of the Events Center Project. The City took over management of the Events Center in October 2010, from Global Entertainment Corporation, and formed the Independence Events Center Management Corporation (“IECMC”), a nonprofit corporation, to provide for the management of the Events Center. The City is the sole member of the IECMC. The board of the IECMC consists of five officers and employees of the City, which are appointed by the City. The employees that provide for the day to day operation of the Events Center are employed by the IECMC and not by the City. The Board of the IECMC hired Global Spectrum L.P. (now Spectra by Comcast Spectator, referred to herein as the “Events Center Manager”) to manage the facility in 2014 pursuant to a contract that currently runs through 2034 with a five-year renewal option. The IECMC currently oversees the Events Center Manager in its management of the facility.

Expenses for the operation of the Events Center are paid with revenues generated from the Events Center. If there are operational shortfalls, the City currently intends to pay the shortfalls but has no legal obligation to do so. The anticipated source for funding any shortfalls that may occur is the City’s General Fund.

During the Fiscal Year ended June 30, 2024, total revenue available with respect to the Events Center was \$19,401,870 (including operating revenue, community improvement district sales tax revenues, interest income and other sources), and the total of expenses with respect to the Events Center was \$15,708,283, inclusive of operating expenses and debt service. At the end of Fiscal Year 2024, the Events Center fund had a net position of \$2,014,982. See *Exhibit 6* on page 31 of the City’s Annual Comprehensive Financial Report for the Fiscal Year ended June 30, 2024 which is included in *Appendix B* hereto.

The Events Center fund operates at a significant negative with debt service included as an expense, but its debt service burden is subsidized by the CID. In recent years, the CID has generated sufficient revenues to pay the debt service on the Events Center Bonds and build reserves sufficient to cover debt service on the Events Center Bonds for an entire year. The revenues collected by the CID for Fiscal Year 2024 were sufficient to pay the expenses of the CID (to the extent not covered by operational revenues) and the debt service on the Events Center Bonds.

The Events Center CID that levies the community improvement district sales tax described above was audited by the Missouri State Auditor in 2017. According to the Missouri State Auditor’s Report No. 2017-136 released in November 2017, the Missouri State Auditor made the following findings as a result of the audit of Events Center CID:

- *Administrative fees:* The Events Center CID failed to competitively procure administrative services. As a result, the Events Center CID was paying excessive administrative fees to the City.
- *Expenditures:* The Events Center CID Board did not review or approve any expenditures related to the construction of the Events Center, which circumvents the Board’s primary responsibility of providing oversight of district expenses.
- *Non-Compliance with State Law:* The Events Center CID Board did not submit budgets to the city within the time frames required by state law.

Impact of Shortfalls on the General Fund

As described above, the City is obligated to pay debt service with respect to numerous borrowings on an annual appropriation basis. Although repayment of certain borrowings is limited to appropriations from revenues produced by operation of the City’s utilities, most of the City’s obligations are ultimately backed by a pledge to annually appropriate from any available source. Shortfalls in revenues anticipated to make payments with respect to certain series of outstanding bonds may reduce the City’s ability to make appropriations from the General Fund to pay debt service on other series of bonds.

Although the City's TIF Supplemental Appropriation Policy is designed to address anticipated shortfalls in project revenues available for payment of its bond-financed tax increment financing projects, there is no guarantee that the City will not experience shortfalls in revenue available to pay debt service on any particular series of bonds for which it has an annual appropriation obligation. Any such shortfall could affect the City's willingness to appropriate funds in an amount sufficient to pay the debt service on its other outstanding annual appropriation obligations.

Overlapping or Underlying Indebtedness

The following table sets forth overlapping and underlying debt repaid with property taxes of political subdivisions with boundaries overlapping the City as of June 30, 2024, and the percent attributable (on the basis of assessed valuation figures) to the City. The amount shown for City direct debt is current as of March 15, 2025. The table was compiled from publicly available information furnished by the jurisdictions responsible for the debt and the City has not independently verified the accuracy or completeness of such information. Furthermore, political subdivisions may have ongoing programs requiring the issuance of substantial additional bonds or other long-term obligations such as leases, the amounts of which may be unknown to the City at this time.

<u>Jurisdiction</u>	<u>General Obligation Bond Issues Outstanding</u>	<u>Percentage Applicable to City of Independence</u>	<u>Amount Applicable to City of Independence</u>
Blue Springs R-4 School District	\$328,815,000	6.20%	\$20,386,530
Independence School District	147,415,000	93.62	138,009,923
Raytown School District	114,045,000	8.60	9,807,870
Fort Osage R-1 School District	89,230,737	12.50	<u>11,153,842</u>
		Subtotal, overlapping debt:	\$179,358,165
		City direct debt:	<u>128,330,764</u> ⁽¹⁾⁽²⁾
		Total direct and overlapping debt:	<u>\$307,688,929</u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the City. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Source: City of Independence, Missouri, including the City's Annual Comprehensive Financial Report for Fiscal Year ended June 30, 2024 (*Table 18*).

(1) Reflects the outstanding principal amount of the TIF Bonds and the City's Capital Leases as of March 15, 2025. Excludes (i) the outstanding principal amount of the Revenue Bonds payable or anticipated to be paid from annual appropriation of net revenues generated from the operation of the City's water, sewer and electric systems and (ii) the outstanding principal amount of the Revenue Bonds anticipated to be paid from CID Sales Tax Revenues.

(2) Does not include the Series 2025A Bonds in process of issuance.

Anticipated Future Financings

Potential Power and Light Issuance. In October 2021, the City issued a Request for Proposals for design-build services for 45-99 MW of new generation facilities to be located at the existing Blue Valley Power Station site. In December 2021, the City received responses from six companies, proposing 20 different projects. The best bid was submitted by PROENERGY Services, LLC, who proposed 2 LM6000 GE aeroderivative turbines (combined 84 MW net capacity) with all supporting systems at an estimated cost of \$69,350,000. The City does anticipate issuing an annual-appropriation-style financing for power generation in the near future, but no definitive plans have been established.

General Obligation Bond Election. The City held a general obligation bond election on April 8, 2025 with three measures being presented to the City’s voters totaling \$197,000,000, consisting of (1) \$130,000,000 for public safety facilities (the “Public Safety Question”), (2) \$55,000,000 for transportation purposes (the “Transportation Question”), and (3) \$12,000,000 for parks and recreation facilities (the “Parks Question”). At the election, the Transportation Question was approved by voters but the Public Safety Question and the Parks Question failed. The City intends to issue general obligation bonds in 2025 and subsequent years to fund components of the voted authority from the Transportation Question. In Missouri, general obligation bonds are secured by a pledge of the full faith, credit and resources of the City and include authority for a property tax to be levied upon all of the taxable tangible property within the City in an amount sufficient to produce the revenue necessary for the payment of the principal of and interest on the general obligation bonds. The City currently intends to impose the property tax at the rate necessary to pay debt service on any general obligation bonds issued as opposed to using General Fund revenues to support debt service on such bonds.

The projects that were the subjects of the Public Safety Question and Parks Question remain priorities for the City and the City will continue to pursue funding sources for such projects, which may include future submissions of general obligation bond election measures to the City’s voters.

Refunding Opportunities. The City anticipates issuing obligations over the next five years to refund certain outstanding revenue bonds listed above under “FINANCIAL INFORMATION CONCERNING THE CITY – Obligations of the City – *Revenue Obligations*,” for the purpose of debt service savings. However, there can be no assurance that the City Council will approve the issuance of such future series of bonds, that interest rates will not increase to a point where such refunding is not economical or that such refunding bonds can be sold.

* * *

APPENDIX B

ANNUAL COMPREHENSIVE FINANCIAL REPORT OF THE CITY OF INDEPENDENCE, MISSOURI FOR FISCAL YEAR ENDED JUNE 30, 2024

Annual Comprehensive Financial Report



INDEPENDENCE ★ MISSOURI ★

A GREAT AMERICAN STORY

For the Fiscal Year Ended
June 30, 2024

CITY OF INDEPENDENCE, MISSOURI
ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2024



Mayor
Rory Rowland

City Council

John Perkins	District #1
Brice Stewart	District #2
Heather Wiley	District #3
Jennie Vaught	District #4
Bridget McCandless	At-large
Jared Fears	At-large

City Manager

Zachary Walker

Prepared by the Department of Finance

Meagan Borth, Interim Director of Finance

Nancy Cooper, Assistant Director of Finance

CITY OF INDEPENDENCE, MISSOURI

Table of Contents

	Page
Introductory Section:	
Organizational Chart	1
Letter of Transmittal	2 – 6
GFOA Certificate of Achievement	7
Financial Section:	
Independent Auditors’ Report	8 – 11
Management’s Discussion and Analysis	12 – 23
	Exhibit Page
Basic Financial Statements:	
Government-wide:	
Statement of Net Position	1 24
Statement of Activities	2 25
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	3 26
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	3.1 27
Statement of Revenues, Expenditures, and Changes in Fund Balances	4 28
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities	4.1 29
Proprietary Funds:	
Statement of Net Position	5 30
Statement of Revenues, Expenses, and Changes in Fund Net Position	6 31
Statement of Cash Flows	7 32
Fiduciary Funds:	
Statement of Fiduciary Net Position	8 33
Statement of Changes in Fiduciary Net Position	9 34
Notes to Financial Statements	35 – 98
Required Supplementary Information:	
Budgetary Comparison Schedule – General Fund	10 99
Budgetary Comparison Reconciliation Schedule – General Fund	10.1 100
Notes to Budgetary Comparison Schedules	101
Schedule of Changes in Total OPEB Liability and Related Ratios	11 102
LAGERS Schedule of Changes in Net Pension Liability and Related Ratios	12 103
LAGERS Schedule of Contributions	13 104

CITY OF INDEPENDENCE, MISSOURI

Table of Contents

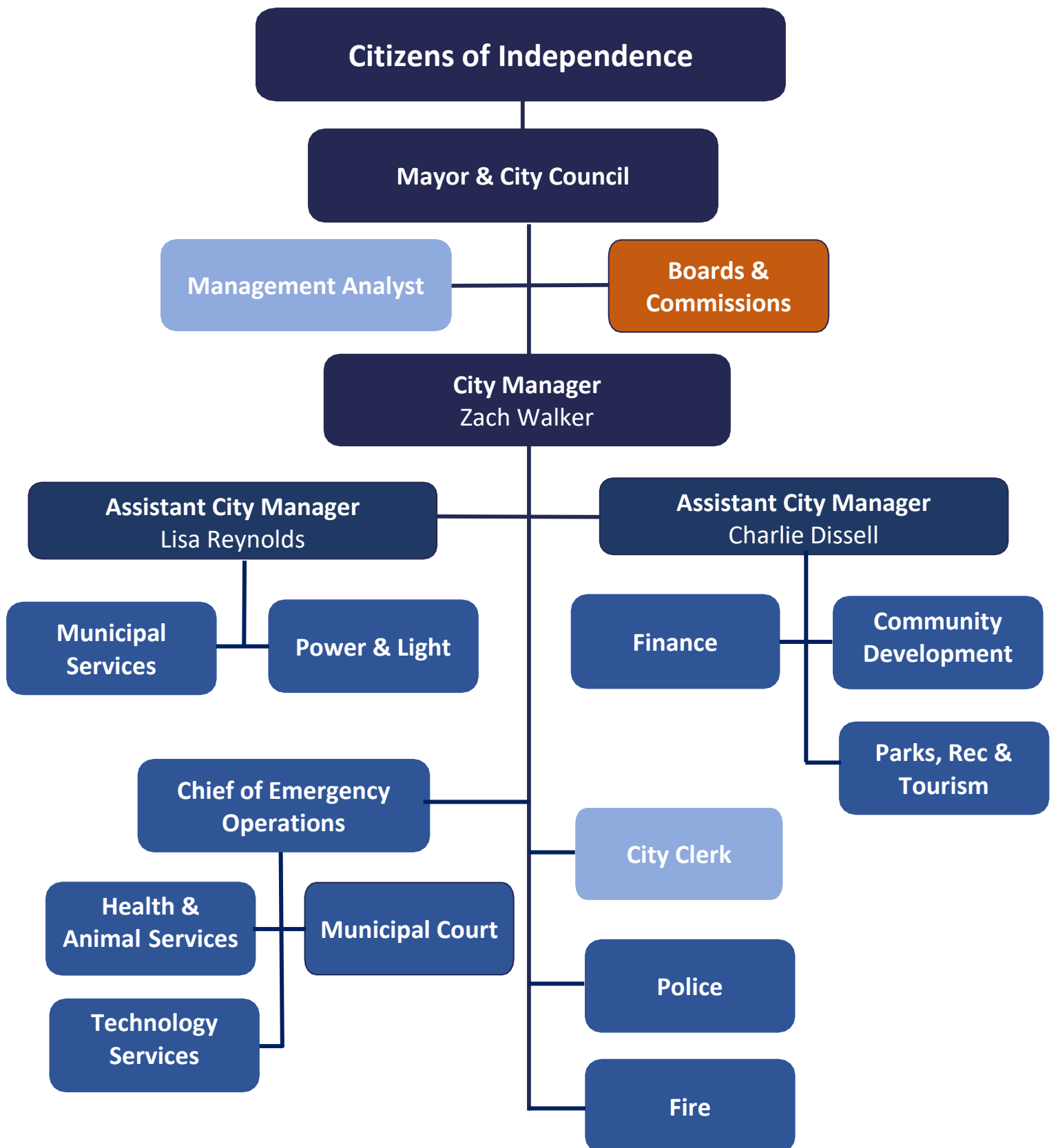
	Exhibit	Page
Supplementary Information:		
Combining Balance Sheet – Nonmajor Governmental Funds	14	105
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	15	106
Combining Balance Sheet – Nonmajor Special Revenue Funds	16	107
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Special Revenue Funds	17	108
Budgetary Comparison Schedules		
Tourism Fund	18	109 – 110
Community Development Block Grant Fund	19	111 – 112
Rental Rehabilitation Fund	20	113 – 114
Street Improvement Sales Tax Fund	21	115 – 116
Park Improvement Sales Tax Fund	22	117 – 118
Storm Water Sales Tax Fund	23	119 – 120
Police Public Safety Sales Tax Fund	24	121 – 122
Fire Protection Sales Tax Fund	25	123 – 124
Marijuana Sales Tax Fund	26	125 – 126
Grants Fund	27	127 – 128
American Rescue Plan Act (ARPA) Fund	28	129 – 130
Animal Services Use Tax Fund	29	131 – 132
Police Use Tax Fund	30	133 – 134
Health Property Tax Levy Fund	31	135 – 136
Parks and Recreation Property Tax Levy Fund	32	137 – 138
Combining Balance Sheet – Nonmajor Sales Tax Fund	33	139
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Sales Tax Funds	34	140
Combining Balance Sheet – Nonmajor Capital Projects Funds	35	141
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances (Deficit) – Nonmajor Capital Projects Funds	36	142
Combining Balance Sheet – Component Unit – Tax Increment Financing	37	143 – 144
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances (Deficit) – Component Unit – Tax Increment Financing	38	145 – 146
Combining Statement of Net Position – Internal Service Funds	39	147
Combining Statement of Revenues, Expenses, and Changes in Net Position – Internal Service Funds	40	148
Combining Statement of Cash Flows – Internal Service Funds	41	149
Combining Statement of Fiduciary Funds – Custodial Funds	42	150
Combining Statement of Changes in Fiduciary Net Position – Custodial Funds	43	151
Schedules of Operating Expenses – Power and Light Fund	44	152 – 153
Schedule of Operating Statistics – Power and Light Fund	45	154
Schedule of Operating Statistics – Water Fund	46	155
Schedule of Operating Statistics – Sanitary Sewer Fund	47	156

CITY OF INDEPENDENCE, MISSOURI

Table of Contents

	Table	Page
Statistical Data (Unaudited):		
Net Position by Component	1	158
Changes in Net Position	2	159 – 160
Fund Balances of Governmental Funds	3	161
Changes in Fund Balances of Governmental Funds	4	162
Sales and Use Tax Revenue	5	163
Sales Tax Rates Direct and Overlapping Governments	6	164
Assessed Value and Estimated Actual Value of Taxable Property	7	165
Property Tax Rates Direct and Overlapping Debt	8	166
Principal Property Taxpayers	9	167
Property Tax Levies and Collections	10	168
Utility Sales by Category	11	169
Utility Rates by Category	12	170
Principal Utility Payers – Power and Light	13	171
Principal Utility Payers – Water	14	172
Principal Utility Payers – Sewer	15	173
Ratios of Outstanding Debt by Type	16	174
Ratios of General Bonded Debt Outstanding	17	175
Direct and Overlapping Governmental Activities Debt	18	176
Legal Debt Margin Information	19	177
Pledged-Revenue Coverage	20	178
Demographic and Economic Statistics	21	179
Principal Employers	22	180
Full-time Equivalents City Government Employees by Function/Program	23	181
Operating Indicators by Function/Program	24	182
Capital Asset Statistics by Function/Program	25	183







December 20, 2024

Honorable Mayor, Members of the City Council, and Citizens of the City of Independence, Missouri

The Finance Department is pleased to present the Annual Comprehensive Financial Report (ACFR) of the City of Independence, Missouri, for the fiscal year ended June 30, 2024. This report is submitted to you for your review in compliance with the provisions of Article 3, Section 3.34 of the City Charter.

The responsibility for accuracy, completeness and fairness of the data presented, including all disclosures, rests with the City. We believe the report, as presented, is accurate in all material aspects and is presented in a manner designed to fairly set forth the financial position and the results of the City, on a Government-wide and Fund basis. It is our belief that all disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included. To enhance the reader's understanding of these financial statements, note disclosures have been included as an integral part of this document.

This report was prepared by the City's Finance Department staff in accordance with generally accepted accounting principles (GAAP), which are uniform minimum standards and guidelines for financial accounting and reporting in the United States. This report is intended to provide sufficient information to permit the assessment of stewardship and accountability and to demonstrate legal compliance.

The City of Independence's financial statements, as required by the Charter, have been audited. The independent audit was conducted by RubinBrown, LLP. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Independence for fiscal year ended June 30, 2024, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Independence's financial statements for the fiscal year ended June 30, 2024, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the City of Independence was part of a broader, federally mandated "Single Audit" designed to meet the special needs of Federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and compliance with legal requirements involving the administration of federal awards. These reports are available in the separately issued Single Audit Report.

In fulfilling its responsibilities for reliable financial statements, management depends on the City's system of internal control. This system is designed to provide reasonable assurance that assets are effectively safeguarded and that transactions are executed in accordance with management's authorization and are properly recorded. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. In addition to the independent audit and the internal control system, the Charter provides that the Council appoint a Management Analyst. The Management Analyst performs such duties as directed by the Council. These duties include the continuous review of all departments, and the preparation of an annual report to the Council concerning the methods and results of the operations of the reviewed departments.

The Audit and Finance Committee, comprised of three members of the Council, acts in an advisory capacity to the Council and reviews financial information for appropriateness, reliability, clarity, timeliness and compliance with generally accepted accounting principles and legal requirements. In addition, this committee reviews the audit functions and adequacy of internal control systems.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City of Independence's MD&A can be found immediately following the report of the independent auditor.

Profile of the City

Incorporated in 1849, the City of Independence is the county seat of Jackson County and borders on the eastern edge of Kansas City, Missouri. Independence has a rich history as The Queen City of the Trails and former home of Harry S. Truman, 33rd President of the United States. Independence is the fifth largest city in Missouri with an estimated population of 120,931.

As the beginning of the Santa Fe, Oregon, and California Trails, the City has 16 heritage attractions including the Harry S. Truman Library and Museum, the Truman Home, Victorian mansions, 1859 Jail and Marshal's Home, the National Frontier Trails Museum, historic square, and religious sites. Patricia Schultz included several tourism attractions in Independence in her travel book, *1,000 Places to See in the United States and Canada Before You Die*.

Its central location in the "Heart of America" offers residents and businesses unique location advantages and means that traveling, shipping, receiving and communications are more economical because of shorter distances to most parts of the country. Situated along major interstate highways (I-70, I-49, I-35, I-29) and rail routes, access to Independence from all parts of the nation, as well as Canada and Mexico, is excellent. The City's 78 square miles accommodate its residents and numerous businesses with 32 square miles of mixed-use land in eastern Independence available for development.

The City of Independence is home to Lake City Army Ammunition Plant, the largest small-caliber ammunition manufacturing plant in the world. Lake City is one of the largest employers in Independence and encompasses 458 buildings on 3,935 acres. Independence is home to the Harry S. Truman Presidential Museum & Library, one of only fifteen in the nation. There are six major industrial and business parks in Independence. A large portion of the manufacturing, warehousing and office space is located underground in three separate, sub-surface business parks. This area has over 750 acres of mixed-use business parks with over 32 million square feet of industrial space, underground warehousing, and a cold storage facility with 1.2 million square feet.

The City of Independence is organized, as a constitutional charter city under the Missouri statutes utilizing the Council-Manager form of government. In accordance with the charter, the registered voters within the City elect a mayor and six council members to serve four-year terms as representatives on the City Council. An election for four districts is conducted as a unit, while elections for mayor and two at-large seats are conducted two years later. The Council appoints a City Manager to serve as the chief administrative officer of the City.

The City of Independence provides a comprehensive range of municipal services including police and fire protection, public works services, public health services, parks and recreation facilities, general administrative services, and a trails history museum. The City also provides electric, water, and sanitary sewer services, all of which are accounted for in the financial statements as business-type activities.

In evaluating the City as a reporting entity, management has considered all potential component units. Determination of whether an entity is controlled by, or dependent on, the City is made on the basis of budget adoption, taxing authority, outstanding debt secured by revenues or general obligations of the City, or the City's obligation to fund any deficit that may occur. As allowed by accounting principles generally accepted in the United States of America, the City has included the Tax Increment Financing Debt Service (TIF), Independence Events Center Management Corporation (IECMC), Cable Dahmer Arena – Oak View Group (formerly known as Spectra Venue Management), Events Center Community Improvement District (CID), Crackerneck Creek Transportation Development District's (TDD), Hub Drive Community Improvement District (CID), and the Hub Drive Transportation Development District (TDD) activities in its financial statements as blended component units.

The annual budget serves as the foundation for the City of Independence's financial planning and control. The appropriated budget is prepared by fund, function (e.g. public safety), and department (e.g. police). Department heads may make transfers of appropriations within their department. Transfers of appropriations between departments, however, require approval of the City Council. Budget-to-actual comparisons for the General and Special Revenue Funds are required and included in this report for each individual governmental fund for which an appropriated annual budget has been adopted. The Special Revenue Funds with an adopted budget include the Tourism, Community Development Block Grant, Rental Rehabilitation, Street Improvements Sales Tax, Parks Improvements Sales Tax, Storm Water Sales Tax, Police Public Safety Sales Tax, Fire Protection Sales Tax, Marijuana Sales Tax, Grants, American Rescue Plan Act, Animal Shelter Use Tax, Police Use Tax, Health Property Tax Levy, and Parks and Recreation Property Tax Levy funds.

Purchase orders and contracts are encumbered prior to their release to vendors. Any item, which would result in expenditures in excess of a department's budget, is not released until alternative sources of payment are made available. Open encumbrances as of June 30, 2024, are reported as committed and assigned fund balance since the City intends to honor the purchase orders and contracts.

Local economy

The City is continuing to experience growth on the eastern side of town. The I-70 interchange has made the Little Blue Parkway the professional business corridor of the 21st Century. This is due to a strong business climate and a history of successful development efforts utilizing Tax Increment Financing (TIF). This area has three million square feet of retail development, two million of which has been built since 1995. The Little Blue Parkway is located in the heart of a fast growing commercial area. This area is home to the Cable Dahmer Arena, formerly known as the Independence Events Center which includes an arena with 5,800 seats for sports with additional seating for concerts and a separate community ice rink. The Arena opened in November 2009, providing approximately 120 new jobs. The Cable Dahmer Arena is home to the Central Hockey League franchise the Kansas City Mavericks and Major Indoor Soccer League the Comets. The Kansas City Mavericks have a signed contract, with the Arena, that expires in 2024 and the Comets contract expires in April 2025.

The following table sets forth average annual unemployment figures for Independence and Jackson County, compared to the State of Missouri.

Year	City Unemployment Rate	Jackson County Unemployment Rate	Statewide Unemployment Rate
2024*	4.6%	4.4%	4.2%
2023	3.6%	3.4%	3.0%
2022	3.2%	2.9%	2.5%
2021	6.4%	5.5%	4.4%
2020	8.0%	7.1%	6.1%
2019	4.0%	3.7%	3.3%

Source: MERIC MO Economic Research and Information Center/MO Dept of Economic Development

*Average estimated through June 2024

Long-term financial planning

The City of Independence prepares a five-year financial projection of our financial condition, which includes capital outlay projections as well as a six-year Capital Improvements Program (CIP). The CIP includes proposed projects for constructing, maintaining, upgrading, and replacing the City's physical infrastructures. The budget for fiscal year 2024-25 includes projects totaling an estimated \$63.2 million for capital projects. In preparing the capital budget, needs are assessed, public improvements are prioritized, and costs are projected. This budget is reviewed annually, and projects are re-prioritized and the financial condition of the City is evaluated. Many of the street improvements, park improvements and storm water projects are funded by the voter approved street, parks, and storm water sales taxes.

Relevant financial policies

Effective July 1, 2017, the City's financial policy to maintain an unassigned fund balance level in the General Fund increased from 5.0% to 16.0% of annual revenues and transfers from utilities for payments in lieu of taxes (PILOTS). At the close of the 2023-24 fiscal year, the unassigned fund balance in the General Fund was 17.2% of the General Fund revenues and utility PILOTS. This is an increase of 4.3% from the 2022-23 amount of 12.9%.

If the target level of unassigned fund balance is not being met or is unlikely to be met within five years, it is the City's policy to establish a plan to replenish the unassigned fund balance during the annual budget process. In previous years, the City Manager has not funded vacant positions in an effort to reduce salary and benefit costs, and departments have been asked to reduce expenditures in an effort to reduce costs.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Independence for its Annual Comprehensive Financial Report for the fiscal year ended June 30, 2023. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable, efficiently organized annual comprehensive financial report, the contents of which conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current ACFR continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of the Finance Department team members. I wish to express my appreciation to all members of the department who assisted and contributed to the preparation of this report. I also would like to thank the firm of Rubin Brown, LLP for their assistance, guidance, and timeliness in the preparation of this annual report.

Respectfully submitted,

A handwritten signature in black ink that reads "Meagan Borth". The script is cursive and fluid, with the first letters of each word being capitalized and prominent.

Meagan Borth
Interim Director of Finance



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**City of Independence
Missouri**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2023

Executive Director/CEO

Independent Auditors' Report

The Honorable Mayor and
Members of the City Council
City of Independence, Missouri

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Independence, Missouri (the City), as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the report of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

We did not audit the financial statements of Cable Dahmer Arena (Arena), which is a blended component unit presented within the Events Center Fund, a major enterprise fund of the City. This activity represents 2.5 percent and 46.2 percent, respectively, of the total assets and total revenues of the major enterprise fund and 0.3 percent and 3.5 percent, respectively, of the total assets and total revenues of the business-type activities. Those statements were audited by another auditor, whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Arena, is based solely on the report of the other auditor.

Basis For Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities For The Audit Of The Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities Of Management For The Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities For The Audit Of The Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

GAAP requires that the Management's Discussion and Analysis on pages 12 through 23, the Budgetary Comparison Schedules listed as exhibits 10 and 10.1 and the Pension and Other Post Employments Benefits information listed as exhibits 11 through 13, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules, budgetary comparison schedules and other schedules listed as exhibits 14 through 43 are presented for the purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections and schedules included as exhibits 44 through 47 but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

RubinBrown LLP

December 20, 2024

CITY OF INDEPENDENCE, MISSOURI
Management's Discussion and Analysis
June 30, 2024

This section of the City of Independence's Annual Comprehensive Financial Report presents our review of the City's financial performance during the fiscal year that ended on June 30, 2024. Please read it in conjunction with the transmittal letter at the front of this report and the City's financial statements, which follow this section.

Financial Highlights

- The City's assets and deferred outflows of resources exceeded the liabilities and deferred inflows of resources by \$532,199,913 (net position).
- The City's total net position increased \$55.7 million to a total of \$532.2 million. The City's governmental activities had an increase of \$14.9 million and the business-type activities had an increase of \$40.8 million.
- The City's governmental funds reported combined ending fund balances of \$127.6 million, an increase of \$29.7 million from the prior year.
- The unassigned fund balance of the General Fund was \$14.6 million, an increase of \$4.4 million from the prior year.

Overview of the Financial Statements

The financial section of this annual report consists of four parts: Management's Discussion and Analysis, the basic financial statements, required supplementary information, and an optional section that presents combining statements for non-major governmental funds and internal service funds. The basic financial statements include two kinds of statements that present different views of the City:

- The government-wide financial statements (Statement of Net Position and Statement of Activities) provide both long-term and short-term information about the City's overall financial status.
- The fund financial statements focus on individual segments of the City's operations and report in more detail than the government-wide statements:
 - The governmental funds statements detail how general government services, like public safety, were financed in the short-term, as well as, what remains for future spending. The focus of these reports is to show the ability of the City to provide governmental services with current resources.
 - Proprietary fund statements offer short-term and long-term financial information about the activities the City operates like a business, such as the Power and Light system, Water system, Sanitary Sewer system, and the Cable Dahmer Arena. The focus of these reports is to show the economic resources, or value, of these operations.
 - Fiduciary fund statements provide information about financial relationships for which the City acts solely as a trustee or agent for the benefit of others, to whom the underlying resources belong, such as the Seniors' Travel Fund, and Flexible Benefit Plan Fund.

The financial statements also include notes that provide additional explanatory information to the financial statements. The statements are followed by a section of required supplementary information, which explains and

CITY OF INDEPENDENCE, MISSOURI
Management's Discussion and Analysis
June 30, 2024

supports the information in the financial statements. Figure MD-1 shows how the required parts of this annual report are arranged and relate to one another.

In addition to these required elements, we have included a section with combining statements that provide details about our non-major governmental funds and internal service funds, each of which are added together and presented in single columns in the basic financial statements.

Figure MD-2 summarizes the components of the City's financial statements, including the segment of the City government covered and the types of information contained within the report. The remainder of this section explains the structure and content of each of the statements.

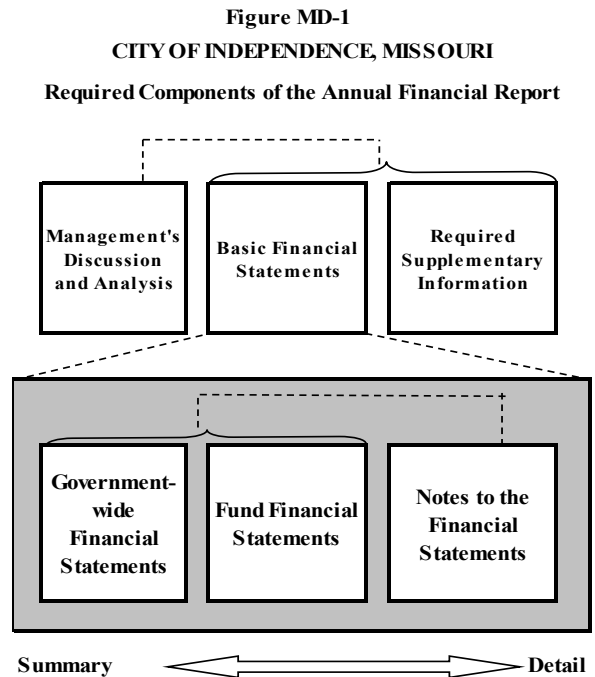


Figure MD-2
CITY OF INDEPENDENCE, MISSOURI
Major Features of the Government-wide and Fund Financial Statements

	Government-Wide Statements	Fund Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire City government (except fiduciary funds)	The activities of the City that are not proprietary or fiduciary, such as police, fire, and parks	Activities the City operates similar to private businesses, such as: electric, water, sanitary sewer, and the Events Center	Instances in which the City is the trustee or agent for someone else's resources
Required financial statements	* Statement of net position * Statement of activities	* Balance Sheet * Statement of revenues, expenditures, and changes in fund balances	* Statement of net position * Statement of revenues, expenses, and changes in net position * Statement of cash flows	* Statement of fiduciary net position * Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus.	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets included	All assets and liabilities, both financial and capital, and short-term and long-term	All assets and liabilities, both short-term and long-term; the City's funds do not currently contain capital assets, although they could if applicable
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and payment is due during the year or soon thereafter	All revenues and expenses during year, regardless of when cash is received or paid	All revenues and expenses during year, regardless of when cash is received or paid

CITY OF INDEPENDENCE, MISSOURI
Management's Discussion and Analysis
June 30, 2024

Government-wide Statements

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the government's assets, liabilities, and deferred inflows/outflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net position and how it has changed during the year. The term "net position" refers to the difference between the City's assets, liabilities, and deferred inflows/outflows of resources and is one way to measure the City's financial health or position.

- Over time, increases or decreases in the City's net position are an indicator of whether its financial health is improving or deteriorating, respectively.
- To further assess the overall health of the City, additional non-financial factors should be considered, such as changes in the City's property tax base or the condition of the City's roads.

The government-wide financial statements of the City are divided into two categories:

- Governmental activities – Most of the City's basic services are included here, such as the police, fire, municipal services, and parks departments, as well as general administration. Property taxes, sales taxes, and state and federal grants finance most of these activities.
- Business-type activities – The City charges fees to customers to provide certain services. The City's Power and Light, Water, Sanitary Sewer, and Events Center funds are included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant funds, and do not represent the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

Some funds are required by the City's Charter, State Statutes, and/or bond covenants.

The Council establishes other funds to control and manage money for particular purposes or to show proper use of certain taxes and grants.

The City has three kinds of funds:

- Governmental funds – Most of the City's basic services are included in governmental funds, which focus on (1) how cash and other financial assets, that can readily be converted to cash, flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental fund statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide a reconciliation for the governmental funds statement, on a subsequent page that explains the relationship (or differences) between the fund statement and the government-wide statement.

CITY OF INDEPENDENCE, MISSOURI
Management's Discussion and Analysis
June 30, 2024

- Proprietary funds – Business operations for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long-term and short-term financial information.
 - The City's enterprise funds are the same as its business-type activities, but provide more detail and additional information, such as cash flows.
 - The City uses internal service funds to report activities that provide supplies and services for the City's other programs and activities. The City has five internal service funds. These are the self-funded Staywell Health Insurance fund, Central Garage fund, Workers' Compensation fund, Risk Management fund, and the Finance and Support Services fund.
- Fiduciary funds – Periodically, the City may be responsible for other assets that have been given to the City under the terms of a trust agreement initiated by an outside third party. Generally, these funds are limited in use for the benefit of the designated trust beneficiary. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. Currently, the City is the trustee, or fiduciary, for the following funds: Susie Paxton Block Trust Fund, Seniors' Travel Fund, and the Flexible Benefit Plan Fund. All of the City's fiduciary activities are reported in the Statement of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position. We exclude these activities from the City's government-wide financial statements because the City cannot use these assets to finance its operations.

CITY OF INDEPENDENCE, MISSOURI
Management's Discussion and Analysis
June 30, 2024

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net Position

The following Table (MD-1) reflects the condensed Statement of Net Position:

Table MD-1
CITY OF INDEPENDENCE, MISSOURI
Net Position

	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Current and other assets	\$ 185,357,652	167,486,206	236,747,867	213,693,045	422,105,519	381,179,251
Capital assets	301,010,906	297,171,440	533,253,040	534,614,618	834,263,946	831,786,058
Total assets	486,368,558	464,657,646	770,000,907	748,307,663	1,256,369,465	1,212,965,309
Total deferred outflows of resources	47,911,317	42,882,601	33,680,257	34,359,070	81,591,574	77,241,671
Long-term obligations	341,205,867	308,196,366	373,033,035	388,354,286	714,238,902	696,550,652
Other liabilities	15,925,071	30,599,765	23,193,805	21,228,765	39,118,876	51,828,530
Total liabilities	357,130,938	338,796,131	396,226,840	409,583,051	753,357,778	748,379,182
Total deferred inflows of resources	42,980,989	49,507,296	9,422,359	15,847,042	52,403,348	65,354,338
Net position						
Net investment in capital assets	274,181,687	288,411,464	250,418,291	240,674,339	524,599,978	529,085,803
Restricted	84,230,907	51,099,584	17,036,852	17,133,289	101,267,759	68,232,873
Unrestricted (deficit)	(224,244,646)	(220,274,228)	130,576,822	99,429,012	(93,667,824)	(120,845,216)
Total net position	\$ 134,167,948	119,236,820	398,031,965	357,236,640	532,199,913	476,473,460

The City's combined net position increased \$55.7 million to \$532.2 million from \$476.5 million as a result of revenues exceeding expenses as reflected in the next table.

The largest portion of the City's net position at 98.6% is its net investment in capital assets which were \$524.6 million, a decrease of \$4.5 million from the previous year. The City's total unrestricted net position (deficit) was (\$93.7) million. The governmental activities were (\$224.2) million with a decrease of \$4.0 million from the previous year, and business-type activities were \$130.6 million with an increase of \$31.1 million from the previous year.

Net position of the City's governmental activities increased 12.5% to \$134.2 million. Governmental assets increased \$21.7 million, and liabilities increased \$18.3 million. Long-term obligations for governmental activities increased \$33.0 million. The increase in the long-term obligations is mainly due to the issuance of debt for the purchase of an existing building in the City's eastern corridor.

Business-type activities assets increased \$21.7 million, and liabilities decreased \$13.4 million. Long-term obligations for business-type activities decreased \$15.3 million.

CITY OF INDEPENDENCE, MISSOURI
Management's Discussion and Analysis
June 30, 2024

Change In Net Position

The following Table (MD-2) reflects the revenues and expenses from the City's activities:

Table MD-2 CITY OF INDEPENDENCE, MISSOURI Net Position						
	Governmental Activities		Business-Type Activities		Total	
	2024	2023	2024	2023	2024	2023
Revenues						
Program revenues						
Charges for services	\$ 17,548,905	14,275,233	238,697,217	228,610,234	256,246,122	242,885,467
Operating grants & contributions	16,273,097	19,179,250	—	—	16,273,097	19,179,250
Capital grants & contributions	1,619,848	2,202,634	751	50,736	1,620,599	2,253,370
General revenues						
Property taxes	9,093,280	9,244,766	—	—	9,093,280	9,244,766
Sales & use taxes	75,503,479	70,893,438	9,027,801	8,952,353	84,531,280	79,845,791
Intergovernmental activity taxes	9,693,346	12,692,303	—	—	9,693,346	12,692,303
Other taxes	8,720,366	9,258,357	—	—	8,720,366	9,258,357
Investment income (loss)	6,063,641	2,741,825	9,776,331	3,874,424	15,839,972	6,616,249
Other	2,080,141	1,070,057	1,415,419	1,148,333	3,495,560	2,218,390
Total revenues	146,596,103	141,557,863	258,917,519	242,636,080	405,513,622	384,193,943
Expenses						
Administrative Services	4,966,248	5,317,752	—	—	4,966,248	5,317,752
Public Safety	86,973,763	66,986,969	—	—	86,973,763	66,986,969
Municipal Services	21,246,258	19,999,077	—	—	21,246,258	19,999,077
Health & Animal Services	3,783,685	3,306,814	—	—	3,783,685	3,306,814
Culture & Recreation	12,652,002	10,201,048	—	—	12,652,002	10,201,048
Community Development	8,972,281	7,659,845	—	—	8,972,281	7,659,845
Storm Water	4,626,468	3,918,103	—	—	4,626,468	3,918,103
General Government	1,392,812	990,601	—	—	1,392,812	990,601
Tax Increment Financing	8,296,829	23,961,338	—	—	8,296,829	23,961,338
Interest	898,493	463,293	—	—	898,493	463,293
Power and Light	—	—	127,345,102	125,623,313	127,345,102	125,623,313
Water	—	—	25,671,824	22,954,212	25,671,824	22,954,212
Sanitary Sewer	—	—	27,253,121	27,820,819	27,253,121	27,820,819
Events Center	—	—	15,708,283	12,512,968	15,708,283	12,512,968
Total expenses	153,808,839	142,804,840	195,978,330	188,911,312	349,787,169	331,716,152
Excess (deficiency) of revenues over expenses before transfers	(7,212,736)	(1,246,977)	62,939,189	53,724,768	55,726,453	52,477,791
Transfers - In (Out)	22,143,864	21,758,476	(22,143,864)	(21,758,476)	—	—
Change in net position	14,931,128	20,511,499	40,795,325	31,966,292	55,726,453	52,477,791
Net position - beginning (as restated)	119,236,820	98,725,321	357,236,640	325,270,348	476,473,460	423,995,669
Net position - ending	\$ 134,167,948	119,236,820	398,031,965	357,236,640	532,199,913	476,473,460

Total revenues increased 5.6% or \$21.3 million, with business-type activities increasing 6.7% or \$16.3 million, and governmental activities increasing 3.6% or \$5.0 million. These changes are due primarily to the following:

- Significant items include the increase in sales and use tax revenue of 5.9% or \$4.7 million. The City's use tax for on-line sales of goods delivered within the City made up about \$3.3 million of the increase. The remainder of the increase was mostly due to the new Marijuana Sales Tax which brought in \$679,880 in its first year. Sales tax continues to be impacted by on-line sales versus brick-and-mortar retail.
- Investment income also increased by \$9.2 million due to higher interest rates.
- Total charges for services for the City increased \$13.4 million or 5.5%, with the business-type activities increasing \$10.1 million or 4.4% and the governmental fund activities increasing by \$3.3 million or 22.9%. The increase for the business-type activities is primarily due to the elimination of the 6% discount on rates for Power and Light. The increase for the governmental funds is mainly due to an

CITY OF INDEPENDENCE, MISSOURI
Management's Discussion and Analysis
June 30, 2024

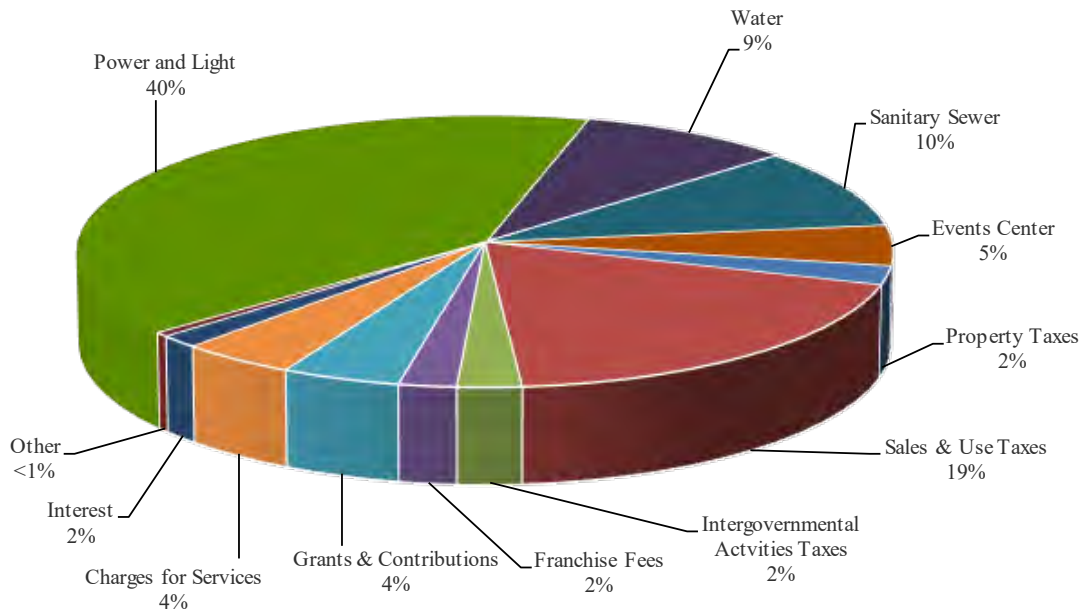
increase in the interfund charges for support services in the General Fund. The General Fund had higher expenditures which resulted in higher support service charges to other funds.

- Total expenses increased 5.5% or \$18.1 million, with an increase to governmental expenses of 7.7% or \$11.0 million and an increase to business-type expenses of 3.7% or \$7.1 million. The increase in the governmental expenses was mainly due to higher support service charges from the City's Internal Service Funds, higher over-time and minimum staffing expenses primarily under Public Safety due to vacancies, and changes in the annual actuarial valuations for the net pension liability and other post-employment benefits liability (OPEB). Changes in the business-type expenses are attributed to normal operations; some of the changes are related to the effect of weather on Power and Light and Water sales. The transfers out of the business-type activities to the governmental activities represents the payment in-lieu of taxes that would be paid and received if they operated as private utilities.

Revenues

For the fiscal year ending June 30, 2024, revenues totaled \$405.5 million. Of this amount, charges for services (governmental and business-type) were \$256.2 million or 63.2% of the total. Revenue from business-type activities represents \$258.9 million or 63.9% of the total City revenues (Figure MD-3).

City of Independence Sources of Revenue for FY 2024 Figure MD-3



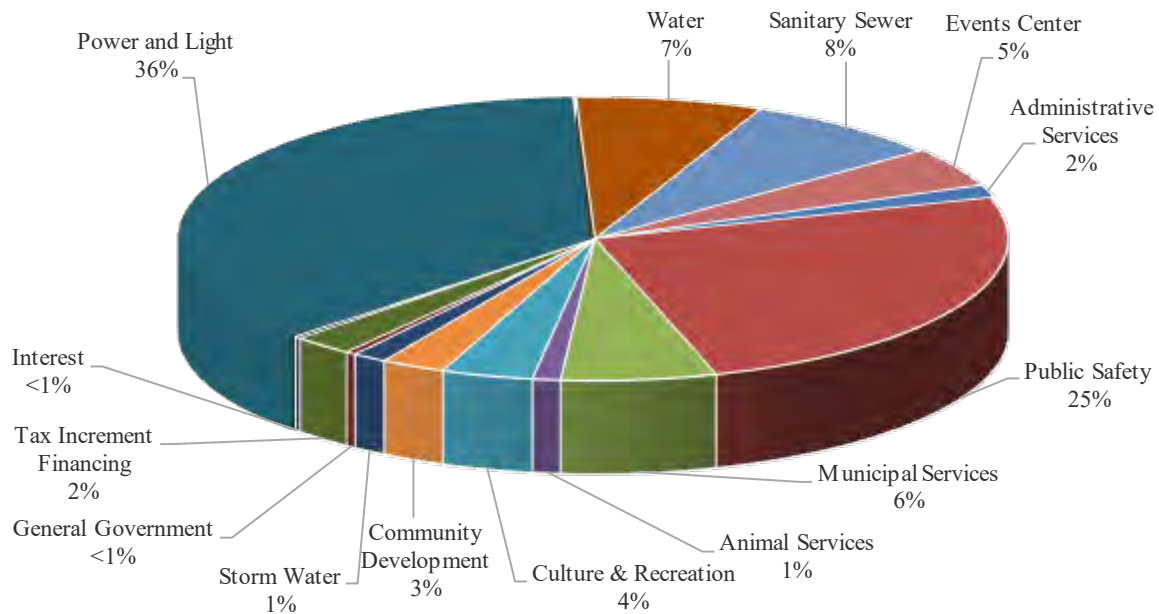
Revenues from governmental activities were \$146.6 million. Sales and use taxes, the largest governmental category, were \$75.5 million or 51.5%. All taxes represent \$103.0 million or 70.3% of governmental revenue. Charges for services at \$17.5 million were 12.0% of the total. Operating and capital grants were \$17.9 million or 12.2% of governmental revenues.

CITY OF INDEPENDENCE, MISSOURI
Management's Discussion and Analysis
June 30, 2024

Expenses

For the fiscal year ending June 30, 2024, expenses totaled \$349.8 million. Of this amount, the Power and Light fund was \$127.3 million or 36.4% of the total. Business-type expenses represent \$196.0 million or 56.0% of the total City expenses (Figure MD-4).

City of Independence Function Expenses FY 2024
Figure MD-4



Expenses from governmental activities were \$153.8 million. Public safety expenses, the largest governmental category, were \$87.0 million or 56.6% of the total. Municipal Services was the next largest category at \$21.2 million, which was 13.8% of the total. Culture and Recreation was the third largest category at \$12.7 million which was 8.2% of the total.

CITY OF INDEPENDENCE, MISSOURI
Management's Discussion and Analysis
June 30, 2024

Governmental Activities

Table MD-3
CITY OF INDEPENDENCE, MISSOURI
Net Cost of Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2024	2023	2024	2023
Administrative Services	\$ 4,966,248	5,317,752	(4,409,046)	(5,057,179)
Public Safety	86,973,763	66,986,969	80,430,581	61,089,935
Municipal Services	21,246,258	19,999,077	13,399,695	11,634,999
Health & Animal Services	3,783,685	3,306,814	1,941,982	2,012,734
Culture & Recreation	12,652,002	10,201,048	11,663,264	9,114,270
Community Development	8,972,281	7,659,845	1,315,459	6,835
Storm Water	4,626,468	3,918,103	4,380,986	3,915,245
General Government and Interest on Long-Term Debt	2,291,305	1,453,894	2,291,305	1,453,894
Tax Increment Financing	8,296,829	23,961,338	7,352,763	22,976,990
Total	\$ 153,808,839	142,804,840	118,366,989	107,147,723

As noted in Table MD-3 expenses from governmental activities for fiscal year 2024 were \$153.8 million. However, the net cost of these services was \$118.4 million. The difference represents direct revenues received from charges for services of \$17.5 million, operating grants and contributions of \$16.3 million, and capital grants and contributions of \$1.6 million. Taxes and other revenues of \$111.2 million were collected to cover these net costs. Of significance in the charges for services category there was \$4.4 million netted to Administrative Services for interfund charges for support services, \$5.3 million netted primarily to Administrative Services and Community Development for licenses and permits, and \$2.5 million netted to Public Safety for fines and forfeitures.

Business-type Activities

Revenues of the City's business-type activities increased \$16.3 million, and expenses increased \$7.1 million. This change in revenues is primarily due to the elimination of the 6% discount on rates for Power and Light. Changes in the business-type expenses are attributed to normal operations; some of the changes are related to the effect of weather on Power and Light and Water sales.

CITY OF INDEPENDENCE, MISSOURI
Management's Discussion and Analysis
June 30, 2024

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As the City completed the year, its governmental funds reported a combined fund balance of \$127.6 million. The fund balance of the General Fund increased \$4.6 million, the TIF Debt Service fund balance increased \$3.2 million, and the non-major governmental fund balance increased \$22.0 million. The increase for the non-major governmental funds was in the Sales Tax funds and resulted from sales tax revenues being higher than expenditures. The unassigned portion of the General Fund's fund balance increased \$4.4 million. The General Fund's fund balance was impacted by the items pointed out earlier, and also only essential personnel position vacancies were filled.

The business-type funds reported a combined net position of \$409.1 million. The net position of the Power and Light fund increased \$22.8; million, the Water fund increased \$10.8 million, the Sewer fund increased \$6.6 million and the Events Center fund increased \$3.7 million.

General Fund Budgetary Highlights

Resources available for appropriation increased \$163,814 from the original estimate. Actual revenues and other financing sources at the end of the year were more than projected by \$6.4 million. The largest variances were in the areas of taxes, which were \$1.9 million above estimated, intergovernmental revenues which were \$1.3 million above estimated, and payments in lieu of taxes which were \$848,695 above estimated.

Over the course of the fiscal year, the Council revised the City budget several times. Appropriations were increased \$2.8 million in the General Fund. These budget amendments generally fall into the following categories:

- Transfer of previously approved salary and benefit appropriations to operating departments where expenditures occur when the actual distribution of the expenditure could not be anticipated at the time that the appropriation was originally approved.
- Increase or decrease appropriations for unanticipated events, including overtime costs, which may arise throughout the fiscal year.

Actual expenditures and transfers out, including encumbrances, were \$315,984 less than the amount appropriated.

CITY OF INDEPENDENCE, MISSOURI
Management's Discussion and Analysis
June 30, 2024

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal year 2024, the City had invested \$834.3 million, net of depreciation and amortization, in a broad range of capital assets, including police and fire equipment, buildings, park facilities, and electric, water and sewer systems. Assets increased \$2.5 million or 0.3% during the period, due mostly to depreciation exceeding replacement.

Table MD-4
CITY OF INDEPENDENCE, MISSOURI
Capital Assets (net of depreciation and amortization)

	Governmental Activities		Business-Type Activities		Total		Total Percentage Change
	2024	2023	2024	2023	2024	2023	2023-2024
Land & land imp	\$ 35,835,955	35,833,930	13,119,837	13,119,837	48,955,792	48,953,767	0.00%
Buildings &							
Improvements	53,512,351	47,106,122	—	—	53,512,351	47,106,122	13.60%
Office furniture &							
equipment	2,382	4,909	—	—	2,382	4,909	-51.48%
Computer equipment	3,747,118	4,233,951	—	—	3,747,118	4,233,951	-11.50%
Mobile equipment	11,716,621	11,791,174	—	—	11,716,621	11,791,174	-0.63%
Other equipment	5,217,114	3,549,554	19,416,709	16,943,609	24,633,823	20,493,163	20.21%
Infrastructure	156,474,644	167,739,166	445,868,142	448,548,387	602,342,786	616,287,553	-2.26%
Construction in progress	33,410,311	24,652,209	54,537,371	55,568,119	87,947,682	80,220,328	9.63%
Leases	116,600	84,360	297	939	116,897	85,299	37.04%
Subscriptions	977,810	2,176,065	310,684	433,727	1,288,494	2,609,792	-50.63%
Total	\$ 301,010,906	297,171,440	533,253,040	534,614,618	834,263,946	831,786,058	0.30%

The budget for fiscal year 2025 projects the City will spend an additional \$63.2 million for capital projects. The largest category at \$17.8 million is for projects in the Power and Light Fund.

Additional information regarding capital assets can be found in the 'Notes to Financial Statements', Note (6), of this report.

CITY OF INDEPENDENCE, MISSOURI
Management's Discussion and Analysis
June 30, 2024

Debt Administration

Table MD-5
CITY OF INDEPENDENCE, MISSOURI
Outstanding Debt

	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2024	2023	2024	2023	2024	2023	2023-2024
Loans and bonds payable	\$ 35,285,000	16,630,000	296,540,783	309,798,453	331,825,783	326,428,453	1.65%
TIF loans payable	101,087,100	108,017,435	—	—	101,087,100	108,017,435	-6.42%
Capital lease obligations	783,610	1,193,813	—	—	783,610	1,193,813	-34.36%
Neighborhood Improvement District	—	11,964	—	—	—	11,964	-100.00%
Total	<u>\$ 137,155,710</u>	<u>125,853,212</u>	<u>296,540,783</u>	<u>309,798,453</u>	<u>433,696,493</u>	<u>435,651,665</u>	-0.45%

At the end of fiscal year 2024, the City had a total of \$433.7 million of outstanding obligations. This was a decrease of \$2.0 from the previous fiscal year. None of the debt is a general obligation of the City, and is limited to either an annual appropriation or specific revenue for repayment. Of the total debt, \$296.5 million or 68.4% are obligations of the business-type activities.

The City's credit ratings from Standard & Poor's (S&P) are A/Stable for Power and Light, AA-/Stable for Water, A+/Stable for Sewer, BBB+/Stable for the Falls at Crackerneck Creek – Bass Pro TIF, and A-/Stable for all other economic development projects.

Additional information regarding debt can be found in the 'Notes to Financial Statements' section, Note (7), of this report.

Economic Factors

In the last five years the City, as a community, gained 4,354 jobs, with current total employment at 55,841 jobs. Unemployment by mid-2024 was 4.6%; this is slightly higher than the Jackson County level at 4.4% and higher than the State level at 4.2%. Average household income for 2024 is estimated to be \$71,696, compared to \$93,074 for the State as a whole. Per capita income for 2024 is estimated to be \$30,380, compared to \$38,699 for the State as a whole.

Contacting the City's Financial Management

This financial report is designed to provide our citizens, taxpayers, customers, investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions concerning this report or requests for additional information should be directed to Meagan Borth, Interim Director of Finance, City of Independence, P.O. Box 1019, Independence, MO 64051.

CITY OF INDEPENDENCE, MISSOURI
Statement of Net Position
June 30, 2024

Exhibit 1

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets:			
Pooled cash and investments	\$ 111,700,287	169,431,065	281,131,352
Receivables:			
Taxes	31,463,958	1,569,258	33,033,216
Accounts, net	1,094,196	23,693,086	24,787,282
Unbilled revenue	—	9,480,918	9,480,918
Special assessment principal	1,619,891	54,381	1,674,272
Accrued interest	75,797	124,413	200,210
Leases	999,675	17,163	1,016,838
Other	—	3,025,240	3,025,240
Internal balances	9,747,555	(9,747,555)	—
Due from other governments	4,872,643	460,611	5,333,254
Inventory	114,053	9,745,418	9,859,471
Prepaid items	—	636,331	636,331
Restricted cash and investments	—	6,057,584	6,057,584
Total current assets	<u>161,688,055</u>	<u>214,547,913</u>	<u>376,235,968</u>
Noncurrent Assets:			
Receivables:			
Leases	1,754,279	537,063	2,291,342
Capital assets:			
Nondepreciable	65,594,697	67,657,208	133,251,905
Depreciable, net	234,321,799	465,284,851	699,606,650
Leases, net	116,600	297	116,897
Subscriptions, net	977,810	310,684	1,288,494
Restricted cash and investments	21,915,318	21,662,891	43,578,209
Total noncurrent assets	<u>324,680,503</u>	<u>555,452,994</u>	<u>880,133,497</u>
Total assets	<u>486,368,558</u>	<u>770,000,907</u>	<u>1,256,369,465</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	4,692,622	8,543,270	13,235,892
Pension related amounts	35,087,969	11,040,258	46,128,227
Other post-employment benefits	8,130,726	3,378,071	11,508,797
Deferred environmental and regulatory amounts	—	9,910,792	9,910,792
Goodwill	—	807,866	807,866
Total deferred outflows of resources	<u>47,911,317</u>	<u>33,680,257</u>	<u>81,591,574</u>
Total assets and deferred outflows of resources	<u>\$ 534,279,875</u>	<u>803,681,164</u>	<u>1,337,961,039</u>
LIABILITIES			
Current Liabilities:			
Accounts and contracts payable	\$ 2,730,050	10,713,180	13,443,230
Accrued items	5,601,472	4,250,631	9,852,103
Other current liabilities	1,874,840	1,610,090	3,484,930
Due to other governments	52,316	—	52,316
Unearned revenue	5,586,778	1,039,134	6,625,912
Current portion of long-term obligations	8,833,235	13,015,000	21,848,235
Compensated absences	7,847,501	2,661,837	10,509,338
Lease liability	44,575	173	44,748
Subscription liability	346,296	121,169	467,465
OPEB liability	5,230,771	2,173,228	7,403,999
Claims payable	5,445,606	—	5,445,606
Liabilities payable from restricted assets	79,615	5,148,287	5,227,902
Total current liabilities	<u>43,673,055</u>	<u>40,732,729</u>	<u>84,405,784</u>
Noncurrent Liabilities:			
Noncurrent portion of long-term obligations	128,322,475	283,525,783	411,848,258
Compensated absences	9,718,096	4,701,539	14,419,635
Lease liability	70,678	—	70,678
Subscription liability	138,504	124,809	263,313
Claims payable	11,038,752	—	11,038,752
OPEB liability	116,538,736	48,418,322	164,957,058
Net pension liability	47,630,642	18,291,175	65,921,817
Advances for construction	—	432,483	432,483
Total noncurrent liabilities	<u>313,457,883</u>	<u>355,494,111</u>	<u>668,951,994</u>
Total liabilities	<u>357,130,938</u>	<u>396,226,840</u>	<u>753,357,778</u>
DEFERRED INFLOWS OF RESOURCES			
Real estate tax revenue	17,679,014	—	17,679,014
Leases	2,707,348	454,231	3,161,579
Pension related amounts	2,056,585	435,192	2,491,777
Other post-employment benefits	20,538,042	8,532,936	29,070,978
Total deferred inflows of resources	<u>42,980,989</u>	<u>9,422,359</u>	<u>52,403,348</u>
NET POSITION			
Net investment in capital assets	274,181,687	250,418,291	524,599,978
Restricted for:			
Public Safety	25,754,432	—	25,754,432
Municipal Services - Public Works	36,035,543	—	36,035,543
Culture and Recreation	7,307,286	—	7,307,286
Storm Water	14,174,357	—	14,174,357
Health and Animal Services	636,910	—	636,910
Debt Service	113,079	4,824,550	4,937,629
Workers' Compensation escrow	209,300	—	209,300
Dogwood SPP escrow	—	61,500	61,500
Southwest Power Pool collateral	—	977,681	977,681
Community Improvement District	—	11,173,121	11,173,121
Unrestricted (deficit)	<u>(224,244,646)</u>	<u>130,576,822</u>	<u>(93,667,824)</u>
Total net position	<u>134,167,948</u>	<u>398,031,965</u>	<u>532,199,913</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 534,279,875</u>	<u>803,681,164</u>	<u>1,337,961,039</u>

See accompanying notes to financial statements.

CITY OF INDEPENDENCE, MISSOURI
Statement of Activities
Year Ended June 30, 2024

Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue
Primary Government:					
Governmental Activities:					
Administrative Services	\$ 4,966,248	5,653,298	3,721,996	—	4,409,046
Public Safety	86,973,763	3,303,706	2,787,123	452,353	(80,430,581)
Municipal Services	21,246,258	476,191	6,448,359	922,013	(13,399,695)
Health and Animal Services	3,783,685	634,392	1,207,311	—	(1,941,982)
Culture and Recreation	12,652,002	881,777	106,961	—	(11,663,264)
Community Development	8,972,281	5,655,475	2,001,347	—	(1,315,459)
Storm Water	4,626,468	—	—	245,482	(4,380,986)
General Government	1,392,812	—	—	—	(1,392,812)
Tax Increment Financing	8,296,829	944,066	—	—	(7,352,763)
Interest on long-term debt	898,493	—	—	—	(898,493)
Total governmental activities	153,808,839	17,548,905	16,273,097	1,619,848	(118,366,989)
Business-Type Activities:					
Power and Light	127,345,102	160,603,809	—	751	33,259,458
Water	25,671,824	33,763,033	—	—	8,091,209
Sewer	27,253,121	36,789,259	—	—	9,536,138
Events Center	15,708,283	7,541,116	—	—	(8,167,167)
Total business-type activities	195,978,330	238,697,217	—	751	42,719,638
Total primary government	\$ 349,787,169	256,246,122	16,273,097	1,620,599	(75,647,351)
			Governmental Activities	Business-Type Activities	Total
Changes in Net Position:					
Net (expense) revenue			\$ (118,366,989)	42,719,638	(75,647,351)
General Revenues:					
Taxes					
Property taxes			9,093,280	—	9,093,280
Sales and use taxes			75,503,479	9,027,801	84,531,280
Intergovernmental activity taxes			9,693,346	—	9,693,346
Franchise taxes			8,705,780	—	8,705,780
Financial institutions tax			14,586	—	14,586
Investment income			6,063,641	9,776,331	15,839,972
Miscellaneous			2,080,141	1,415,419	3,495,560
Transfers in (out)			22,143,864	(22,143,864)	—
Total general revenues and transfers			133,298,117	(1,924,313)	131,373,804
Change in net position			14,931,128	40,795,325	55,726,453
Net position - beginning			119,236,820	357,236,640	476,473,460
Net position - ending			\$ 134,167,948	398,031,965	532,199,913

See accompanying notes to financial statements.

CITY OF INDEPENDENCE, MISSOURI
Balance Sheet
Governmental Funds
June 30, 2024

	General	TIF Debt Service	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Pooled cash and investments	\$ 11,830,527	15,504,870	72,093,700	99,429,097
Receivables:				
Taxes	11,662,498	9,139,357	10,662,103	31,463,958
Accounts, net	905,663	68,530	114,079	1,088,272
Special assessment principal	1,264,214	—	355,677	1,619,891
Accrued interest	10,222	11,549	50,258	72,029
Leases	788,464	1,965,490	—	2,753,954
Due from other funds	2,063,941	—	150,727	2,214,668
Due from other governments	1,159,827	813,129	2,899,687	4,872,643
Restricted cash and investments	79,615	10,315,194	11,311,209	21,706,018
Total assets	<u>\$ 29,764,971</u>	<u>37,818,119</u>	<u>97,637,440</u>	<u>165,220,530</u>
LIABILITIES				
Accounts and contracts payable	\$ 273,940	79,504	1,986,028	2,339,472
Due to other funds	—	11,213	1,714,674	1,725,887
Due to other governments	35,563	—	16,753	52,316
Accrued items	3,119,624	—	785,267	3,904,891
Other current liabilities	1,842,243	—	32,597	1,874,840
Unearned revenue	—	—	5,586,778	5,586,778
Liabilities payable from restricted assets:				
Deposits and court bonds	79,615	—	—	79,615
Total liabilities	<u>5,350,985</u>	<u>90,717</u>	<u>10,122,097</u>	<u>15,563,799</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - special assessments	1,267,110	—	355,677	1,622,787
Unavailable revenue - real estate taxes	6,798,320	7,804,782	3,075,912	17,679,014
Unavailable revenue - leases	741,858	1,965,490	—	2,707,348
Total deferred inflows of resources	<u>8,807,288</u>	<u>9,770,272</u>	<u>3,431,589</u>	<u>22,009,149</u>
Total liabilities and deferred inflows of resources	<u>14,158,273</u>	<u>9,860,989</u>	<u>13,553,686</u>	<u>37,572,948</u>
FUND BALANCES				
Restricted	354,280	27,957,130	84,428,130	112,739,540
Committed	65,619	—	82,249	147,868
Assigned	596,519	—	—	596,519
Unassigned	14,590,280	—	(426,625)	14,163,655
Total fund balances	<u>15,606,698</u>	<u>27,957,130</u>	<u>84,083,754</u>	<u>127,647,582</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 29,764,971</u>	<u>37,818,119</u>	<u>97,637,440</u>	<u>165,220,530</u>

See accompanying notes to financial statements.

Exhibit 3.1**CITY OF INDEPENDENCE, MISSOURI****Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position****June 30, 2024**

Fund balances – total governmental funds	\$ 127,647,582
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:	
Governmental capital assets	711,739,557
Less accumulated depreciation	(415,062,539)
Leases and subscriptions	327,501
Less accumulated amortization	(131,269)
	<hr/>
	296,873,250
Interest on long-term debt is not accrued in governmental funds but, rather, is recognized as an expenditure when due and payable	(1,429,948)
Receivables not collected within 60 days of year-end are not available soon enough to pay for the current period's expenditures and, therefore, are deferred inflows of resources in the funds	1,622,787
Internal Service Funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the Internal Service Funds are included in the governmental activities in the Statement of Net Position, net of the amount allocated to business-type activities	3,377,490
Long-term liabilities, including bonds payable are not due and payable in the current period and therefore are not reported in the funds	
Loans payable/TIF loans payable	(132,180,000)
Financed purchase obligations	(783,610)
Compensated absences	(16,503,812)
Discounts (premiums)	(4,192,100)
Deferred charge on refunding	4,692,622
Other post-employment benefits	(119,140,446)
Net pension liability	(45,050,091)
Lease and subscription liability	(161,541)
	<hr/>
	(313,318,978)
Pension related deferred outflows and inflows of resources are not due and payable in the current year and, therefore, are not reported in the governmental funds, as follows:	
Deferred outflows of resources - pension related amounts	33,530,389
Deferred outflows of resources - other post-employment benefits	7,955,180
Deferred inflows of resources - pension related amounts	(1,995,188)
Deferred inflows of resources - other post-employment benefits	(20,094,616)
	<hr/>
	19,395,765
	<hr/>
Net position of governmental activities (Exhibit 1)	\$ <u><u>134,167,948</u></u>

See accompanying notes to financial statements.

CITY OF INDEPENDENCE, MISSOURI
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2024

	<u>General</u>	<u>TIF Debt Service</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
REVENUES				
Taxes	\$ 38,698,300	15,481,398	48,816,187	102,995,885
Licenses and permits	4,861,003	—	465,223	5,326,226
Intergovernmental	7,223,392	—	7,807,819	15,031,211
Charges for services	2,733,278	—	1,306,037	4,039,315
Interfund charges for support services	4,376,682	—	—	4,376,682
Fines, forfeitures, and court costs	2,454,405	—	—	2,454,405
Investment income	680,468	1,286,489	3,451,987	5,418,944
Other revenue	1,550,765	1,026,020	3,284,282	5,861,067
Total revenues	<u>62,578,293</u>	<u>17,793,907</u>	<u>65,131,535</u>	<u>145,503,735</u>
EXPENDITURES				
Current:				
Administrative Services	4,465,053	—	69,552	4,534,605
Public Safety	63,412,141	—	15,651,740	79,063,881
Municipal Services - Public Works	5,677,184	—	1,349,482	7,026,666
Culture and Recreation	214,685	—	9,991,294	10,205,979
Community Development	5,737,488	—	2,717,299	8,454,787
Storm Water	—	—	2,858,679	2,858,679
Health and Animal Services	—	—	3,733,273	3,733,273
General Government	43,901	—	104,778	148,679
Tax Increment Financing	—	3,868,780	—	3,868,780
Capital Outlay	44,812	—	24,731,827	24,776,639
Debt service:				
Principal	160,706	6,585,000	1,690,664	8,436,370
Interest and fiscal agent fees	405,322	4,160,951	421,681	4,987,954
Total expenditures	<u>80,161,292</u>	<u>14,614,731</u>	<u>63,320,269</u>	<u>158,096,292</u>
Excess (deficiency) of revenues over expenditures	<u>(17,582,999)</u>	<u>3,179,176</u>	<u>1,811,266</u>	<u>(12,592,557)</u>
OTHER FINANCING SOURCES (USES)				
Lease proceeds	—	—	61,988	61,988
Subscription proceeds	—	—	91,350	91,350
Debt proceeds	—	—	20,000,000	20,000,000
Transfers in - utility payments in lieu of taxes	22,149,695	—	—	22,149,695
Transfers in	22,018	3,150,777	669,369	3,842,164
Transfers out	(29,206)	(3,150,777)	(668,012)	(3,847,995)
Total other financing sources (uses)	<u>22,142,507</u>	<u>—</u>	<u>20,154,695</u>	<u>42,297,202</u>
Net change in fund balances	4,559,508	3,179,176	21,965,961	29,704,645
Fund balances - beginning	11,047,190	24,777,954	62,117,793	97,942,937
Fund balances - ending	<u>\$ 15,606,698</u>	<u>27,957,130</u>	<u>84,083,754</u>	<u>127,647,582</u>

See accompanying notes to financial statements.

CITY OF INDEPENDENCE, MISSOURI

Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes
in Fund Balances to the Statement of Activities

Year Ended June 30, 2024

Net change in fund balances – total governmental funds	\$	29,704,645
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period:		
Capital outlay		27,740,093
Depreciation expense		(22,240,433)
Leases and subscriptions		153,338
Amortization expense		(63,441)
		<u>5,589,557</u>
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds		438,248
Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. This is the amount by which proceeds exceeded repayments. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items:		
Proceeds from debt issuance		(20,000,000)
Principal payments		8,436,370
Debt premiums, discounts & deferred refunding amortizations		(345,167)
		<u>(11,908,797)</u>
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds:		
Compensated absences		(574,386)
Accrued interest		6,544
Other post-employment benefits		(5,150,544)
Pension related amount - LAGERS pension benefit		(1,143,742)
Lease and subscription payments		(153,338)
		<u>(7,015,466)</u>
Internal Service Funds are used by management to charge the costs of certain activities, such as insurance and garage charges, to individual funds. The net expense of the internal service funds is reported with the governmental activities:		<u>(1,877,059)</u>
Change in net position of governmental activities (Exhibit 2)	\$	<u><u>14,931,128</u></u>

See accompanying notes to financial statements.

CITY OF INDEPENDENCE, MISSOURI
Statement of Net Position
Proprietary Funds
June 30, 2024

	Enterprise Funds					Governmental Activities
	Power and Light	Water	Sanitary Sewer	Events Center	Total	Internal Service Funds
ASSETS						
Current assets:						
Pooled cash and investments	\$ 67,942,410	53,660,048	37,459,065	10,369,542	169,431,065	12,271,190
Receivables:						
Taxes	—	—	—	1,569,258	1,569,258	—
Accounts, net	15,242,877	3,403,122	4,067,854	979,233	23,693,086	5,924
Unbilled revenue	5,556,548	1,725,935	2,198,435	—	9,480,918	—
Special assessment principal	54,381	—	—	—	54,381	—
Accrued interest	53,749	41,638	29,026	—	124,413	3,768
Leases	7,826	—	—	9,337	17,163	—
Other receivable	2,723,713	44,337	251,196	5,994	3,025,240	—
Due from other funds	457,397	457,397	457,397	—	1,372,191	—
Due from other governments	185,328	—	275,283	—	460,611	—
Inventory	8,071,336	1,529,102	141,950	3,030	9,745,418	114,053
Prepaid items	556,357	—	—	79,974	636,331	—
Restricted cash and investments	4,599,746	835,222	622,616	—	6,057,584	—
Total current assets	105,451,668	61,696,801	45,502,822	13,016,368	225,667,659	12,394,935
Noncurrent assets:						
Receivables:						
Leases	16,285	—	—	520,778	537,063	—
Capital Assets:						
Nondepreciable	37,180,944	12,648,567	12,031,382	5,796,315	67,657,208	93,979
Depreciable, net	176,688,144	106,868,840	127,153,224	54,574,643	465,284,851	3,145,499
Lease assets, net	—	—	297	—	297	25,560
Subscription assets, net	310,684	—	—	—	310,684	872,618
Restricted cash and investments	4,189,949	3,156,262	7,071,966	7,244,714	21,662,891	209,300
Total noncurrent assets	218,386,006	122,673,669	146,256,869	68,136,450	555,452,994	4,346,956
Total assets	323,837,674	184,370,470	191,759,691	81,152,818	781,120,653	16,741,891
DEFERRED OUTFLOWS OF RESOURCES						
Deferred charge on refunding	595,925	481,299	2,352,084	5,113,962	8,543,270	—
Pension related amounts	7,530,699	2,046,740	1,462,819	—	11,040,258	1,557,580
Other post-employment benefits	2,149,727	624,030	604,314	—	3,378,071	175,546
Deferred environmental and regulatory amounts	9,910,792	—	—	—	9,910,792	—
Goodwill	—	—	—	807,866	807,866	—
Total deferred outflows of resources	20,187,143	3,152,069	4,419,217	5,921,828	33,680,257	1,733,126
Total assets and deferred outflows of resources	\$ 344,024,817	187,522,539	196,178,908	87,074,646	814,800,910	18,475,017
LIABILITIES						
Current liabilities:						
Accounts and contracts payable	\$ 8,159,331	1,120,034	139,920	1,293,895	10,713,180	390,489
Due to other funds	—	—	—	31,385	31,385	1,829,587
Accrued items	1,706,996	735,430	710,456	1,097,749	4,250,631	266,722
Other current liabilities	541,040	394,244	674,806	—	1,610,090	—
Unearned revenue	—	—	—	1,039,134	1,039,134	—
Current portion of long-term obligations	3,730,000	1,950,000	3,695,000	3,640,000	13,015,000	—
Compensated absences - current	1,786,218	515,152	360,467	—	2,661,837	436,832
Lease liability	—	—	173	—	173	14,176
Subscription liability	121,169	—	—	—	121,169	310,112
Total OPEB liability	1,382,992	401,460	388,776	—	2,173,228	112,934
Claims payable	—	—	—	—	—	5,445,606
Liabilities payable from restricted assets	3,721,344	782,925	644,018	—	5,148,287	—
Total current liabilities	21,149,090	5,899,245	6,613,616	7,102,163	40,764,114	8,806,458
Noncurrent liabilities:						
Revenue bonds payable	114,194,693	13,224,368	78,573,366	77,533,356	283,525,783	—
Compensated absences-long term	3,375,404	810,553	515,582	—	4,701,539	624,953
Lease liability	—	—	—	—	—	10,044
Subscription liability	124,809	—	—	—	124,809	104,180
Total OPEB liability	30,812,311	8,944,302	8,661,709	—	48,418,322	2,516,127
Net pension liability	12,476,641	3,390,979	2,423,555	—	18,291,175	2,580,551
Claims payable	—	—	—	—	—	11,038,752
Advances for construction	235,012	197,471	—	—	432,483	—
Total noncurrent liabilities	161,218,870	26,567,673	90,174,212	77,533,356	355,494,111	16,874,607
Total liabilities	182,367,960	32,466,918	96,787,828	84,635,519	396,258,225	25,681,065
DEFERRED INFLOWS OF RESOURCES						
Pension related amounts-deferred inflow	296,850	80,680	57,662	—	435,192	61,397
OPEB - deferred inflow	5,430,165	1,576,287	1,526,484	—	8,532,936	443,426
Leases	30,086	—	—	424,145	454,231	—
Total deferred inflows of resources	5,757,101	1,656,967	1,584,146	424,145	9,422,359	504,823
Total liabilities and deferred inflows of resources	188,125,061	34,123,885	98,371,974	85,059,664	405,680,584	26,185,888
NET POSITION						
Net investment in capital assets	96,294,504	104,343,199	59,202,903	(9,422,315)	250,418,291	3,699,144
Restricted for:						
Community Improvement District	—	—	—	11,173,121	11,173,121	—
Debt service/capital outlay	4,112,225	500,000	—	212,325	4,824,550	—
Dogwood SPP escrow	61,500	—	—	—	61,500	—
Southwest Power Pool collateral	977,681	—	—	—	977,681	—
Workers' Compensation escrow	—	—	—	—	—	209,300
Unrestricted	54,453,846	48,555,455	38,604,031	51,851	141,665,183	(11,619,315)
Total net position	155,899,756	153,398,654	97,806,934	2,014,982	409,120,326	(7,710,871)
Total liabilities, deferred inflows of resources, and net position	\$ 344,024,817	187,522,539	196,178,908	87,074,646		18,475,017

Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds (11,088,361)
Net position of business-type activities \$ 398,031,965

See accompanying notes to financial statements.

CITY OF INDEPENDENCE, MISSOURI
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
June 30, 2024

	Enterprise Funds					Governmental Activities Internal Service Funds
	Power and Light	Water	Sanitary Sewer	Events Center	Total	
OPERATING REVENUES						
Charges for services	\$ 152,577,170	33,358,893	36,426,092	7,541,116	229,903,271	42,028,459
Miscellaneous operating	8,026,639	404,140	363,167	—	8,793,946	1,280,448
Total operating revenues	160,603,809	33,763,033	36,789,259	7,541,116	238,697,217	43,308,907
OPERATING EXPENSES						
Personnel services	16,098,166	6,433,794	5,461,667	—	27,993,627	6,898,459
Other services	25,665,088	10,071,384	15,246,050	953,386	51,935,908	40,660,259
Supplies	60,495,575	3,388,292	1,036,443	641,707	65,562,017	1,553,101
Other expenses	8,915,842	1,990,783	2,665	8,860,020	19,769,310	—
Depreciation and amortization	11,709,270	3,539,716	4,533,867	2,585,174	22,368,027	1,805,777
Total operating expenses	122,883,941	25,423,969	26,280,692	13,040,287	187,628,889	50,917,596
Operating income (loss)	37,719,868	8,339,064	10,508,567	(5,499,171)	51,068,328	(7,608,689)
NONOPERATING REVENUES (EXPENSES)						
Investment income	3,639,905	2,894,060	2,214,861	1,027,505	9,776,331	624,697
Lease revenue	8,023	—	—	—	8,023	—
Miscellaneous non-operating	1,357,610	3,483,915	15,357	1,805,448	6,662,330	2,028,515
Interest and amortization expense	(4,687,951)	(678,553)	(2,475,476)	(2,667,996)	(10,509,976)	(15,981)
Sales tax	—	—	—	9,027,801	9,027,801	—
Total nonoperating revenues (expenses)	317,587	5,699,422	(245,258)	9,192,758	14,964,509	2,637,231
Income (loss) before contributions and transfers	38,037,455	14,038,486	10,263,309	3,693,587	66,032,837	(4,971,458)
Capital contributions	751	—	—	—	751	—
Transfers out - utility payments in lieu of taxes	(15,223,773)	(3,248,747)	(3,677,175)	—	(22,149,695)	—
Transfers in	—	—	10,000	—	10,000	—
Transfers out	—	—	(4,169)	—	(4,169)	—
Change in net position	22,814,433	10,789,739	6,591,965	3,693,587	43,889,724	(4,971,458)
Total net position (deficit) - beginning	133,085,323	142,608,915	91,214,969	(1,678,605)		(2,739,413)
Total net position (deficit) - ending	\$ 155,899,756	153,398,654	97,806,934	2,014,982		(7,710,871)
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds					(3,094,399)	
Change in net position of business-type activities					\$ 40,795,325	

See accompanying notes to financial statements.

CITY OF INDEPENDENCE, MISSOURI

Statement of Cash Flows

Proprietary Funds

Year ended June 30, 2023

	Enterprise Funds				Governmental Activities
	Power and Light	Water	Sanitary Sewer	Events Center	Internal Service Funds
Cash Flows from Operations:					
Receipts from customers and others	\$ 157,824,595	36,946,139	36,573,236	9,094,379	240,438,349
Payments to suppliers	(95,330,098)	(14,964,288)	(16,427,944)	(9,618,755)	(136,341,085)
Payments to employees	(20,955,759)	(8,820,809)	(6,551,981)	—	(36,328,549)
Net cash provided by (used in) operating activities	41,538,738	13,161,042	13,593,311	(524,376)	67,768,715
Cash Flows from Noncapital Financing Activities:					
Transfers in	—	—	10,000	—	10,000
Transfers out	—	—	(4,169)	—	(4,169)
Transfers out – payments in lieu of taxes	(15,223,773)	(3,248,747)	(3,677,175)	—	(22,149,695)
Sales tax	—	—	—	9,027,801	9,027,801
Advances from (to) other funds	34,334	34,334	34,334	247	103,249
Net cash provided by (used in) noncapital financing activities	(15,189,439)	(3,214,413)	(3,637,010)	9,028,048	(13,012,814)
Cash Flows from Capital and Related Financing Activities:					
Acquisition and construction of capital assets	(5,180,353)	(7,813,594)	(2,042,937)	(5,934,876)	(20,971,760)
Interest paid on revenue bonds and equipment contracts	(5,041,237)	(778,361)	(2,785,026)	(2,775,436)	(11,380,060)
Redemption of revenue bonds	(3,555,000)	(1,880,000)	(3,615,000)	(3,400,000)	(12,450,000)
Net cash provided by (used in) capital and related financing activities	(13,776,590)	(10,471,955)	(8,442,963)	(12,110,312)	(44,801,820)
Cash Flows from Investing Activities:					
Interest on investments	2,995,710	2,340,826	1,824,942	1,027,505	8,188,983
Adjustment to fair value	694,319	611,161	426,568	—	1,732,048
Net cash provided by (used in) investing activities	3,690,029	2,951,987	2,251,510	1,027,505	9,921,031
Net increase (decrease) in cash and cash equivalents	16,262,738	2,426,661	3,764,848	(2,579,135)	19,875,112
Cash and cash equivalents - beginning	60,469,367	55,224,871	41,388,799	20,193,391	177,276,428
Cash and cash equivalents - ending	\$ 76,732,105	57,651,532	45,153,647	17,614,256	197,151,540
Pooled cash and investments	\$ 76,732,105	57,651,532	45,153,647	17,614,256	197,151,540
Noncash capital and related financing activities:					
Leases and subscriptions	\$ —	—	—	—	—
Contributed capital	751	—	—	—	751
Noncash capital and related financing activities:	\$ 751	—	—	—	751
Components of cash and short-term investments at end of fiscal year:					
Unrestricted assets	\$ 67,942,410	53,660,048	37,459,065	10,369,542	169,431,065
Restricted assets	8,789,695	3,991,484	7,694,582	7,244,714	27,720,475
Total pooled cash and investments	\$ 76,732,105	57,651,532	45,153,647	17,614,256	197,151,540
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:					
Operating income (loss)	\$ 37,719,868	8,339,064	10,508,567	(5,499,171)	51,068,328
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:					
Depreciation and amortization	11,709,270	3,539,716	4,533,867	2,585,174	22,368,027
Lease revenue	8,023	—	—	—	8,023
Miscellaneous revenue	1,357,610	3,483,915	15,357	1,805,448	6,662,330
Change in assets and liabilities:					
Accounts receivable	(2,461,429)	(165,776)	(308,693)	(113,629)	(3,049,527)
Inventory	(1,810,186)	111,598	1,688	2,809	(1,694,091)
Prepaid items and other assets	(62,232)	—	—	(319)	(62,551)
Unbilled revenue	(1,121,144)	(124,562)	10,266	—	(1,235,440)
Special assessments receivable	7,318	—	—	—	7,318
Other deferred charges	(228,797)	(220,167)	718,871	—	269,907
Lease receivable	7,623	—	—	16,216	23,839
Other receivable	(569,192)	(9,461)	67,047	—	(511,606)
Accounts and contracts payable	1,432,133	223,329	(277,862)	221,732	1,599,332
Accrued and other liabilities	286,127	59,991	(16,609)	235,120	564,629
Lease liability	—	—	(689)	—	(689)
Subscription liability	(117,635)	—	—	—	(117,635)
Other post-employment benefits & net pension liability	(1,537,725)	(440,235)	(11,895)	—	(1,989,855)
Claims payable	—	—	—	—	—
Deferred charges	(2,988,482)	(1,781,105)	(1,630,856)	377,016	(6,023,427)
Deferred lease revenue	(8,023)	—	—	—	(8,023)
Unearned revenue	—	—	—	(154,772)	(154,772)
Compensated absences	(84,389)	144,735	(15,748)	—	44,598
Total adjustments	3,818,870	4,821,978	3,084,744	4,974,795	16,700,387
Net cash provided by (used in) operating activities	\$ 41,538,738	13,161,042	13,593,311	(524,376)	67,768,715

See accompanying notes to financial statements.

CITY OF INDEPENDENCE, MISSOURI
Statement of Fiduciary Net Position
June 30, 2024

	<u>Custodial Funds</u>
ASSETS	
Pooled cash and investments	\$ 263,260
Accrued interest	530
Total assets	<u>263,790</u>
NET POSITION	
Individuals and organizations	<u>263,790</u>
Total net position	<u><u>\$ 263,790</u></u>

See accompanying notes to financial statements.

CITY OF INDEPENDENCE, MISSOURI
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Year Ended June 30, 2024

	<u>Custodial Funds</u>
ADDITIONS	
Contributions	\$ 237,868
Investment income	14,049
Total additions	<u>251,917</u>
DEDUCTIONS	
Benefits paid to participants	236,557
Award distribution	1,000
Total deductions	<u>237,557</u>
Change in net position	<u>14,360</u>
Net Position - beginning	249,430
Net Position - ending	<u><u>\$ 263,790</u></u>

See accompanying notes to financial statements.

CITY OF INDEPENDENCE, MISSOURI

Index to Notes to Financial Statements

June 30, 2024

(1)	Summary of Significant Accounting Policies	37
(a)	The Financial Reporting Entity	37
(b)	Basis of Presentation	38
(c)	Basis of Accounting	39
(d)	Accounts Receivable	40
(e)	Investments	40
(f)	Inventory	40
(g)	Prepaid Items	40
(h)	Interfund Activity	41
(i)	Capital Assets	41
(j)	Bond Premiums/Discounts, and Issuance Costs	43
(k)	Deferred Inflows/Outflows	43
(l)	Compensated Absences	44
(m)	Pensions	44
(n)	Fund Balances	44
(o)	Net Position	45
(p)	Statement of Cash Flows	46
(q)	Use of Estimates	46
(r)	New Accounting Pronouncements	46
(2)	Deposits and Investments	47
(3)	Tax Revenue	51
(a)	Tax Abatements	52
(4)	Intergovernmental Revenue and Receivables	55
(5)	Interfund Activity	57
(a)	Interfund Balances	57
(b)	Interfund Charges for Support Services	57
(c)	Payments in Lieu of Taxes	58
(d)	Interfund Transfers	58
(6)	Capital Assets	59
(7)	Long-Term Obligations	65
(a)	Governmental Activities	68
(1)	Loans Payable	68
(2)	Financed Purchase Obligations and Leases	68

CITY OF INDEPENDENCE, MISSOURI

Index to Notes to Financial Statements

June 30, 2024

(3) Blended Component Unit – TIF Commission	77
(a) Tax Increment Financing Loans and Developer Obligations	77
(1) Tax Increment Financing Prior Year Defeasance of Debt	79
(b) Pledged Revenues.....	79
(c) Bass Pro Lease.....	80
(b) Business-type Activities	81
(1) Revenue Bonds	81
(2) Prior Year Defeasance of Debt	82
(3) Pledged Revenues	83
(4) Letter of Credit	83
(5) Events Center Bonds.....	83
(8) Advances for Construction	84
(9) Employee Retirement System	84
(10) Post-Employment Health Benefits	88
(11) Risk Management.....	92
(12) Commitments and Contingencies.....	93
(13) Deficits	96
(14) Subsequent Events	96
(15) Fund Balance.....	97

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

(1) Summary of Significant Accounting Policies

The City of Independence, Missouri (the City) was incorporated in 1849 and covers an area of approximately 79 square miles in Jackson County, Missouri. The City is a charter city and operates under the City Council/City Manager form of government. The City Manager is the chief administrative officer of the City. The City provides services to residents in many areas, including law enforcement, fire protection, electrical, water and sewer services, community enrichment and development, recreation and various social services. Elementary, secondary and junior college education services are provided by various school districts, all of which are separate governmental entities.

The accounting and reporting policies of the City conform to accounting principles generally accepted in the United States of America (GAAP) applicable to local governments. The following is a summary of the more significant accounting and reporting policies and practices of the City.

(a) The Financial Reporting Entity

In evaluating how to define the government for financial reporting purposes, management has considered all potential component units. Component units are separate legal entities which are included in the primary government's financial report. The decision to include a potential component unit in the reporting entity was made by applying the criteria set forth in GAAP. The basic, but not only, criterion for including a potential component unit within the reporting entity is the City's financial accountability for the potential component unit. An entity is considered a component unit if City officials appoint a voting majority of the component unit's governing body and the City is able to impose its will upon the component unit. Additionally, if the entity provides specific financial benefits to or imposes specific financial burdens on the City, it may be considered a component unit.

This report includes the financial statements of the City (the primary government) which includes the Independence Events Center Management Corporation (Corporation) and the Cable Dahmer Arena, formerly known as the Independence Events Center managed by the Oak View Group (OVG) as blended component units. The Corporation is governed by a 5-member board, of which all are City employees and appointed by the City. The Corporation performs management functions for the facility. OVG manages the daily operations of the Arena providing an exclusive benefit to the City. These component units are reflected in the City's Events Center fund, a proprietary fund. No separate financial statements are issued by the Corporation. Separate financial statements are issued for the Cable Dahmer Arena.

The Events Center Community Improvement District, Crackerneck Creek Transportation Development District, Hub Drive Community Improvement District, and Hub Drive Transportation Development District are included in the financial statements of the City as blended component units. The transportation development districts (TDD) and community improvement districts (CID) account for the taxes that are collected within these districts, and they provide services exclusively for the City as the taxes collected by these districts are utilized to repay outstanding debt. The Events Center CID is governed by a 5-member board, of which three are City employees appointed by the City Council. The Events Center CID is reported as a blended component unit in the Events Center fund. The Crackerneck Creek TDD is governed by a 5-member board, appointed by property owners within the district. The City as a property owner appoints three members which are City employees. The Crackerneck Creek TDD is reported as a blended component unit in the TIF Debt Service Fund. The Hub Drive CID is governed by a 5-member board appointed by the City Council. The Hub Drive TDD is governed by a 5-member board appointed by property owners within the district. Both the Hub Drive CID and TDD are reported as blended component

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

units in the TIF Debt Service fund. Financial statements for these districts may be obtained by writing to the City Clerk, City of Independence, P.O. Box 1019, Independence, MO 64051.

The Tax Increment Financing (TIF) Commission of the City of Independence, Missouri (the Commission) is a blended component unit under the TIF Debt Service Fund of the City because the outstanding debt of the TIF commission is expected to be repaid from payments in lieu of taxes and economic activity taxes collected by the City. The Commission is governed by an 11-member board, of which six members are appointed by the City Council. The remaining five members (two from the county, two from the local school district and one from other taxing jurisdictions) are appointed by the respective taxing districts' boards. Financial transactions of the Commission are processed by the Finance Department of the City on the Commission's behalf. No separate financial statements are issued by the Commission.

(b) Basis of Presentation

Government-wide Statements. The statement of net position and the statement of activities display information about the City. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations of internal charges and interfund balances have been made to minimize the double-counting of internal activities. However, interfund activity between governmental and business-type activities has not been eliminated. These statements distinguish between the governmental and business-type activities of the City. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed, in whole or in part, by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the different business-type activities of the City and for each function of the City's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements. The fund financial statements provide information about the City's funds, including its fiduciary funds. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as non-major funds.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

The City reports the following major governmental funds:

General Fund – This is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

Tax Increment Financing Debt Service Fund – This fund is used to account for the financing of redevelopment project expenses through payments in lieu of taxes and economic activity taxes.

The City reports the following major enterprise funds:

Power and Light Fund – This fund accounts for the acquisition, operation, and maintenance of the City's power and light utility facilities and services.

Water Fund – This fund accounts for the acquisition, operation, and maintenance of the City's water utility facilities and services.

Sanitary Sewer Fund – This fund accounts for the acquisition, operation, and maintenance of the City's sanitary sewer utility facilities and services.

Events Center Fund – This fund accounts for the acquisition and maintenance of the Cable Dahmer Arena, formerly known as the Independence Events Center. This fund also includes the operational activities which are managed by the Corporation, operational activities of the Oak View Group, and the activity of the Events Center CID.

The City reports the following fund types of non-major funds:

Special Revenue Funds – These funds account for specific revenue sources (other than major capital projects) that are legally restricted or committed to expenditures for specified purposes.

Capital Projects Funds – These funds account for the expenditures and related financing sources of major City projects.

Debt Service Funds – These funds account for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

Internal Service Funds – These funds account for the costs of fleet maintenance, the Staywell Healthcare program, Workers' Compensation, Risk Management, Finance and Support Services, and other benefits provided to other departments on a cost-reimbursement basis.

Custodial Funds – These funds account for monies held on behalf of the Flexible Benefits Plan for employee contributions made to the City's Flex Plan for medical and dependent care flexible spending accounts, monies held for the Susie Paxton Block Distinguished Public Service Award, and monies held for the Seniors Travel Program.

(c) Basis of Accounting

Government-wide, Proprietary, and Fiduciary Fund Financial Statements. The government-wide, proprietary, and custodial fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues related to exchange transactions are recorded when earned, and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the City gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Cost reimbursement grants are recorded as unearned revenue when proceeds are received in advance.

Governmental Fund Financial Statements. Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when both measurable and available. The City considers all revenues reported in the governmental funds to be available if the revenues are collected within 60 days after year-end. Property taxes, sales taxes, franchise taxes, licenses and interest are considered to be susceptible to accrual under this definition. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied, and is not susceptible to reporting under this definition. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital lease are reported as other financing sources.

Fiduciary Funds. The accrual basis of accounting is used to present data in the fiduciary fund financial statements.

(d) Accounts Receivable

Accounts receivable result primarily from sales of electricity, water and sewer services accounted for in the Power and Light, Water, and Sanitary Sewer (Enterprise) Funds, respectively. An estimated amount has been recorded for services rendered, but not yet billed, as of the close of the fiscal year. Accounts receivable are expressed net of allowances for doubtful accounts. Allowances for doubtful accounts are based on historical collection trends for the related receivables.

(e) Investments

Investments, other than the external investment pool, are recorded at fair value. The City's investment in the external investment pool (MOSIP) is not SEC registered and is regulated by the State of Missouri. This external investment pool is reported at amortized cost pursuant to the criteria set forth in GASB Statement No. 79, for the liquid series investments within the pool. The City's position in the pool is the same as the value of the pool shares.

(f) Inventory

Inventory of the enterprise funds consists of the coal supply and electric, water and sanitary sewer utility materials and is valued at average cost. Inventory of the Internal Service Fund consists of fuel and vehicle and equipment parts and materials and is valued at the lower of cost or market. Inventory of the Events Center consists of merchandise available for sale, valued at lower of cost or market.

(g) Prepaid Items

Certain payments to vendors reflecting costs applicable to future accounting periods have been recorded as prepaid items in both the government-wide and fund financial statements, and expenditures are recognized using the consumption method.

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

(h) Interfund Activity

The City has the following types of interfund activity:

Loans – amounts provided with a requirement for repayment. Interfund loans are reported as interfund receivables (i.e., due from other funds) in lender funds and interfund payables (i.e. due to other funds) in borrower funds.

Services provided and used – sales and purchases of goods and services between funds for a price approximating their fair value. Interfund services provided and used are reported as revenues in funds providing the good or service and expenditures or expenses in the fund purchasing the good or service. Unpaid amounts are reported as interfund receivables and payables in the fund balance sheets or fund statements of net position.

Reimbursements – repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them. Reimbursements are reported as expenditures in the reimbursing fund and as a reduction of expenditures in the reimbursed fund.

Transfers – flows of assets (such as cash or goods) without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and as other financing sources in the funds receiving transfers. The payments in lieu of taxes that the enterprise funds pay to the general fund are handled as transfers out for the enterprise funds and transfers in for the General fund.

(i) Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, drainage systems, and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capital assets are stated at cost or estimated historical cost. For property acquired from another utility, the difference between the net cost of plant assets recorded by the selling entity and the purchase price is recorded as an acquisition adjustment. Contributions of capital assets received from federal, state, or local sources are recorded as assets and a capital contribution at acquisition value at the time of receipt. Additions, improvements and expenditures that significantly extend the useful life of an asset are capitalized.

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

Depreciation has been provided over the estimated useful lives using the composite and straight-line methods. Depreciation on utility vehicles and heavy equipment is charged to clearing accounts and redistributed to various operating, construction, and other accounts. The estimated useful lives are as follows:

	Years
Governmental activities:	
Buildings and improvements	20-40
Improvements other than buildings	20
Roads	20
Bridges	40
Drainage systems	35
Office equipment and furniture	7
Mobile equipment – vehicles	5
Mobile equipment – heavy equipment	10
Fire trucks	15
Other equipment	10
Computer equipment	5

	Years
Business-type activities:	
Power and Light Fund:	
Production plant	25-45
Transmission plant	28-40
Distribution plant	25-40
Transportation equipment	7
General plant	19-40
Machinery and equipment	7-25
Water Fund:	
Source of supply	15-50
Pumping	20-50
Water treatment	40-50
Transmission and distribution system	20-100
General plant	5-50
Acquisition adjustment	30
Nonutility property	10
Machinery and equipment	5-22
Sanitary Sewer Fund:	
Equipment	5-25
Sewer system	40-100
Plant	25
Machinery and equipment	5-20
Events Center Fund:	
Buildings and improvements	20-40
Improvements other than buildings	20
Machinery and equipment	4-20

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

(j) Bond Premiums/Discounts, and Issuance Costs

In the government-wide and proprietary fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using a method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed in the period in which the debt is issued.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the period in which the debt is issued. The face amount of debt issued and any related premiums or discounts are reported as other financing sources/uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures during the year they are incurred.

(k) Deferred Inflows/Outflows

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net assets that applies to future periods and so will *not* be recognized as an outflow of resources (expense/ expenditure) until then. The City has five items that qualify for reporting in this category. They are the deferred charge on refunding, deferred pension related amounts, deferred other post-employment benefit (OPEB) amounts, deferred environmental and regulatory amounts, and goodwill reported in the government-wide and the proprietary funds statements of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The pension related deferred outflow consists of the unamortized portion of the net difference between projected and actual earnings on pension plan investments, plan experience, and changes in assumptions. The OPEB related deferred outflow consists of the unamortized portion of the net difference between projected and actual experience and changes in assumptions. The deferred environmental and regulatory deferred outflow consists of charges permitted under regulatory basis of accounting for the Power and Light fund. The goodwill related deferred outflow consists of goodwill reported in the Events Center enterprise fund, which will be amortized over the remaining life of the related asset (the Events Center). Goodwill became a deferred outflow of resources under GASB Statement No. 85, *Omnibus 2017*, which the City implemented in the fiscal year ending June 30, 2018.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net assets that applies to future periods and so will *not* be recognized as an inflow of resources (revenue) until that time. The City has three types of items that qualify for reporting in this category, unavailable/deferred revenues, deferred pension related amounts, and deferred other post-employment benefit (OPEB) amounts. The governmental funds report unavailable revenues from three sources: real estate taxes, special assessment, and leases. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The government-wide and the proprietary fund statements of net position report pension related deferred inflows, which consists of the unamortized portion of the difference between expected and actual experience and plan assumptions, OPEB deferred inflows, which consist of the unamortized portion of the differences between expected and actual experience, real estate taxes, which will become an inflow in the year for which they are levied, and lease revenue is recognized over the term of the leases.

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

(l) Compensated Absences

Under the terms of the City's personnel policy, City employees are granted vacation based upon length of service. Sick leave is granted at the rate of eight hours per month. Sick leave may be accumulated without limitation. Upon separation, compensation for accrued leave for all employees, other than Firefighters, is paid up to 1,040 hours for sick leave, and a maximum of 400 hours for vacation at the employee's current rate of pay. Firefighters hired on or before February 1, 2021, are eligible to receive sick leave payout between 520 to 1,560 hours based upon different tiers for their hourly per week schedule and years of service. Firefighters hired after February 1, 2021, are not eligible to receive sick leave payout upon separation.

The liability for compensated absences reported in the government-wide and proprietary fund statements has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

(m) Pensions

The net pension liability, deferred inflows and outflows of resources related to pensions, pension expense, information about the fiduciary net position of the Missouri Local Government Employees Retirement System (LAGERS) and additions to/deductions from LAGERS fiduciary net position have been determined on the same basis as they are reported by LAGERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

(n) Fund Balances

In the fund financial statements, governmental funds report the following fund balance classifications:

Non-Spendable – consists of amounts that cannot be spent because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted – consists of amounts where constraints are placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.

Committed – consists of amounts which can only be used for specific purposes pursuant to constraints imposed by formal action (ordinance) of the City Council, which is the highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the City Council removes or changes the specified amounts by use of the same formal action that it employed to previously commit the funds.

Assigned – consists of amounts which are constrained by City management's intent for these to be used for a specific purpose but are neither formally restricted by external sources nor committed by City Council action. The City's Fund Balance Policy authorizes the City Manager to assign amounts for a specific purpose in this category. Likewise, the City Manager has the authority to take necessary actions to un-assign amounts in this category. Encumbrances shall be considered as assigned, unless they specifically meet the requirements to be committed or restricted.

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

Unassigned – consists of the residual fund balance that does not meet the requirements for the non-spendable, restricted, committed, or assigned classifications. The General Fund is the only fund that would report a positive amount in unassigned fund balances. Residual deficit amounts of other governmental funds are reported as unassigned.

The City has a fund balance policy that provides guidance for programs with multiple revenue sources. The policy is to use restricted resources first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. For purposes of fund balance classification expenditures are to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance and lastly unassigned fund balance.

The City has a minimum Unassigned Fund Balance policy for the General Fund equal to 16% of annual revenues. If the fund balance falls below this target level of 16% then the City will strive to restore the Unassigned Fund Balance through revenue allocations or expenditure reductions back to the target level over a five (5) year period.

Detailed information on the City's governmental fund balance classifications may be found in Note 15 in the notes to the financial statements.

(o) Net Position

In the government-wide and proprietary fund financial statements, equity is displayed in three components as follows:

Net Investment in Capital Assets – This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction or improvement of those assets. Net investment in capital assets excludes unspent debt proceeds of \$77,724 for Power and Light, \$6,422,476 for the Events Center, and \$11,217,208 for Governmental activities. Also excluded were accounts payable, retainages, and lease and subscription liabilities of \$1,337,437 for business-type activities and \$1,977,818 for governmental activities.

Restricted – This consists of net position that is legally restricted by outside parties or by law through constitutional provisions or enabling legislation. Net position restricted through enabling legislation consists of \$36,035,543 for the Street Sales Tax, the License Surcharge, and debt service; \$7,307,286 for the Parks Sales Tax, Parks Property Tax, and Transient Guest Tax; \$14,174,357 for Storm Water Sales Tax; \$25,754,432 for Police Public Safety Sales Tax, Fire Protection Sales Tax, and Police Use Tax; \$636,910 for the Animal Services Use Tax and Health Property Tax; \$6,020 for the Independence Square Benefit District; \$4,937,629 for debt service; and \$11,173,121 for the Events Center Community Improvement District.

Unrestricted – This consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

When both restricted and unrestricted resources are available for use, it is generally the City's policy to use restricted resources first, then unrestricted resources as they are needed.

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

(p) Statement of Cash Flows

For purposes of the statement of cash flows, short-term investments held in proprietary funds with a maturity date within three months of the date acquired by the City, are considered cash equivalents.

(q) Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

(r) New Accounting Pronouncements

The Governmental Accounting Standards Board has issued several statements that are not yet effective and have not yet been implemented by the City. The statements which might impact the City are as follows:

In June 2022, GASB issued Statement No. 101, *Compensated Absences*. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences by aligning the recognition and measurement guidance under a unified model. The City will implement GASB Statement No. 101 with the fiscal year ended June 30, 2025.

In December 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. The objective of this statement is to better meet the information needs of financial statement users by providing essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The City will implement GASB Statement No. 102 with the fiscal year ended June 30, 2025.

In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this statement is to improve key components of the financial reporting model to enhance effectiveness in providing information that is essential for decision making and assessing a government's accountability. The City will implement GASB Statement No. 103 with the fiscal year ended June 30, 2026.

In September 2024, GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this statement is to better meet the information needs of financial statement users by providing additional information about certain types of capital assets. The statement will require separate disclosure for certain types of capital assets as well as disclosures for capital assets held for sale. The City will implement GASB Statement No. 104 with the fiscal year ended June 30, 2026.

The City's management has not yet determined the effect, if any, these statements will have on the City's financial statements.

CITY OF INDEPENDENCE, MISSOURI
Notes to Financial Statements
June 30, 2024

(2) Deposits and Investments

Fair Value Measurements

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement, not an entity specific measurement. For some assets and liabilities, observable market transactions or market information might be available; for others, it might not be available. However, the objective of a fair value measurement in both cases is the same, that is, to determine the price at which an orderly transaction to sell the asset or to transfer the liability would take place between the market participants at the measurement date under current market conditions. Fair value is an exit price at the measurement date from the perspective of a market participant that controls the asset or is obligated for the liability. The City categorizes its assets and liabilities measured at fair value within the hierarchy established by generally accepted accounting principles. Assets and liabilities valued at fair value are categorized based on inputs to valuation techniques as follows:

Level 1 input – Quoted prices for identical assets or liabilities in an active market that an entity has the ability to access.

Level 2 input – Quoted prices for similar assets or liabilities in active markets and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 input – Inputs that are unobservable for the asset or liability which are typically based upon the City's own assumptions as there is little, if any, related market activity.

Hierarchy – The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

Inputs – If the fair value of an asset or liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

For the City, the measurement of the fair value of investments was either based on quoted market prices obtained from exchanges, or from independent pricing sources. Where prices are not available from generally recognized sources the securities are priced using a yield-based matrix to arrive at an estimated fair value.

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

The City has no assets reported at fair value on a nonrecurring basis. The securities in the following table are measured at fair value per the disclosure requirements of Governmental Accounting Standards Board (GASB) Statement No. 72.

At June 30, 2024 the carrying values of deposits and investments are summarized as follows:

		Fair Value Measurement
Investments measured at fair value:		
Federal National Mortgage Association	\$ 8,681,309	Level 2
Federal Home Loan Mortgage Corporation	5,586,644	Level 2
Federal Home Loan Bank	2,983,214	Level 2
U.S. Treasury Notes	52,880,992	Level 1
U.S. Treasury Bond	27,506	Level 1
Investments measured at amortized cost:		
Money Market - Bond Reserves	42,529,173	N/A
Local Government Investment Pool - MOSIP	72,147,452	N/A
Money Market - Work Comp Escrow	209,300	N/A
Total investments	<u>185,045,590</u>	
Cash and cash equivalents:		
Deposits and repurchase obligations	145,963,919	
Petty cash	20,896	
Total	<u>\$ 331,030,405</u>	

Deposits and investments of the City are reflected in the government-wide financial statements as follows:

	Government-Wide Statement of Net Position	Fiduciary Funds Statement of Net Position	Primary Government Total
Pooled cash and investments	\$ 281,131,352	263,260	281,394,612
Current restricted cash and investments	6,057,584	—	6,057,584
Non-current restricted cash and investments	43,578,209	—	43,578,209
	<u>\$ 330,767,145</u>	<u>263,260</u>	<u>331,030,405</u>

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

Investment Policy

Missouri state statutes authorize the City, with certain restrictions, to deposit or invest in open accounts, time deposits, U.S. Treasury notes, and certificates of deposit. Statutes also require that collateral pledged must have a fair value equal to 100% of the funds on deposit, less insured amounts. Collateral securities must be held by the City or a disinterested third party and must be of the kind prescribed by state statutes and approved by the State of Missouri.

The City maintains a cash and investment pool, which is available for use by most funds. Substantially all excess cash is invested in U.S. Government securities, a local government investment pool, and money market funds. Each fund's portion of this pool is displayed as pooled cash and investments or in restricted assets. Interest earned on the cash and cash equivalents is allocated to the funds on the basis of average monthly cash and investment balances, and investment interest earned is based on each fund's share of the investment balances at the end of each month. Cash and investments are held separately by some of the City's funds. Additionally, certain restricted assets, related to bond ordinances and indentures and capital lease certificates, are held in escrow by financial institutions' trust departments.

At June 30, 2024, some funds did reflect a loss under their investment income which is due to required fair value adjustments and each fund's cash position and portion of the investment pool.

Credit Risk/Concentration of Credit Risk

The credit risk for investments is the possibility that the issuer/counterparty to an investment will be unable to fulfill its obligations. It is the City's policy to limit its investments to Certificates of Deposit and Bonds or other obligations of the United States. The City's investment policy does not specify maximum or minimum investment concentrations by investment type. The credit rating and concentration of the City's investment in debt securities are as follows:

Issuer	Moody's Credit Rating	Percent of Total Investments
Federal Home Loan Bank	Aaa	1.61%
Federal National Mortgage Association	Aaa	4.69%
Federal Home Loan Mortgage Corporation	Aaa	3.02%
Local Government Investment Pool - MOSIP	AAAm (S & P)	38.99%

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the City will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the City will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. The City's policy is to collateralize the demand deposits and repurchase agreements with securities held by the financial institution's agent and in the City's name.

At June 30, 2024, the City's deposits and repurchase obligations were insured by Federal depository insurance and uninsured deposits and repurchase obligations were fully collateralized by securities held in

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

the City's name by their financial institution's agent. In accordance with its policy, the City addresses custodial risk by pre-qualifying institutions with which it places securities. All securities are either registered in the name of the City or are held by the counterparty's agent in the City's name. Accordingly, management has determined that none of the City's deposits or investments were exposed to custodial credit risk as of June 30, 2024.

Interest Rate Risk

The City's investment policy does not limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The City has elected to use the segmented time distribution method of disclosure for its interest rate risk.

As of June 30, 2024, the City's investment portfolio had the following investments and maturities:

Investment Type	Total	6 Months or Less	6 - 12 Months	12 - 24 Months	24 - 36 Months	36 - 48 Months
Local Government Investment Pool - MOSIP	\$ 72,147,452	72,147,452	—	—	—	—
Money Market - Bond Reserves	42,529,173	42,529,173	—	—	—	—
Money Market - Work Comp Escrow	209,300	209,300	—	—	—	—
U.S. Government Securities						
Federal National Mortgage Association	8,681,309	2,499,755	6,181,554	—	—	—
Federal Home Loan Mortgage Corporation	5,586,644	—	3,909,912	1,676,732	—	—
Federal Home Loan Bank	2,983,214	—	1,696,772	227,034	1,059,408	—
U.S. Treasury Notes	52,880,992	4,462,367	4,159,687	18,983,939	17,585,469	7,689,530
U.S. Treasury Bond	27,506	—	—	—	—	27,506
Total investments	\$ <u>185,045,590</u>	<u>121,848,047</u>	<u>15,947,925</u>	<u>20,887,705</u>	<u>18,644,877</u>	<u>7,717,036</u>

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

Truman Heartland Community Foundation

The City has various fund accounts at the Truman Heartland Community Foundation (THCF), where donations are received for special City projects. THCF is a public charity which services communities in and around Eastern Jackson County.

At June 30, 2024 the carrying values of deposits are summarized as follows:

Project	Balance
Fire Safety Equipment	\$ 12,280
Sermon Memorial Room	38,429
Sermon/Old Spring Project	37,412
Truman Memorial Building Restoration	2,399
Truman Memorial Walking Trail	15,720
George Owens Nature Park	202
Palmer Center Senior Services	4,374
Palmer Senior Center	5,712
Memorial Endowment - Palmer Senior Center	96,462
McCoy Park Inclusive Play	24
Animal Shelter	27,310
Endowment - All Creatures Fund	92,150
Friends of Truman Depot	17,466
Waggoner Memorial	4,631
Pioneer Statue	4,637
	<u>\$ 359,208</u>

(3) Tax Revenue

Tax revenue, including interest and penalties for the year ended June 30, 2024 is as follows:

	General	TIF Debt Service	Nonmajor Governmental Funds	Total
Real Estate Tax	\$ 5,759,287	7,867,439	2,738,713	16,365,439
Railroad Utilities Tax	42,287	—	—	42,287
Cigarette Tax	331,202	—	—	331,202
Transient Guest Tax	—	—	2,304,882	2,304,882
Sales Tax	21,770,497	7,613,959	35,039,631	64,424,087
Use Tax	2,089,246	—	8,732,961	10,822,207
Franchise Tax	8,705,781	—	—	8,705,781
	<u>\$ 38,698,300</u>	<u>15,481,398</u>	<u>48,816,187</u>	<u>102,995,885</u>

The City's real estate tax is levied each November 1 on the assessed value as of the prior January 1 for all real property located in the City. Real estate taxes are due on December 31 following the levy date. On January 1, a lien attaches to all property. Property taxes are recognized as a receivable at the time they become an enforceable legal claim, and revenue is recognized in the year for which the property tax is

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

levied. Jackson County bills and collects all real estate taxes for the City and charges a 1.5% to 1.6% commission on all taxes collected.

Assessed values are established by the Clay and Jackson County assessors, subject to review by the Jackson County Board of Equalization and State Tax Commission. The assessed value for real property, including railroad and utility properties, located in the City as of January 1, 2023, on which the fiscal 2024 levy was based, was \$2,263,456,187.

The City is permitted by Missouri state statutes to levy taxes up to \$1.00 per \$100 of assessed valuation for general governmental services, other than payment of principal and interest on long-term debt, up to \$0.40 per \$100 of assessed valuation for public health and recreation, and in unlimited amounts for the payment of principal and interest on long-term debt. Property tax levies per \$100 assessed valuation for the year ended June 30, 2024 were \$0.3235 for the General Fund, \$0.1524 for Public Health and Recreation, and \$0.5755 for the Independence Square Benefit District Fund.

(a) Tax Abatements

Chapter 353

The City approves property tax abatements pursuant and subject to the terms of Missouri Statute 353 (Urban Redevelopment Corporations Law). The purpose of Chapter 353 Tax Abatement is to encourage the redevelopment of blighted areas by providing real property tax abatement.

As of June 30, 2024, the City provides Chapter 353 Tax Abatements through five programs that provide property tax abatement to encourage rehabilitation of properties that improve the safety and health of the home occupants, and help revitalize the redevelopment area. Abatements are obtained through application by the property owner, including inspection by City staff showing proof that improvements were made, and equals 100% of the real estate tax for years 1 through 10, and 50% of the real estate tax for years 11 through 25. The amount of the abatement is deducted from the property owner's tax bill. Abatements are not given until after the improvements have been made, and so there is no recapture provision. For the fiscal year ending June 30, 2024, the abated tax amounts were as follows:

Tax Abatement Program	Abated Tax
Fairmount Carlisle	\$ 19,573
Independence Square	21,186
Midtown Truman Road Corridor	33,292
St. Clair Park	312
Southwest Independence	179
Total	\$ <u>74,542</u>

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

Chapter 100

The City approves property tax abatements pursuant and subject to the terms of Missouri Statute 100 which authorizes the City to issue Industrial Development Bonds to finance industrial development projects for private corporations, partnerships or individual companies. Under this type of financing, the company passes the title in the real property involved to the City which results in the bond proceeds being tax exempt resulting in a tax abatement for the company. The purpose of Chapter 100 Tax Abatement is to encourage retention and expansion of industrial development projects for the purchase, construction, extension and improvement of warehouses, distribution facilities, research and development facilities, office industries, agricultural processing industries, service facilities that provide interstate commerce, industrial plants and commercial facilities.

As of June 30, 2024, the City provides Chapter 100 Tax Abatements through three programs. Facilities receiving tax abatements under Chapter 100 make payments in lieu of taxes (PILOTS) to the City.

The City tax abated under the following Chapter 100 program to Unilever was \$93,597.

Years	PILOT	
	Percentage	Basis
1 through 10	20%	Real property taxes that would otherwise be due on the project improvements
11 through 15	25%	Real property taxes that would otherwise be due on the project improvements
16 through 20	50%	Real property taxes that would otherwise be due on the project improvements
1	0%	Personal property taxes that would otherwise be due on the project equipment
2	5%	Personal property taxes that would otherwise be due on the project equipment
3	10%	Personal property taxes that would otherwise be due on the project equipment
4	15%	Personal property taxes that would otherwise be due on the project equipment
5	20%	Personal property taxes that would otherwise be due on the project equipment

The City tax abated under the following Chapter 100 program to Ronson Machine and Manufacturing was \$2,609.

Years	PILOT	
	Percentage	Basis
1 through 2	Fixed	Real property taxes in the amount equal to the taxes due in 2018
3 through 12	25%	Real property taxes in the amount equal to the taxes due in 2018, increased in each odd year by 2% plus 25% of the taxes that would otherwise be due on the project improvements
2 through 12	25%	Personal property taxes that would otherwise be due on the project equipment

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

The City tax abated under the following Chapter 100 program to 39th Place Apartments was \$28,771.

Years	PILOT Percentage	Basis
1 through 5	Fixed	Real property taxes in the amount per the Chapter 100 agreement
6 through 16	2% Increase	Real property taxes increased in each odd year by 2%

Tax Increment Financing

The City utilizes Tax Increment Financing (TIF) for economic development projects pursuant to the terms of Missouri Statute 99.800 through 99.865 (TIF Act). The purpose of TIF projects is to finance improvement within a geographically defined area called a redevelopment project area, which has been found by the City Council to be either a blighted, conservation, or economic development area. TIF projects allow the City to finance certain redevelopment costs from the revenue generated from (1) real estate taxes, measured by the net increase in assessed valuation resulting from redevelopment and (2) a percent of local sales tax revenues generated by new economic activities in the redevelopment area. These real estate taxes and sales tax revenues are allocated to special allocation funds set up for each TIF project. Under GASB Statement No. 77, these types of allocations are considered a tax abatement. For the fiscal year ending June 30, 2024, the City reported 19 TIF projects, with 15 active projects, and abated \$932,577 in real estate tax and \$7,283,678 in sales tax revenue.

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

(4) Intergovernmental Revenue and Receivables

Intergovernmental revenue during fiscal year 2024 consisted of the following:

	<u>General Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Federal			
Department of Housing & Urban Development	\$		
Community Development Block Grant	—	632,328	632,328
Neighborhood Stabilization Program	—	305	305
Home Investment Partnership	—	250,308	250,308
Department of Agriculture	—	9,835	9,835
Department of Justice	—	546,561	546,561
Department of Transportation	—	3,344,536	3,344,536
Department of Health & Human Services	—	1,220,724	1,220,724
Departments of Treasury	—	1,121,327	1,121,327
Executive Office of the President	—	260,903	260,903
Department of Homeland Security	—	160,972	160,972
Total Federal	<u>—</u>	<u>7,547,799</u>	<u>7,547,799</u>
State & Local			
Department of Health & Human Services	—	85,529	85,529
Department of Public Safety	—	4,700	4,700
Department of Revenue			
Motor Vehicle Fuel Tax	4,578,190	—	4,578,190
Motor Vehicle License	540,178	—	540,178
Motor Vehicle Sales Tax	1,329,992	—	1,329,992
Financial Institutions Tax	14,587	—	14,587
Missouri Highway & Transportation Commission	—	105,206	105,206
Missouri Department of Conservation	—	3,135	3,135
Missouri Department of Transportation	—	11,516	11,516
Jackson County Anti-Drug Tax	536,119	14,647	550,766
Jackson County DARE	224,326	—	224,326
Health Forward Foundation	—	10,790	10,790
Other	—	24,497	24,497
Total State & Local	<u>7,223,392</u>	<u>260,020</u>	<u>7,483,412</u>
Grand Total	<u>\$ 7,223,392</u>	<u>7,807,819</u>	<u>15,031,211</u>

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

Amounts due from other governments at June 30, 2024 are as follows:

	Federal	State	Local	Total
General Fund :				
Department of Revenue	\$			
Motor Vehicle Fuel Tax	—	789,675	—	789,675
Motor Vehicle Sales Tax	—	123,408	—	123,408
Motor Vehicle License Fees	—	134,181	—	134,181
DARE	—	—	112,491	112,491
Marketplace Shopping Center Transportation Development Dist	—	—	72	72
	<u>—</u>	<u>1,047,264</u>	<u>112,563</u>	<u>1,159,827</u>
TIF Debt Service:				
State Sales Tax	—	140,000	—	140,000
County Sales Tax	—	—	486,246	486,246
Kansas City Zoo Tax	—	—	46,418	46,418
Noland Road Community Improvement District	—	—	114,009	114,009
Marketplace Community Improvement District	—	—	1,886	1,886
39th St Transportation Development District	—	—	24,570	24,570
	<u>—</u>	<u>140,000</u>	<u>673,129</u>	<u>813,129</u>
Nonmajor Governmental Funds:				
Department of Housing & Urban Development				
Community Development Block Grant	103,708	—	—	103,708
Home Investment Partnership	4,175	—	—	4,175
Neighborhood Stabilization Program	115,197	—	—	115,197
Department of Justice	320,629	—	—	320,629
Department of Transportation	1,618,721	—	—	1,618,721
Department of Health & Human Services	217,034	9,866	—	226,900
Department of Homeland Security	327,590	—	—	327,590
Executive Office of the President	167,094	—	—	167,094
Other	—	—	15,673	15,673
	<u>2,874,148</u>	<u>9,866</u>	<u>15,673</u>	<u>2,899,687</u>
Power and Light Fund:				
Federal Communications Commission	185,328	—	—	185,328
	<u>185,328</u>	<u>—</u>	<u>—</u>	<u>185,328</u>
Sanitary Sewer Fund				
Department of Homeland Security	275,283	—	—	275,283
	<u>275,283</u>	<u>—</u>	<u>—</u>	<u>275,283</u>
Totals	\$ <u>3,334,759</u>	<u>1,197,130</u>	<u>801,365</u>	<u>5,333,254</u>

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

(5) Interfund Activity

(a) Interfund Balances

Interfund balances at June 30, 2024, consisted of the following:

	Due from Nonmajor Governmental	Due from TIF Debt Service	Due from Events Center	Due from Internal Service Funds	Total
Due to:					
Governmental activities:					
General Fund	\$ 1,563,947	11,213	31,385	457,396	2,063,941
Nonmajor governmental	<u>150,727</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>150,727</u>
Total governmental activities	<u>\$ 1,714,674</u>	<u>11,213</u>	<u>31,385</u>	<u>457,396</u>	<u>2,214,668</u>
Business-type activities:					
Power and Light Fund	\$ —	—	—	457,397	457,397
Water Fund	—	—	—	457,397	457,397
Sanitary Sewer Fund	<u>—</u>	<u>—</u>	<u>—</u>	<u>457,397</u>	<u>457,397</u>
Total business-type activities	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,372,191</u>	<u>1,372,191</u>
Total	<u>\$ 1,714,674</u>	<u>11,213</u>	<u>31,385</u>	<u>1,829,587</u>	<u>3,586,859</u>

Interfund payables and receivables represent loans between funds for operating purposes, short-term negative cash balances and pending reimbursements. The Crackerneck Creek TDD, which is reported as a component unit in the TIF Debt Service category, owes \$1,213 to the General Fund for administrative fees. The Events Center CID, which is reported as a component unit in the Events Center Category, owes \$31,385 to the General Fund for administrative fees. The Hub Drive TDD, which is reported as a component unit in the TIF Debt Service category, owes \$5,000 to the General Fund for administrative fees. The Hub Drive CID, which is reported as a component unit in the TIF Debt Service Category, owes \$5,000 to the General Fund for administrative fees. All other amounts are for short-term loans for negative cash balances at June 30, 2024.

(b) Interfund Charges for Support Services

Interfund charges for support services and rent paid to the General Fund during fiscal year 2024 were as follows:

	Interfund Charges
Nonmajor Governmental Funds	\$ 464,808
Power and Light Fund	2,035,029
Sanitary Sewer Fund	868,401
Water Fund	934,465
Internal Service Funds	<u>73,979</u>
	<u>\$ 4,376,682</u>

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

Interfund charges for customer service support services and telephone operators were paid to the Water Fund during fiscal year 2024, and are included as a credit to Water's operating expenses as follows:

Power and Light Fund	\$ 2,221,715
Sanitary Sewer Fund	<u>1,143,056</u>
	<u>\$ 3,364,771</u>

Interfund charges for meter reading services were paid to the Power and Light Fund during fiscal year 2023, and are included as a credit to Power and Light's operating expenses as follows:

Sanitary Sewer Fund	\$ 743,135
Water Fund	1,147,028
General Fund	<u>185,140</u>
	<u>\$ 2,075,303</u>

(c) Payments in Lieu of Taxes

The payments in lieu of taxes of \$15,223,773, \$3,248,747, and \$3,677,175 in fiscal year 2024 by the Power and Light, Water, and Sanitary Sewer (Enterprise) Funds, respectively, to the General Fund approximate franchise taxes and real estate taxes on plant in service. The franchise tax rate, established by City ordinance at 9.08%, is applied to gross billed operating revenues less amounts written off to arrive at the franchise tax due the General Fund. In addition to the 9.08% applied to operating revenues, the City also charges a real estate tax as part of the payment in lieu of taxes. The real estate taxes are charged at a set amount for the plant assets of the Enterprise Funds.

(d) Interfund Transfers

Interfund transfers for the year ended June 30, 2024, consisted of the following:

		Transfers Out			
		General	Tax Increment Financing	Nonmajor Governmental	Sanitary Sewer
					Total
Transfers In:					
General	\$	—	—	22,018	—
Tax Increment Financing		—	3,150,777	—	—
Sanitary Sewer Fund		10,000	—	—	—
Nonmajor governmental		19,206	—	645,994	4,169
Total Primary Government	\$	<u>29,206</u>	<u>3,150,777</u>	<u>668,012</u>	<u>4,169</u>
					<u>3,852,164</u>

Transfers are for capital projects, general operations and debt service payments. There is a transfer for \$65,296 between the Events Center CID and TIF Debt Service funds that is eliminated from the Events Center reporting upon consolidation within the financial statements.

CITY OF INDEPENDENCE, MISSOURI
Notes to Financial Statements
June 30, 2024

(6) Capital Assets

Capital asset activity for the year ended June 30, 2024 is as follows:

	Balance June 30, 2023	Additions	Retirements	Balance June 30, 2024
Governmental activities:				
Nondepreciable capital assets:				
Land	\$ 32,184,386	—	—	32,184,386
Construction work in progress	24,652,209	14,874,945	(6,116,843)	33,410,311
Total nondepreciable capital assets	56,836,595	14,874,945	(6,116,843)	65,594,697
Depreciable capital assets:				
Land improvements	10,156,469	538,083	—	10,694,552
Buildings	59,141,797	9,613,569	—	68,755,366
Building improvements	19,946,905	584,610	—	20,531,515
Improvements other than buildings	37,462,111	207,536	—	37,669,647
Office furniture and equipment	443,946	—	—	443,946
Computer equipment	10,361,750	234,058	—	10,595,808
Mobile equipment	29,585,672	2,438,804	(909,185)	31,115,291
Other equipment	13,809,590	2,354,610	(33,104)	16,131,096
Infrastructure	452,430,174	3,051,723	—	455,481,897
Total depreciable capital assets	633,338,414	19,022,993	(942,289)	651,419,118
Less accumulated depreciation for:				
Land improvements	(6,506,925)	(536,058)	—	(7,042,983)
Buildings	(25,855,150)	(1,416,422)	—	(27,271,572)
Building improvements	(14,743,281)	(797,295)	—	(15,540,576)
Improvements other than buildings	(28,846,260)	(1,785,769)	—	(30,632,029)
Office furniture and equipment	(439,037)	(2,527)	—	(441,564)
Computer equipment	(6,127,799)	(720,891)	—	(6,848,690)
Mobile equipment	(17,794,498)	(2,473,503)	869,331	(19,398,670)
Other equipment	(10,260,036)	(685,904)	31,958	(10,913,982)
Infrastructure	(284,691,008)	(14,316,245)	—	(299,007,253)
Total accumulated depreciation	(395,263,994)	(22,734,614)	901,289	(417,097,319)
Total depreciable capital assets, net	238,074,420	(3,711,621)	(41,000)	234,321,799
Lease and subscription assets being amortized				
Machinery and equipment	85,458	61,987	—	147,445
Machinery and equipment - internal service funds	43,307	9,224	—	52,531
Subscriptions	86,130	93,926	—	180,056
Subscriptions - internal service funds	3,214,695	47,232	—	3,261,927
Total amortized assets	3,429,590	212,369	—	3,641,959
Less accumulated amortization:				
Machinery and equipment	(32,880)	(23,525)	—	(56,405)
Machinery and equipment - internal service funds	(11,525)	(15,446)	—	(26,971)
Subscriptions	(32,373)	(42,491)	—	(74,864)
Subscriptions - internal service funds	(1,092,387)	(1,296,922)	—	(2,389,309)
Total accumulated amortization	(1,169,165)	(1,378,384)	—	(2,547,549)
Total amortized assets, net	2,260,425	(1,166,015)	—	1,094,410
Governmental activities capital assets, net	\$ 297,171,440	9,997,309	(6,157,843)	301,010,906

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

Depreciation and amortization expense was charged to functions as follows:

Administrative Services	\$	144,156
Public Safety		3,486,133
Municipal Services (Public Works)		13,445,966
Health and Animal Services		25,269
Culture and Recreation		2,052,340
Community Development		20,290
Storm Water		1,969,107
General Government		1,163,190
Total		<u>22,306,451</u>
Internal Service Funds:		
Central Garage		10,418
Enterprise Resource Planning		<u>1,796,129</u>
Total depreciation expense	\$	<u><u>24,112,998</u></u>

CITY OF INDEPENDENCE, MISSOURI
Notes to Financial Statements
June 30, 2024

	Balance June 30, 2023	Additions	Retirements	Balance June 30, 2024
Business-type activities:				
Power and Light Fund:				
Nondepreciable capital assets:				
Land	\$ 4,828,430	—	—	4,828,430
Construction in progress	34,537,352	19,117,811	(21,302,649)	32,352,514
Total nondepreciable capital assets	39,365,782	19,117,811	(21,302,649)	37,180,944
Depreciable capital assets:				
Infrastructure:				
Production plant	96,683,101	3,230,649	—	99,913,750
Transmission plant	46,065,464	476,218	(83,478)	46,458,204
Distribution plant	201,128,727	1,619,183	(584,444)	202,163,466
General plant	18,833,964	189,956	—	19,023,920
Other	2,755,568	—	—	2,755,568
Total infrastructure	365,466,824	5,516,006	(667,922)	370,314,908
Machinery and equipment	26,781,494	1,875,406	(1,533,253)	27,123,647
Total depreciable capital assets	392,248,318	7,391,412	(2,201,175)	397,438,555
Less accumulated depreciation:				
Infrastructure	(194,648,076)	(10,207,670)	655,601	(204,200,145)
Machinery and equipment	(16,693,861)	(1,378,557)	1,522,152	(16,550,266)
* Total accumulated depreciation	(211,341,937)	(11,586,227)	2,177,753	(220,750,411)
Total depreciable capital assets, net	180,906,381	(4,194,815)	(23,422)	176,688,144
Subscription assets being amortized:				
Subscriptions	492,172	—	—	492,172
Total amortized assets	492,172	—	—	492,172
Less accumulated amortization:				
Subscriptions	(58,445)	(123,043)	—	(181,488)
Total accumulated amortization	(58,445)	(123,043)	—	(181,488)
Total amortized assets, net	433,727	(123,043)	—	310,684
Total power and light capital assets	\$ 220,705,890	14,799,953	(21,326,071)	214,179,772

* See page 64 note regarding depreciation.

CITY OF INDEPENDENCE, MISSOURI
Notes to Financial Statements
June 30, 2024

	<u>Balance</u> <u>June 30, 2023</u>	<u>Reclassifications</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance</u> <u>June 30, 2024</u>
Water Fund:					
Nondepreciable capital assets:	\$				
Land	2,164,901	—	—	—	2,164,901
Construction in progress	10,447,697	—	7,535,144	(7,499,175)	10,483,666
Total nondepreciable capital assets	12,612,598	—	7,535,144	(7,499,175)	12,648,567
Depreciable capital assets:					
Infrastructure:					
Nonutility property	40,014	—	—	—	40,014
Source of supply	8,287,225	(224,768)	—	—	8,062,457
Pumping plant	17,152,566	—	867,902	(3,486)	18,016,982
Treatment plant	26,334,356	—	401,718	(30,518)	26,705,556
Transmission plant	100,961,208	351,837	4,435,930	(124,867)	105,624,108
General plant	2,664,499	(481,861)	—	—	2,182,638
Other	12,547,766	—	—	—	12,547,766
Total infrastructure	167,987,634	(354,792)	5,705,550	(158,871)	173,179,521
Machinery and equipment	7,616,597	354,792	2,070,060	(89,506)	9,951,943
Total depreciable capital assets	175,604,231	—	7,775,610	(248,377)	183,131,464
Less accumulated depreciation:					
Infrastructure	(66,902,374)	(127,072)	(2,947,179)	167,410	(69,809,215)
Machinery and equipment	(6,070,926)	127,072	(599,061)	89,506	(6,453,409)
* Total accumulated depreciation	(72,973,300)	—	(3,546,240)	256,916	(76,262,624)
Total depreciable capital assets, net	102,630,931	—	4,229,370	8,539	106,868,840
Total water capital assets	\$ 115,243,529	—	11,764,514	(7,490,636)	119,517,407

* See page 64 note regarding depreciation.

CITY OF INDEPENDENCE, MISSOURI
Notes to Financial Statements
June 30, 2024

	Balance June 30, 2023	Reclassifications	Additions	Retirements	Balance June 30, 2024
Sanitary Sewer Fund:					
Nondepreciable capital assets:					
Land	\$ 330,191	—	—	—	330,191
Construction in progress	10,583,070	—	1,608,746	(490,625)	11,701,191
Total nondepreciable capital assets	10,913,261	—	1,608,746	(490,625)	12,031,382
Depreciable capital assets:					
Infrastructure:					
Nonutility property	46,368	—	—	—	46,368
Collection plant	129,975,291	1,306	—	—	129,976,597
Pumping plant	71,194,968	(38,210,489)	30,610	—	33,015,089
Treatment plant	13,499,656	38,463,434	539,901	—	52,502,991
General plant	1,219,348	(19,176)	—	—	1,200,172
Total infrastructure	215,935,631	235,075	570,511	—	216,741,217
Machinery and equipment	7,621,559	(235,075)	354,305	(129,619)	7,611,170
Total depreciable capital assets	223,557,190	—	924,816	(129,619)	224,352,387
Less accumulated depreciation:					
Infrastructure	(86,809,246)	(21,099)	(4,117,201)	—	(90,947,546)
Machinery and equipment	(5,986,311)	21,099	(416,024)	129,619	(6,251,617)
Total accumulated depreciation	(92,795,557)	—	(4,533,225)	129,619	(97,199,163)
Total depreciable capital assets, net	130,761,633	—	(3,608,409)	—	127,153,224
Lease assets being amortized					
Machinery and equipment	2,223	—	—	—	2,223
Total amortized assets	2,223	—	—	—	2,223
Less accumulated amortization:					
Machinery and equipment	(1,284)	—	(642)	—	(1,926)
Total accumulated amortization	(1,284)	—	(642)	—	(1,926)
Total amortized assets, net	939	—	(642)	—	297
Total sewer capital assets	141,675,833	—	(2,000,305)	(490,625)	139,184,903
* See page 64 note regarding depreciation.					

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

	Balance June 30, 2023	Additions	Retirements	Balance June 30, 2024
Events Center fund:				
Nondepreciable capital assets:				
Land	\$ 5,796,315	—	—	5,796,315
Total nondepreciable capital assets	5,796,315	—	—	5,796,315
Depreciable capital assets:				
Infrastructure	70,737,149	4,118,931	—	74,856,080
Machinery and equipment	7,200,230	1,847,835	—	9,048,065
Total depreciable capital assets	77,937,379	5,966,766	—	83,904,145
Less accumulated depreciation:				
Infrastructure	(22,732,579)	(2,015,963)	—	(24,748,542)
Machinery and equipment	(4,011,749)	(569,211)	—	(4,580,960)
Total accumulated depreciation	(26,744,328)	(2,585,174)	—	(29,329,502)
Total depreciable capital assets, net	56,989,366	3,381,592	—	54,574,643
Total events center capital assets	56,989,366	3,381,592	—	60,370,958
 Total business-type activities capital assets	 \$ 534,614,618	 28,191,838	 (29,283,910)	 533,253,040

Depreciation and amortization expense was charged to functions as follows:

Business-type activities:	
Power and Light	\$ 11,709,270
Water	3,539,716
Sanitary Sewer	4,533,867
Events Center	2,585,174
Total business-type activities depreciation and amortization expense	\$ 22,368,027

Depreciation expense charged to Power and Light and Water funds may be different than the additions to accumulated depreciation because certain depreciation related to utility vehicles and heavy equipment are charged to clearing accounts and redistributed to various operating, construction, and other capital accounts. As of June 30, 2024 the difference for Water is \$6,524.

Under accounting practices promulgated in the utility industry by the Federal Energy Regulatory Commission (FERC) and the National Association of Regulatory Utility Commissioners (NARUC), for business-type activities, units retired plus the cost of removal, less salvage, are charged against accumulated depreciation, with no gain or loss recognized. The retirement of these assets can cause the decrease in accumulated depreciation to be higher than the decrease of the capital asset due to the cost of removal.

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

(7) Long-Term Obligations

The State Constitution permits a city, by vote of two-thirds of the voting electorate, to incur general obligation indebtedness for “city purposes,” not to exceed 10% of the assessed value of taxable tangible property. The State Constitution also permits a city, by vote of two-thirds of the voting electorate under a special election or four-sevenths under a general election, to incur additional general obligation indebtedness not exceeding, in the aggregate, an additional 10% of the assessed value of taxable tangible property for the purpose of acquiring rights-of-way, constructing, extending, and improving streets and avenues and/or sanitary or storm sewer systems, and purchasing or constructing waterworks, electric, or other plants, provided that the total general obligation indebtedness of the city does not exceed 20% of the assessed valuation of taxable property. As of June 30, 2024, the City has no general obligation debt outstanding.

The following is a summary of changes in long-term liabilities of the City for the year ended June 30, 2024:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Amount Due Within One Year</u>
Governmental activities:					
Loans and notes payable:					
Loans payable	\$ 16,630,000	20,000,000	1,345,000	35,285,000	1,970,000
TIF loans	103,480,000	—	6,585,000	96,895,000	6,655,000
Financed purchase obligation	1,193,813	—	410,203	783,610	208,235
Neighborhood Improvement District (NID)	12,000	—	12,000	—	—
Premium (discount), net	4,537,403	—	345,303	4,192,100	—
Total loans and note payable	<u>125,853,216</u>	<u>20,000,000</u>	<u>8,697,506</u>	<u>137,155,710</u>	<u>8,833,235</u>
Other liabilities:					
Compensated absences	16,852,920	8,787,958	8,075,281	17,565,597	7,847,501
Total OPEB liability	120,259,108	1,562,168	51,769	121,769,507	5,230,771
Claims payable	10,591,695	30,458,283	24,565,620	16,484,358	5,445,606
Net pension liability	33,170,538	14,460,104	—	47,630,642	—
Lease liability	51,819	61,988	22,774	91,033	30,399
Lease liability - internal service funds	29,732	9,224	14,736	24,220	14,176
Subscription liability	40,553	91,350	61,395	70,508	36,184
Subscription liability - internal service funds	1,346,786	47,232	979,726	414,292	310,112
Total other liabilities	<u>182,343,151</u>	<u>55,478,307</u>	<u>33,771,301</u>	<u>204,050,157</u>	<u>18,914,749</u>
Total Governmental Activities	<u>\$ 308,196,367</u>	<u>75,478,307</u>	<u>42,468,807</u>	<u>341,205,867</u>	<u>27,747,984</u>

The compensated absences, other post-employment benefit liabilities and pension liabilities attributable to governmental activities will be liquidated primarily by the General Fund. The self-insurance claims liability will be paid from the Staywell Health Care Fund and Workers’ Compensation Fund.

CITY OF INDEPENDENCE, MISSOURI
Notes to Financial Statements
June 30, 2024

The following is a summary of changes in long-term debt of the Proprietary Funds for the year ended June 30, 2024:

	Beginning Balance	Additions	Reductions	Ending Balance	Amount Due Within One Year
Business-type activities:					
Power and Light Fund:					
Revenue bonds	\$ 116,595,000	—	3,555,000	113,040,000	3,730,000
Premium on bonds payable	5,240,722	—	356,029	4,884,693	—
Total revenue bonds	121,835,722	—	3,911,029	117,924,693	3,730,000
Compensated absences	5,246,011	2,580,884	2,665,273	5,161,622	1,786,218
Total OPEB liability	35,735,127	—	3,539,824	32,195,303	1,382,992
Net pension liability	10,474,542	2,002,099	—	12,476,641	—
Subscription liability	363,613	—	117,635	245,978	121,169
Total Power and Light Fund	173,655,015	4,582,983	10,233,761	168,004,237	7,020,379
Water Fund:					
Revenue bonds	16,760,000	—	1,880,000	14,880,000	1,950,000
Premium on bonds payable	349,562	—	55,194	294,368	—
Total revenue bonds	17,109,562	—	1,935,194	15,174,368	1,950,000
Compensated absences	1,180,970	1,002,358	857,623	1,325,705	515,152
Total OPEB liability	10,222,327	—	876,565	9,345,762	401,460
Net pension liability	2,954,649	436,330	—	3,390,979	—
Total Water Fund	31,467,508	1,438,688	3,669,382	29,236,814	2,866,612
Sanitary Sewer Fund:					
Revenue Bonds	81,750,000	—	3,615,000	78,135,000	3,695,000
Premium on bonds payable	4,455,963	—	290,607	4,165,356	—
Discount on bonds payable	(33,590)	—	(1,600)	(31,990)	—
Total revenue bonds	86,172,373	—	3,904,007	82,268,366	3,695,000
Compensated absences	891,797	512,849	528,597	876,049	360,467
Total OPEB liability	9,526,476	—	475,991	9,050,485	388,776
Net pension liability	1,959,459	464,096	—	2,423,555	—
Lease liability	862	—	689	173	173
Total Sanitary Sewer Fund	98,550,967	976,945	4,909,284	94,618,628	4,444,416
Events Center Fund:					
Revenue bonds	83,415,000	—	3,400,000	80,015,000	3,640,000
Premium on bonds payable	1,265,796	—	107,440	1,158,356	—
Total Events Center Fund	84,680,796	—	3,507,440	81,173,356	3,640,000
Total business-type activities	\$ 388,354,286	6,998,617	22,319,867	373,033,035	17,971,407

CITY OF INDEPENDENCE, MISSOURI
Notes to Financial Statements
June 30, 2024

Debt service requirements on long-term debt with scheduled maturities at June 30, 2024 are as follows:

Governmental Activities										
Loans Payable			TIF Loans		Total					
	Principal	Interest	Principal	Interest	Principal	Interest				
2025	\$ 1,970,000	1,390,746	6,655,000	3,897,675	8,625,000	5,288,421				
2026	2,035,000	1,326,149	6,635,000	3,633,350	8,670,000	4,959,499				
2027	2,105,000	1,259,021	8,085,000	3,371,794	10,190,000	4,630,815				
2028	2,175,000	1,189,234	6,245,000	3,047,019	8,420,000	4,236,252				
2029	2,250,000	1,116,786	3,505,000	2,779,163	5,755,000	3,895,949				
2030 - 2034	10,865,000	4,449,104	15,620,000	11,898,125	26,485,000	16,347,229				
2035 - 2039	6,815,000	2,731,681	13,950,000	8,745,050	20,765,000	11,476,731				
2040 - 2044	7,070,000	1,117,593	11,935,000	6,211,431	19,005,000	7,329,024				
2045 - 2049	—	—	16,010,000	3,266,019	16,010,000	3,266,019				
2050 - 2051	—	—	8,255,000	549,600	8,255,000	549,600				
	\$ 35,285,000	14,580,312	96,895,000	47,399,226	132,180,000	61,979,538				
Business-type Activities										
Power and Light			Water		Sewer		Events Center		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 3,730,000	4,893,344	1,950,000	578,138	3,695,000	2,530,079	3,640,000	2,285,184	13,015,000	10,286,745
2026	3,915,000	4,706,844	2,035,000	498,438	3,790,000	2,439,464	3,890,000	2,184,757	13,630,000	9,829,503
2027	4,110,000	4,511,094	2,120,000	415,338	3,895,000	2,334,617	4,145,000	2,077,527	14,270,000	9,338,576
2028	4,315,000	4,305,594	2,210,000	325,975	4,010,000	2,213,725	4,415,000	1,963,376	14,950,000	8,808,670
2029	4,530,000	4,089,844	2,305,000	230,031	4,145,000	2,082,762	4,705,000	1,831,804	15,685,000	8,234,440
2030 - 2034	26,295,000	16,815,219	4,260,000	90,525	22,965,000	8,173,971	28,410,000	6,823,760	81,930,000	31,903,475
2035 - 2039	28,140,000	10,320,144	—	—	22,460,000	4,180,556	30,810,000	2,189,663	81,410,000	16,690,363
2040 - 2044	26,110,000	5,364,906	—	—	13,175,000	1,683,330	—	—	39,285,000	7,048,236
2045 - 2047	11,895,000	692,225	—	—	—	—	—	—	11,895,000	692,225
	\$ 113,040,000	55,699,215	14,880,000	2,138,446	78,135,000	25,638,504	80,015,000	19,356,072	286,070,000	102,832,234

Included in the Events Center maturity schedule above is the following privately placed Series 2022 revenue bonds:

Events Center - Privately Placed			
		Principal	Interest
2025	\$	2,830,000	1,687,034
2026		3,055,000	1,610,907
2027		3,290,000	1,528,727
2028		3,025,000	1,440,226
2029		2,325,000	1,358,854
2030 - 2034		20,385,000	5,444,560
2035 - 2038		27,805,000	1,970,963
	\$	62,715,000	15,041,272

Acceleration Clauses

In the event of the City's default on debt service payments, all TIF loans and business-type revenue bonds have acceleration clauses. If 25% of the bondholders vote to enforce the acceleration clause then the full amounts of the outstanding principal and accrued interest are due immediately.

The Events Center Series 2022 bonds are privately placed. In the event of the City's default on debt service payments, the Trustee may declare that the full amounts of the outstanding principal and accrued interest are due immediately.

CITY OF INDEPENDENCE, MISSOURI
Notes to Financial Statements
June 30, 2024

(a) Governmental Activities

(1) Loans Payable

Governmental activities loans payable at June 30, 2024 is comprised of the following:

\$17,940,000 Lease Purchase for Deferred Maintenance, annual installments of \$1,220,000 to \$1,575,000; interest at 2.420% - paid from the Street Improvements Sales Tax fund	\$ 15,285,000
\$20,000,000 Lease Purchase for the Building Acquisition & Improvements, annual installments of \$585,000 to \$1,565,000; interest at 5.180% - paid from the General Fund	20,000,000
Total Governmental Activities Loans Payable	<u>\$ 35,285,000</u>

Both of the loans payable are privately placed.

(2) Financed Purchase Obligations and Leases

Financed Purchase Obligations

Financed purchase obligations at June 30, 2024 are comprised of the following:

Motorola Solutions (radio equipment) annual installments of \$158,096 to \$178,587 through 2027; interest at 2.48% - paid from the General fund and Police Sales Tax fund with allocations to the Enterprise funds and Storm Water Sales Tax fund	\$ 706,351
Caterpillar Financial Services (wheel loader) annual installments of \$34,830 to \$38,053 through 2025; interest at 3.025% - paid from the Street Improvements Sales Tax fund	77,259
Total Financed Purchase Obligations	<u>\$ 783,610</u>

The net book value of assets acquired under the financed purchases described above amounted to \$2,200,001 as of June 30, 2024.

CITY OF INDEPENDENCE, MISSOURI
Notes to Financial Statements
June 30, 2024

The future minimum obligations and the net present value of these minimum payments as of June 30, 2024 were as follows:

Year ending June 30:		
2025	\$	228,098
2026		228,098
2027		187,670
2028		187,670
		<u>831,536</u>
Less imputed interest		<u>(47,926)</u>
Present value of minimum lease payments	\$	<u><u>783,610</u></u>

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

Lease Arrangements

Leases Payable

Under GASB Statement No. 87, a lessee is required to recognize an intangible right to use asset and a lease liability at the commencement of the lease term based on the estimated present value of the lease payments. The intangible right to use assets represent the City's right to use the underlying assets during the term of the lease, and lease liabilities represent the City's obligation to make lease payments arising from the lease. For fund statements an expenditure and other financing source are reported in the period the lease is initially recognized. The subsequent lease payments are accounted for consistent with the principles of debt service payments on long-term debt. The intangible right to use asset is amortized over the lease term. The City uses an average interest rate based upon a combination of treasury rates and credit rates to calculate the present value of lease payments when the rate implicit in the lease is not known. For each lease listed below, the intangible right to use asset is included in Note 6 – Capital Assets and the lease liability is included in Note 7 – Long-Term Obligations.

On April 19, 2019, the City entered into a 60-month lease as Lessee for the use of a Ricoh Copier for Municipal Court. On July 1, 2021, an initial lease asset and lease liability were recorded in the amount of \$3,642. As of June 30, 2024, the value of the lease liability was zero. The City was required to make monthly fixed payments of \$112. The lease had an interest rate of 0.8450%. As of June 30, 2024, the value of the right to use asset was \$3,642 with accumulated amortization of \$3,642.

On August 29, 2019, the City entered into a 60-month lease as Lessee for the use of a Ricoh Multifunction Copier for the Finance Department. On July 1, 2021, an initial lease asset and lease liability were recorded in the amount of \$7,085. As of June 30, 2024, the value of the lease liability was zero. The City was required to make quarterly fixed payments of \$598. The lease had an interest rate of 0.8450%. As of June 30, 2024, the value of the right to use asset was \$7,085 with accumulated amortization of \$7,085.

On September 20, 2019, the City entered into a 60-month lease as Lessee for the use of a Ricoh Multifunction Copier for the City Manager's Office. On July 1, 2021, an initial lease asset and lease liability were recorded in the amount of \$5,683. As of June 30, 2024, the value of the lease liability was \$303. The City is required to make monthly fixed payments of \$152. The lease has an interest rate of 0.8450%. As of June 30, 2024, the value of the right to use asset was \$5,683 with accumulated amortization of \$5,296.

On December 17, 2019, the City entered into a 60-month lease as Lessee for the use of a Ricoh Multifunction Copier for the Sanitary Sewer Maintenance division. On July 1, 2021, an initial lease asset and lease liability were recorded in the amount of \$4,445. As of June 30, 2024, the value of the lease liability was \$346. The City is required to make quarterly fixed payments of \$347. The lease has an interest rate of 0.8450%. As of June 30, 2024, the value of the right to use asset was \$4,445 with accumulated amortization of \$3,852.

On December 17, 2019, the City entered into a 60-month lease as Lessee for the use of a Ricoh Multifunction Copier for the Animal Services division. On July 1, 2022, an initial lease asset and lease liability were recorded in the amount of \$2,814. As of June 30, 2024, the value of the lease liability was \$570. The City is required to make monthly fixed payments of \$95. The lease has an interest rate of

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

0.8450%. As of June 30, 2024, the value of the right to use asset was \$2,814 with accumulated amortization of \$2,252.

On September 8, 2020, the City entered into a 60-month lease as Lessee for the use of a Hewlett Packard Multifunction Copier for the Community Development Department. On July 1, 2021, an initial lease asset and lease liability were recorded in the amount of \$4,967. As of June 30, 2024, the value of the lease liability was \$1,482. The City is required to make quarterly fixed payments of \$299. The lease has an interest rate of 1.0110%. As of June 30, 2024, the value of the right to use asset was \$4,967 with accumulated amortization of \$3,546.

On September 21, 2020, the City entered into a 60-month lease as Lessee for the use of a Hewlett Packard LJ Managed Copier for the Tourism Division. On July 1, 2021, an initial lease asset and lease liability were recorded in the amount of \$5,551. As of June 30, 2024, the value of the lease liability was \$1,874. The City is required to make quarterly fixed payments of \$315. The lease has an interest rate of 1.0110%. As of June 30, 2024, the value of the right to use asset was \$5,551 with accumulated amortization of \$3,898.

On May 26, 2021, the City entered into a 60-month lease as Lessee for the use of a Hewlett Packard LJ Managed Copier for the Health Department. On July 1, 2021, an initial lease asset and lease liability were recorded in the amount of \$5,358. As of June 30, 2024, the value of the lease liability was \$2,177. The City is required to make quarterly fixed payments of \$276. The lease has an interest rate of 1.1770%. As of June 30, 2024, the value of the right to use asset was \$5,358 with accumulated amortization of \$3,279.

On June 2, 2021, the City entered into a 60-month lease as Lessee for the use of a Hewlett Packard LJ Printer for the City Clerk's Office. On July 1, 2021, an initial lease asset and lease liability were recorded in the amount of \$6,183. As of June 30, 2024, the value of the lease liability was \$2,515. The City is required to make quarterly fixed payments of \$318. The lease has an interest rate of 1.1770%. As of June 30, 2024, the value of the right to use asset was \$6,183 with accumulated amortization of \$3,771.

On June 14, 2021, the City entered into a 60-month lease as Lessee for the use of two Hewlett Packard LF Managed Copiers for the Police Department. On July 1, 2021, an initial lease asset and lease liability were recorded in the amount of \$10,437. As of June 30, 2024, the value of the lease liability was \$4,244. The City is required to make quarterly fixed payments of \$538. The lease has an interest rate of 1.1770%. As of June 30, 2024, the value of the right to use asset was \$10,437 with accumulated amortization of \$6,322.

On October 21, 2021, the City entered into a 60-month lease as Lessee for the use of two Hewlett Packard LJ Managed Copiers for the Municipal Services Department. An initial lease asset and lease liability were recorded in the amount of \$7,573. As of June 30, 2024, the value of the lease liability was \$3,662. The City is required to make quarterly fixed payments of \$374. The lease has an interest rate of 1.4460%. As of June 30, 2024, the value of the right to use asset was \$7,573 with accumulated amortization of \$4,081.

On March 23, 2022, the City entered into a 60-month lease as Lessee for the use of a six Hewlett Packard LJ Managed Copiers for the Police Department. An initial lease asset and lease liability were recorded in the amount of \$31,026. As of June 30, 2024, the value of the lease liability was \$15,869. The City is

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

required to make quarterly fixed payments of \$1,638. The lease has an interest rate of 2.3230%. As of June 30, 2024, the value of the right to use asset was \$31,026 with accumulated amortization of \$14,099.

On December 1, 2022, the City entered into a 36-month lease as Lessee for the use of Quadient Mail Postage Equipment for the City as a whole. An initial lease asset and lease liability were recorded in the amount of \$36,223. As of June 30, 2024, the value of the lease liability was \$15,452. The City is required to make quarterly fixed payments of \$3,169. The lease has an interest rate of 3.3780%. As of June 30, 2024, the value of the right to use asset was \$36,223 with accumulated amortization of \$19,117.

On August 22, 2023, the City entered into a 60-month lease as Lessee for the use of a Hewlett Packard DesignJet Printer for the Fire Department. An initial lease asset and lease liability were recorded in the amount of \$8,596. As of June 30, 2024, the value of the lease liability was \$6,926. The City is required to make quarterly payments of \$460. The lease has an interest rate of 2.8760%. As of June 30, 2024, the value of the right to use asset was \$8,596 with accumulated amortization of \$1,476.

On February 1, 2024, the City entered into a 60-month lease as Lessee for the use of a Hewlett Packard LJ Managed Copier for the Technology Services Department. An initial lease asset and liability were recorded in the amount of \$9,224. As of June 30, 2024, the value of the lease liability was \$8,768. The City is required to make quarterly payments of \$516. The lease has an interest rate of 2.4320%. As of June 30, 2024, the value of the right to use asset was \$9,224 with accumulated amortization of \$769.

On April 15, 2024, the City entered into a 48-month lease as Lessee for the use of a Bobcat Skid Steer Loader for the Municipal Services Department. An initial lease asset and liability were recorded in the amount of \$53,392. As of June 30, 2024, the value of the lease liability was \$51,238. The City is required to make monthly payments of \$1,202. The lease has an interest rate of 2.8320%. As of June 30, 2024, the value of the right to use asset was \$53,392 with accumulated amortization of \$2,817.

The future minimum lease payment for governmental and business-type activities for the year ended June 30, 2024 is as follows:

Fiscal Year	Governmental Activities		
	Principal	Interest	Total
2025	\$ 44,575	2,497	47,072
2026	33,548	1,444	34,992
2027	21,607	736	22,343
2028	14,501	215	14,716
2029	1,022	9	1,031
	<u>\$ 115,253</u>	<u>4,901</u>	<u>120,154</u>
Fiscal Year	Business-Type Activities		
	Principal	Interest	Total
2025	\$ 173	1	174
	<u>\$ 173</u>	<u>1</u>	<u>174</u>

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

Leases Receivable

Under GASB Statement No. 87, a lessor is required to recognize a lease receivable and a deferred inflow of resources at the commencement of the lease term. The lease receivable is measured at the present value of the lease payments expected to be received during the lease term. The deferred inflows of resources are measured at the value of the lease receivable plus any payments received at or before the commencement of the least term that relate to future periods.

On July 8, 2002, the City entered into a 480-month lease as Lessor for T-Mobile to use tower and space rental at Fire Station #1. On July 1, 2021, an initial lease receivable and deferred inflow of resources were recorded in the amount of \$865,368. As of June 30, 2024, the value of the lease receivable was \$788,464. The lessee is required to make annual fixed payments of \$41,976. The lease has an interest rate of 2.6590%. As of June 30, 2024, the value of the deferred inflow of resources was \$741,858, and the City recognized lease revenue of \$41,170 during the fiscal year.

On January 1, 2007, the City entered into a 240-month lease as Lessor for the use of Bass Pro Store. On July 1, 2021, an initial lease receivable and deferred inflows of resources were recorded in the amount of \$4,806,001. As of June 30, 2024, the value of the lease receivable was \$1,965,490. The lessee is required to make annual fixed payments of \$1,000,000. The lease has an interest rate of 1.3350%. As of June 30, 2024, the value of the deferred inflow of resources was \$1,965,490, and the City recognized lease revenue of \$944,066 during the fiscal year.

On August 27, 2020, the City entered into a 360-month lease as Lessor for the use of land for the Lamar message board at the Cable Dahmer Arena. On July 1, 2021, an initial lease receivable and deferred inflow of resources were recorded in the amount of \$562,548. As of June 30, 2024, the value of the lease receivable was \$530,115. The lessee is required to make monthly fixed payments of \$2,100, and pre-paid 48 months at the commencement of the lease. The lease has an interest rate of 2.7210%. As of June 30, 2024, the value of the deferred inflow of resources was \$424,145.

On April 1, 2023, the City entered into a 60-month lease as Lessor for the use of land owned by Power and Light. An initial lease receivable and deferred inflow of resources were recorded in the amount of \$40,115. As of June 30, 2024, the value of the lease receivable was \$24,111. The lessee is required to make annual fixed payments of \$8,470. The lease has an interest rate of 2.670%. As of June 30, 2024, the value of the deferred inflow of resources was \$30,086 and the City recognized lease revenue of \$8,023.

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

The future minimum lease revenue due for governmental and business-type activities under lease arrangement for the year ended June 30, 2024 is as follows:

Governmental Activities			
Fiscal Year	Principal	Interest	Total
2025	\$ 999,675	42,301	1,041,976
2026	1,008,395	33,581	1,041,976
2027	22,144	19,833	41,977
2028	29,028	19,244	48,272
2029	29,800	18,472	48,272
2030 - 2034	175,991	79,854	255,845
2035 - 2039	241,050	53,172	294,222
2040 - 2044	247,871	17,067	264,938
	<u>\$ 2,753,954</u>	<u>283,524</u>	<u>3,037,478</u>
Business-Type Activities			
Fiscal Year	Principal	Interest	Total
2025	\$ 17,163	16,507	33,670
2026	17,664	16,006	33,670
2027	18,177	15,492	33,669
2028	10,237	14,963	25,200
2029	14,042	13,367	27,409
2030 - 2034	84,908	61,510	146,418
2035 - 2039	103,423	51,950	155,373
2040 - 2044	118,477	31,523	150,000
2045 - 2049	135,723	14,277	150,000
2050 - 2051	34,412	588	35,000
	<u>\$ 554,226</u>	<u>236,183</u>	<u>790,409</u>

Subscription-Based Information Technology Arrangements

Under GASB Statement No. 96, the City is required to recognize an intangible right to use asset and a subscription liability at the commencement of the lease term based on the estimated present value of the subscription payments. The intangible right to use assets represent the City's right to use the underlying assets during the term of the subscription agreement, and subscription liabilities represent the City's obligation to make payments arising from the agreement. For fund statements an expenditure and other financing source are reported in the period the subscription is initially recognized. The subsequent payments are accounted for consistent with the principles of debt service payments on long-term debt. The right to use asset is amortized over the subscription term. For each subscription listed below, the intangible right to use asset is included in Note 6 – Capital Assets and the subscription liability is included in Note 7 – Long-Term Obligations.

The City uses an average interest rate based upon a combination of treasury rates and credit rates to calculate the present value of lease payments when the rate implicit in the lease is not known.

On September 1, 2017, the City entered into a 84-month subscription for the use of Munis ERP System. On July 1, 2022, an initial subscription asset was recorded in the amount of \$1,912,213 and a

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

subscription liability was recorded in the amount of \$1,173,113. As of June 30, 2024, the value of the subscription liability was zero. The City is required to make annual fixed payments of \$596,172. The subscription has an interest rate of 2.1937%. As of June 30, 2024, the value of the right to use asset was \$1,912,213 with accumulated amortization of \$1,699,745.

On January 22, 2020, the City entered into an estimated 72-month subscription for the use of eCivis Cost Allocation Software. On July 1, 2022, an initial subscription asset and subscription liability were recorded in the amount of \$81,171. As of June 30, 2024, the value of the subscription liability was \$27,399. The City is required to make annual fixed payments of \$28,000. The subscription has an interest rate of 2.1937%. As of June 30, 2024, the value of the right to use asset was \$81,171 with accumulated amortization of \$45,305.

On January 1, 2022, the City entered into a 36-month subscription for the use of the Enterprise Advantage Program. On July 1, 2022, an initial subscription asset and subscription liability were recorded in the amount of \$101,963. As of June 30, 2024, the value of the subscription liability was zero. The City is required to make annual fixed payments of \$52,100. The subscription has an interest rate of 2.1937%. As of June 30, 2024, the value of the right to use asset was \$101,963 with accumulated amortization of \$81,571.

On January 7, 2022, the City entered into a 36-month subscription for the use of Vector/Target Solutions - Training & Stations Inventory Program. On July 1, 2022, an initial subscription asset and subscription liability were recorded in the amount of \$39,678. As of June 30, 2024, the value of the subscription liability was zero. The City is required to make annual fixed payments of \$20,026. The subscription has an interest rate of 2.3543%. As of June 30, 2024, the value of the right to use asset was \$39,678 with accumulated amortization of \$31,291.

On January 7, 2022, the City entered into a 36-month subscription for the use of Vector/Target Solutions - Fire Scheduling Software. On July 1, 2022, an initial subscription asset and subscription liability were recorded in the amount of \$38,221. As of June 30, 2024, the value of the subscription liability was zero. The City is required to make annual fixed payments of \$8,683. The subscription has an interest rate of 2.1937%. As of June 30, 2024, the value of the right to use asset was \$38,221 with accumulated amortization of \$30,141.

On August 1, 2022, the City entered into a 36-month subscription for the use of CityWorks. An initial subscription asset and subscription liability were recorded in the amount of \$467,562. As of June 30, 2024, the value of the subscription liability was \$160,528. The City is required to make annual fixed payments of \$154,875. The subscription has an interest rate of 2.3543%. As of June 30, 2024, the value of the right to use asset was \$467,562 with accumulated amortization of \$298,720.

On November 1, 2022, the City entered into an estimated 36-month subscription with Reach Media Network for the Sermon Center. An initial subscription asset and subscription liability were recorded in the amount of \$2,058. As of June 30, 2024, the value of the subscription liability was \$686. The City is required to make annual fixed payments of \$708. The subscription has an interest rate of 3.2540%. As of June 30, 2024, the value of the right to use asset was \$2,058 with accumulated amortization of \$1,143.

On December 1, 2022, the City entered into an estimated 36-month subscription with Reach Media Network for the Palmer Senior Center, Truman Memorial Building, and Sermon Center. An initial

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

subscription asset and subscription liability were recorded in the amount of \$6,173. As of June 30, 2024, the value of the subscription liability was \$2,057. The City is required to make annual fixed payments of \$2,124. The subscription has an interest rate of 3.2540%. As of June 30, 2024, the value of the right to use asset was \$6,173 with accumulated amortization of \$3,258.

On January 10, 2023, the City entered into an estimated 48-month subscription for the use of Monarch Support for Power and Light. An initial subscription asset and subscription liability were recorded in the amount of \$335,860. As of June 30, 2024, the value of the subscription liability was \$167,856. The City is required to make annual fixed payments of \$87,729. The subscription has an interest rate of 3.0043%. As of June 30, 2024, the value of the right to use asset was \$335,860 with accumulated amortization of \$123,849.

On January 10, 2023, the City entered into an estimated 48-month subscription for the use of Patch Management for Power and Light. An initial subscription asset and subscription liability were recorded in the amount of \$156,312. As of June 30, 2024, the value of the subscription liability was \$78,122. The City is required to make annual fixed payments of \$40,830. The subscription has an interest rate of 3.0043%. As of June 30, 2024, the value of the right to use asset was \$156,313 with accumulated amortization of \$57,640.

On May 1, 2023, the City entered into a 36-month subscription for the use of Ceridian Dayforce Payroll. An initial subscription asset was recorded in the amount of \$651,786 and a subscription liability was recorded in the amount of \$365,868. As of June 30, 2024, the value of the subscription liability was \$226,365. The City is required to make monthly fixed payments of \$11,973. The subscription has an interest rate of 2.5033%. As of June 30, 2024, the value of the right to use asset was \$651,786 with accumulated amortization of \$253,472.

On November 1, 2023, the City entered into a 36-month subscription for the use of VEEAM Backup for the Technology Services Department. An initial subscription asset and subscription liability were recorded in the amount of \$47,232. As of June 30, 2024, the value of the subscription liability was zero. The City was required to make a one-time payment of \$47,376. The subscription has an interest rate of 3.6660%. As of June 30, 2024, the value of the right to use asset was \$47,232 with accumulated amortization of \$10,496.

On March 1, 2024, the City entered into a 36-month subscription for the use of Road A1 Software for the Municipal Services Department. An initial subscription asset was recorded in the amount of \$68,635 and subscription liability was recorded in the amount of \$66,059. As of June 30, 2024, the value of the subscription liability was \$51,112. The City is required to make annual payments of \$15,087. The subscription has an interest rate of 2.5330%. As of June 30, 2024, the value of the right to use asset was \$68,635 with accumulated amortization of \$7,626.

On May 1, 2024, the City entered into a 36-month subscription for the use of Wx Horizon Pro Weather Forecasting Services for the Municipal Services Department. An initial subscription asset and subscription liability were recorded for \$25,291. As of June 30, 2024, the value of the subscription liability was \$16,653. The City is required to make annual fixed payments of \$8,700. The subscription has an interest rate of 2.9750%. As of June 30, 2024, the value of the right to use asset was \$25,291 with accumulated amortization of \$1,405.

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

The future minimum subscription payments due for governmental and business-type activities under subscription arrangement for the year ended June 30, 2024 is as follows:

Governmental Activities			
Fiscal Year	Principal	Interest	Total
2025	\$ 346,296	10,531	356,827
2026	138,504	2,106	140,610
	<u>\$ 484,800</u>	<u>12,637</u>	<u>497,437</u>
Business-Type Activities			
Fiscal Year	Principal	Interest	Total
2025	\$ 121,169	7,390	128,559
2026	124,809	3,750	128,559
	<u>\$ 245,978</u>	<u>11,140</u>	<u>257,118</u>

(3) Blended Component Unit – TIF Commission

(a) Tax Increment Financing Loans and Developer Obligations

The City's tax increment financing loan (TIF loans) indebtedness is recorded as a liability of the TIF Commission to match revenue streams to the related debt for which they have been pledged. The obligation of the City and the Commission to pay principal and interest on these bonds is limited solely to the tax increment financing (TIF) revenues generated from each project, and in certain instances an annual appropriation pledge from the City.

The City and other taxing districts and governmental entities have pledged a portion of future property tax and sales tax revenues to repay principal and interest of \$144.3 million in tax increment financing loans (TIF Loans) issued at various dates beginning in 1999 to finance redevelopment projects within each of the respective TIF plans. The loans are payable solely from the incremental increase in property taxes and sales taxes generated within the TIF plans. TIF revenues were projected to produce sufficient funds to meet debt service requirements over the life of the TIF loans. Should TIF revenues not be sufficient to meet the required debt service obligations, neither the City nor the Commission is obligated to make such loan payments from any other sources of its revenues. However, the City intends to annually appropriate funds sufficient to make all payments required by the bonds for the next fiscal year. During this fiscal year, the City did not use any of the City's general, sales tax, or proprietary funds to make up deficiencies in loan payments, and management anticipates the same for the next fiscal year.

Developer obligations represent developer project costs that have been certified by the City as eligible for reimbursement from tax increment financing revenues attributable to each respective project. Under tax increment financing plans, the developer may be reimbursed up to the certified cost amount from incremental taxes during a period not to exceed 23 years. TIF revenues were projected to produce sufficient funds to reimburse the developer for certified costs. The developer obligations are limited solely to the amount of incremental taxes received attributable to each respective project; any deficiencies are the sole responsibility of the developer and do not constitute an obligation of the Commission or of the City. For the fiscal year ended June 30, 2019, the City re-evaluated GASB Statement No. 48, *Sales and Pledges for Receivables and Future Revenues and Intra-Entity Transfer of Assets and Future Revenues*, and determined it was appropriate to remove the reported liability for long-term TIF developer obligations.

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

Although not recorded as a liability, the outstanding TIF developer obligations at June 30, 2024 were:

TIF Project	Obligations
Falls at Crackerneck - Bass Pro	\$ 5,350,000
Old Landfill - Stone Canyon	7,152,983
Cinema East - Blue Ridge	3,131,103
Trinity	1,733,099
23rd & Noland - Project 2	197,900
Little Blue Parkway 1	611,826
Little Blue Parkway 3	1,304,205
Marketplace Shopping Center 1	715,160
Marketplace Shopping Center 2	3,611,672
	<u>\$ 23,807,948</u>

At June 30, 2024, total principal and interest remaining on the TIF loans was \$144.3 million and the outstanding developer obligations were \$23.8 million. The TIF loans are scheduled to mature at varying amounts through 2051 and the developer obligations are payable to the extent incremental taxes are available for a period not to exceed 23 years.

For the current year, principal and interest paid on TIF loans and developer obligations totaled \$12.8 million, excluding refunding transactions. Incremental revenues from the City included \$5.2 million in sales taxes and \$552,996 in property taxes. The remaining funds necessary to meet the current year debt service requirements were derived from incremental tax revenues and other sources from other taxing districts and governmental entities, City and developer contributions, cash reserves, and debt trust funds.

During the current year, the City received a complaint seeking payment of TIF developer obligations and additional costs for the Falls at Crackerneck – Bass Pro. The City continues to defend itself and the ultimate outcome cannot be presently determined.

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

Missouri Development Finance Board Loans Payable

\$12,050,000 Series 2012 D (HCA - Centerpoint TIF) annual installments of \$575,000 to \$1,865,000 through 2027; interest at 3.00% to 4.00%	\$	3,690,000
\$2,030,000 Series 2014 B (HCA - Centerpoint TIF) annual installments of \$105,000 to \$495,000 through 2027; interest at 2.000% to 4.000%		810,000
\$5,225,000 Series 2015 A (Santa Fe TIF) annual installments of \$100,000 to \$285,000 through 2044; interest at 3.000% to 4.000%		4,155,000
\$3,545,000 Series 2015 B (Santa Fe TIF) annual installments of \$55,000 to \$215,000 through 2044; interest at 3.000% to 5.250%		2,915,000
\$47,060,000 Series 2015 C (Crackerneck Creek TIF) annual installments of \$1,200,000 to \$5,670,000 through 2045; interest at 3.000% to 5.000%		45,860,000
\$17,275,000 Series 2016 B (HCA - Centerpoint TIF) annual installments of \$970,000 to \$2,865,000 through 2028; interest at 3.000% to 5.000%		7,850,000
\$35,920,000 Series 2021 (Crackerneck Creek TIF) annual installments of \$75,000 to \$5,485,000 through 2051; interest at 3.000% to 5.000%		31,615,000
Total TIF Loans Payable	\$	<u>96,895,000</u>

Restricted assets held in trust accounts of \$10,315,194 consist of funds available for costs related to the redevelopment of the Santa Fe, Crackerneck Creek and HCA areas.

(1) Tax Increment Financing Prior Year Defeasance of Debt

In prior years, the City defeased certain loans payable with the Missouri Development Finance Board by placing the proceeds of refunding TIF loans in an irrevocable trust to provide for all future debt service payments on the old loans. Accordingly, the trust account assets and the liability for the defeased loans are not included in the City's financial statements. At June 30, 2024, there are no outstanding loans payable balances of previously defeased debt.

(b) Pledged Revenues

In November 2023, the Industrial Development Authority of the City of Independence, which is formed under the provisions of Chapter 349 of the Missouri Revised Statutes, issued \$13,675,000 in tax increment and special district revenue bonds for the redevelopment of the Hub Drive business district. The City has pledged a portion of future Tax Increment Financing sales tax revenues and real estate taxes to repay the revenue bonds. The bonds are payable from the incremental sales taxes generated by increased retail sales in the district and incremental real estate taxes from the increase in assessed valuations of the property in the redevelopment area. The Hub Drive CID and TDD have also pledged a portion of their sales tax revenues to repay the bonds. As of June 30, 2024, the outstanding principal and interest remaining on the bonds is \$22,273,144, payable through 2038. For the current year, interest paid was \$407,580 and total TIF, CID, and TDD pledged sales tax revenues were \$48,704 and TIF pledged real estate taxes were \$15,550.

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

(c) Bass Pro Lease

On October 18, 2004, the City approved the Crackerneck Creek Tax Increment Financing (TIF) Plan. The Crackerneck Creek TIF Plan provides for the development and construction of a proposed 450,000 square foot commercial retail center. The Crackerneck Creek Project (the Project) is scheduled to include (i) the Bass Pro Store described below, (ii) a minimum of 300,000 square feet of additional retail space and (iii) a hotel. In January 2010, a 55,000 square foot Hobby Lobby opened and in late 2009 a 23,000 square foot Mardel opened. During early 2011, an 8,000 square foot Cheddar's Restaurant opened. In March 2015, Stoney Creek Hotel & Conference Center opened with 167 guest rooms and 30,000 square feet of conference space. The City and the developer remain in discussions regarding securing additional retail development for the project. However, no additional agreements exist requiring any retailers to open for business in the Crackerneck Creek Redevelopment Area other than Bass Pro.

As part of the Project, the City has entered into the Lease Agreement (as amended from time to time, the "Bass Pro Lease") with Bass Pro Outdoor World L.L.C. ("Bass Pro"). Pursuant to the Bass Pro Lease the City will own a 150,000 square foot Bass Pro retail store (the "Bass Pro Store") and will lease the Bass Pro Store to Bass Pro under the terms and conditions as contained in the Bass Pro Lease. Under the Bass Pro Lease, the City was obligated to make \$25,000,000 available to Bass Pro. This amount was funded from the proceeds of the Series 2006A Bonds. The Bass Pro Store is located on an approximate 20-acre parcel owned by the City.

The initial term of the Bass Pro Lease is 20 years. Bass Pro has various renewal options under the lease agreement. During the initial 20-year term, Bass Pro is required to pay the City "Percentage Rent" rent equal to 2% of "Gross Sales" as defined in the Bass Pro Lease except that the "Minimum Percentage Rent" will not be less than of \$1,000,000 during each year of the initial term. During any of the nine one-year renewal options, Bass Pro will pay rent equal to \$10 per year provided the TIF bond financing provided by the City in a maximum of \$35,000,000 has been paid in full, or until the expiration of the third one-year renewal option (whichever occurs first), Bass Pro shall be obligated to pay \$1,000,000 per year to the City. During any of the three five-year renewal options, Bass Pro will pay rent equal to 1% of "Gross Sales" as defined in the lease agreement.

Beginning in fiscal year 2022 the Bass Pro Lease was recognized under GASB Statement No. 87 as a lease receivable. The following table of the minimum rental payments is presented as information only – see the Lease Arrangements note for this lease on pages 73 and 74.

The summary of the minimum rental payments due for this lease are as follows:

Fiscal Year		Amount
2025	\$	1,000,000
2026		1,000,000
Total	\$	<u>2,000,000</u>

Under the Bass Pro Lease, Bass Pro has the option to purchase the Bass Pro Store at the expiration of the 20-year initial term and at the expiration of any renewal option for a purchase price equal to 90% of the fair value thereof as determined by an appraisal.

CITY OF INDEPENDENCE, MISSOURI
Notes to Financial Statements
June 30, 2024

Also, under the Lease the City constructed an approximate 15-acre lake and an additional wilderness habitat area of approximately 15 acres. The City park includes a waterfall and presents a unique natural setting. The City also constructed 600 parking spaces adjacent to the Bass Pro Store.

(b) Business-Type Activities

(1) Revenue Bonds

Revenue bonds payable at June 30, 2024 are comprised of the following individual issues:

Power and Light Fund:

\$47,180,000 Series 2016 D annual installments of \$4,505,000 to \$6,060,000 through 2046; interest at 3.375% to 4.00%	\$ 47,180,000
\$72,625,000 Series 2022 A annual installments of \$3,210,000 to \$6,570,000 through 2037; interest at 4.00% to 5.00%	65,860,000
Total Power and Light Fund	<u>113,040,000</u>

Water Fund:

\$36,240,000 Series 2013 D annual installments of \$1,480,000 to \$4,260,000 through 2029; interest at 2.00% to 5.00%	14,880,000
Total Water Fund	<u>14,880,000</u>

Sanitary Sewer Fund:

\$21,170,000 Series 2014 C annual installments of \$250,000 to \$6,150,000 through 2043; interest at 2.00% to 5.00%	18,290,000
\$24,760,000 Series 2021 A annual installments of \$1,185,000 to \$2,205,000 through 2037; interest at 4.00% to 5.00%	22,340,000
\$41,565,000 Series 2021 B annual installments of \$2,025,000 to \$2,810,000 through 2040; interest at 0.489% to 2.983%	37,505,000
Total Sanitary Sewer Fund	<u>78,135,000</u>

Events Center Fund:

\$12,005,000 Series 2016 A annual installments of \$400,000 to \$710,000 through 2038; interest at 3.00%	8,410,000
\$9,730,000 Series 2021 annual installments of \$235,000 to \$1,825,000 through 2035; interest at 3.00% to 4.00%	8,890,000
\$67,850,000 Series 2022 annual installments of \$2,525,000 to \$7,955,000 through 2038; interest at 2.690%	62,715,000
Total Events Center Fund	<u>80,015,000</u>
Total Revenue Bonds	<u>\$ 286,070,000</u>

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

The Power and Light revenue bond ordinance and the Water revenue bond indenture require that the systems be accounted for in separate enterprise funds. They also require that after sufficient current assets have been set aside to operate the systems, all remaining monies held in the funds be segregated and restricted in separate special reserves and accounts in the following sequences:

Account	Restriction
Principal and interest	For the monthly accumulation of monies to meet the maturing revenue bond principal-and-interest requirements
Depreciation and emergency (water only)	For the accumulation of \$500,000 to finance emergency repairs and system improvements

Surplus account monies are reflected as unrestricted cash. The above required reserves and other reserves are reported in the accompanying statement of net position as restricted assets as follows:

Account	Enterprise Funds			
	Power and Light	Water	Sanitary Sewer	Events Center
Principal and interest	\$ 4,112,225	—	—	16,957
Depreciation and emergency	—	500,000	—	—
Bond reserve and project accounts	77,724	2,656,262	7,071,966	7,227,757
Total revenue bond reserves	4,189,949	3,156,262	7,071,966	7,244,714
Customer deposits	3,560,565	835,222	622,616	—
Purchase of Dogwood Plant	61,500	—	—	—
Southwest Power Pool collateral	977,681	—	—	—
Total	\$ 8,789,695	3,991,484	7,694,582	7,244,714

Various bond ordinances and indentures contain significant limitations and restrictions on annual debt service requirements, maintenance of and flow of monies through various restricted accounts, minimum amounts to be maintained in various sinking funds, and minimum revenue bond coverage. The City is in compliance with all such financial limitations and restrictions.

(2) *Prior Year Defeasance of Debt*

In prior years, the City defeased certain revenue bonds with the Missouri Development Finance Board by placing the proceeds in an irrevocable trust to provide for all future debt service payments on the defeased bonds. Accordingly, the trust account assets and liability for the defeased bonds are not included in the City's financial statements. At June 30, 2024, there are no revenue bond balances outstanding considered defeased.

CITY OF INDEPENDENCE, MISSOURI
Notes to Financial Statements
June 30, 2024

(3) Pledged Revenues

The Power and Light and Water Bonds are secured by a pledge of revenues, net of specified operating expenses to repay revenue bonds issued. The pledged revenue information for June 30, 2024 is as follows:

Date Issued	Description	Purpose of Debt	Revenue Pledged	Term of Commitment	Principal & Interest Remaining	Principal & Interest 2023 - 2024	Net Available Revenues 2023 - 2024
09/2016	Power and Light Leasehold Revenue Bonds	Electric System Projects	Appropriated Revenues	through 2046	\$ 79,920,214	1,789,994	
05/2022	Power and Light Revenue Bonds	Electric System Projects	Appropriated Revenues	through 2037	\$ 88,819,001	6,836,100	
					<u>168,739,215</u>	<u>8,626,094</u>	<u>49,691,980</u>
11/2013	Water Revenue Bonds - Refunding	Water System Improvements	Appropriated Revenues	through 2029	\$ 17,018,446	2,532,938	
					<u>17,018,446</u>	<u>2,532,938</u>	<u>15,763,687</u>
11/2014	Sewer System Revenue Bonds	Sewer System Improvements	Appropriated Revenues	through 2043	\$ 28,866,381	1,069,600	
10/2021	Sewer System Revenue Bonds	Sewer System Improvements	Appropriated Revenues	through 2036	29,211,275	2,248,650	
10/2021	Sewer System Revenue Bonds	Sewer System Improvements	Appropriated Revenues	through 2039	45,695,848	2,909,728	
					<u>103,773,504</u>	<u>6,227,978</u>	<u>16,184,161</u>

(4) Letter of Credit

The City maintains a letter of credit for \$800,000 with a bank, which serves as collateral for the Power and Light fund to participate in the Southwest Power Pool's (SPP) Transmission Congestion Rights Markets (TCR). The TCR Market provides financial rights used to hedge against the day-ahead market transmission congestion between two locations. As of June 30, 2024, the City has not utilized the letter of credit.

(5) Events Center Bonds

The Events Center Bonds (Bonds) are secured by a pledge of certain community improvement district sales taxes (CID sales taxes) and related Tax Increment Financing (TIF) revenues generated within the Independence Events Center Community Improvement District (District) boundaries. In addition, the Bonds include an annual appropriation covenant pursuant to which the City agrees to budget and appropriate sufficient funds to meet the scheduled debt service requirements of the Bonds should the CID sales taxes and TIF revenues not be sufficient to do so. For the year ended June 30, 2024, District revenues paid to the City for debt service totaled \$5,556,557. The remaining debt service amounts were funded from \$219,599 from the related TIF revenues generated within the district and \$2,937 from capitalized interest funds that were established at the time the Bonds were issued.

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

(8) Advances for Construction

As new developments are constructed, the Power and Light (Enterprise) Fund requires a nonrefundable cash payment from a customer or developer to be paid toward the cost of extending the distribution system, installation of streetlights, and other additions or modifications solely for the benefit of the customer or developer. The advances for construction at June 30, 2024 were \$235,012.

As new additions to the water distribution system are constructed, the Water (Enterprise) Fund requires the developer or wholesaler to advance the estimated cost of the water main extension or improvement. Upon project completion, any excess of the advance over the project cost is refunded to the developer or wholesaler or vice versa. The advances for construction at June 30, 2024 were \$197,471.

(9) Employee Retirement System

Plan Description

The City's defined benefit pension plan provides certain retirement, disability and death benefits to plan members and beneficiaries. The City participates in the Missouri Local Government Employees Retirement System (LAGERS). LAGERS is an agent multiple-employer, statewide public employee pension plan established in 1967 and administered in accordance with RSMo. 70.600-70.755. As such, it is LAGERS responsibility to administer the law in accordance with the expressed intent of the General Assembly. The plan is qualified under the Internal Revenue Code Section 401(a) and is tax exempt. The responsibility for the operations and administration of LAGERS is vested in the LAGERS Board of Trustees consisting of seven persons. LAGERS issues a publicly available financial report that includes financial statements and required supplementary information. This report may be obtained by accessing the LAGERS website at www.molagers.org.

Benefits Provided

LAGERS provides retirement, death and disability benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing LAGERS. All benefits vest after 5 years of credited service. Employees who retire on or after age 60 (55 for Police and Fire) with 5 or more years of service are entitled to an allowance for life based upon the benefit program information provided below. Employees may retire with an early retirement benefit with a minimum of 5 years of credited service and after attaining age 55 (50 for Police and Fire) and receive a reduced allowance.

	2024 Valuation
Benefit Multiplier	2.00%
Final Average Salary	3 Years
Member Contributions	4.00%

Benefit terms provide for annual post retirement adjustments to each member's retirement allowance subsequent to the member's retirement date. The annual adjustment is based on the increase in the Consumer Price Index and is limited to 4.00% per year.

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

Employees Covered by Benefit Terms

At June 30, 2024, the following employees were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	1,262
Inactive employees entitled to but not yet receiving benefits	312
Active employees	956
Total	<u><u>2,530</u></u>

Contributions

Effective November 1, 2009, the City's LAGERS benefit program changed from LT-8(65) to L-6 with employees contributing 4.00% of gross salaries and wages. The City is required to contribute amounts at least equal to the actuarially determined rate, as established by LAGERS. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance an unfunded accrued liability. Full-time employees of the City contribute 4.00% of their gross pay to the pension plan. The City contribution rates for the year ending June 30, 2024 were 22.70% (General), 23.50% (Police), 21.10% (Fire), and 19.60% (Public Safety) of annual covered payroll.

Net Pension Liability

The City's net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of February 29, 2024. Standard update procedures were used to roll forward the total pension liability to June 30, 2024.

Actuarial Assumptions

The total pension liability in the February 29, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.25% price inflation; 2.75% wage inflation
Salary Increase	2.75% to 7.15% including wage inflation
Investment rate of return	7.00%, net of investment expenses

The healthy retiree mortality tables, for post-retirement mortality, were 115% of the PubG-2010 Retiree Mortality Table for males and females. The disabled retiree mortality tables, for post-retirement mortality, were 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females. The pre-retirement mortality tables used were 75% of the PubG-2010 Employee Mortality Table for males and females of General groups and 75% of the PubS-2010 Employee Mortality Table for males and females of Police, Fire, and Public Safety groups. Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above described tables.

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

The long-term expected rate of return on pension plan investments was determined using a model method in which the best-estimate ranges of expected future real rates of return (expected returns, net of investment expenses and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Weighted Average Long-Term Expected Real Rate of Return
Alpha	15.00%	3.67%
Equity	35.00%	4.78%
Fixed Income	31.00%	1.41%
Real Assets	36.00%	3.29%
Strategic Assets	8.00%	5.25%
Cash/Leverage	-25.00%	-0.29%

Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumes that the City and employee contributions will be made at the rates agreed upon for employees and the actuarially determined rates for the City. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to pay all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payment to determine the total pension liability.

Changes in the Net Pension Liability (Asset)

The following table shows the components of the changes in the net pension liability (asset) for the year:

	Increase (Decrease)		
	Total Pension Liability (Asset)	Plan Fiduciary Net Position	Net Pension Liability (Asset)
	(a)	(b)	(a) - (b)
Balances at 6/30/2023	\$ 620,124,866	571,565,678	48,559,188
Changes for the Year:			
Service Cost	9,697,580	—	9,697,580
Interest	42,425,529	—	42,425,529
Difference Between Expected and Actual Experience	21,025,674	—	21,025,674
Contributions - Employer	—	18,381,179	(18,381,179)
Contributions - Employee	—	3,326,504	(3,326,504)
Net Investment Income	—	30,059,275	(30,059,275)
Benefit Payments, Including Refunds	(38,344,019)	(38,272,622)	(71,397)
Administrative Expense	—	(320,244)	320,244
Other (Net Transfer)	—	4,268,043	(4,268,043)
Net Changes	34,804,764	17,442,135	17,362,629
Balances at 6/30/2024	\$ 654,929,630	589,007,813	65,921,817

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate

The following presents the Net Pension Liability of the City, calculated using the discount rate of 7.00%, as well as what the employer's Net Pension Liability (Asset) would be using a discount rate that is one percentage point lower at 6.00% or one percentage point higher at 8.00% than the current rate.

	Current Single Discount		
	1% Decrease	Rate Assumption	1% Increase
	6.00%	7.00%	8.00%
Net Pension Liability (Asset)	\$ 150,324,769	65,921,817	(4,381,983)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2024, the City recognized a pension expense of \$16,141,259. The City reported deferred outflows and inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected & actual plan experience	\$ 29,761,495	(479,800)
Changes in assumptions	—	(2,001,343)
Net difference between expected & actual investment earnings	16,366,732	(10,634)
Total	<u>\$ 46,128,227</u>	<u>(2,491,777)</u>

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended:	
2025	\$ 3,398,405
2026	22,062,004
2027	12,081,528
2028	5,121,013
2029	877,808
Thereafter	<u>95,692</u>
	<u>\$ 43,636,450</u>

Certain deferred inflows and outflows of resources are being amortized over a closed period equal to the average of the expected service lives of all employees as of the beginning of the measurement periods. The differences on investment returns are being amortized over a closed 5-year period, beginning at the start of each measurement period.

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

(10) Post-Employment Health Benefits

In addition to the pension benefits described in Note (9), the City provides post-employment healthcare benefits to all retired employees meeting the service criteria for this benefit. From an accrual accounting perspective, the cost of post-employment healthcare benefits, like the cost of pension benefits, generally should be associated with the periods in which the cost occurs, rather than in a future year when it actually will be paid.

Plan Description

The City's defined benefit OPEB plan, a single-employer health care plan provides OPEB for all active and retired employees and their eligible dependents. The plan is administered by the City and the City Council has the authority to establish or amend the plan provisions or contribution requirements at any time. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The plan does not issue a stand-alone financial report.

Benefits Provided

The City provides for a continuation of medical, prescription drug, hearing and vision insurance benefits to retired employees who participate in the Missouri Local Government Employees Retirement System (LAGERS). The benefits for pre-Medicare retirees are self-insured by the City, and administered through Cigna (Open Access Plan 1 and 2, the Local Plus Plan, and the Base Plan). The benefits for Medicare retirees are covered under a fully-insured, stand-alone plan.

Contributions

Coverage is available for the lifetime of the retiree and their spouses upon payment of required retiree contribution premiums which includes an adjustment when the retiree becomes eligible to participate in the Medicare program. The City establishes rates based upon an actuarially determined rate. Retirees that were hired after July 1, 2018 must contribute 100% of the plan premiums. The premiums for retirees that were hired prior to July 1, 2018 are split between the retiree and the City at percentages that are comparable to active City employees, and may be amended at any time by the City Council. For the year ended June 30, 2024, the premiums were split as follows:

Insurance Plan	Retiree Premium	City Premium
Open Access Plan 1	20%	80%
Open Access Plan 2	18%	82%
Local Plus Plan	14%	86%
Base Plan	0% - 13%	87% -100%
Medicare Stand-Alone Plan	20% -60%	40% - 80%

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

Participants

The number of participants that either are, or potentially could be, covered by the City's plan, as of January 1, 2024, which is the effective date of the current OPEB actuarial valuation, is listed below. There have been no significant changes in the number of covered participants or the type of coverage since that date.

Active Employees (not including dependents)	837
Retirees or surviving spouses (not including dependents)	878
Total Participants	<u>1,715</u>

Changes in the Total OPEB Liability

The following table shows the components of the changes in the total OPEB liability for the year:

OPEB Liability Changes		
Total OPEB Liability - Beginning of the year	\$	175,743,038
Service Cost		3,138,148
Interest Cost		7,007,167
Difference between actual & expected experience		(205,918)
Changes in assumptions & inputs		(5,917,378)
Employer Contributions (Benefit Payments)		<u>(7,404,000)</u>
Net Changes		<u>(3,381,981)</u>
Total OPEB Liability - End of the year	\$	<u>172,361,057</u>
Covered payroll		62,284,231
Total OPEB liability as a % of covered payroll		276.73%

The change in assumptions & inputs is the result of the change in the discount rate.

CITY OF INDEPENDENCE, MISSOURI
Notes to Financial Statements
June 30, 2024

Total OPEB Liability

The City's total OPEB liability of \$172,361,057 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation Date	January 1, 2024, rolled forward to June 30, 2024
Measurement Date	June 30, 2024
Discount Rate	4.10% Measurement Date 4.00% Year Preceding Measurement Date The discount rate was based on the average of the published yields from the S & P Municipal Bond 20 Year High Grade and the Fidelity GO AA-20 Year Indexes
Salary Scale	3.50%
Actuarial Cost Method	Entry Age Normal - Level Percent-of-Pay
Inflation	2.50%
Healthcare Cost Trend Rate	8.00% for pre-Medicare and 7.00% for Medicare decreasing annually until 4.50% is reached for pre-Medicare and 5.00% for Medicare
Retiree's Share of Benefit Related Costs	Retirees must contribute a stipulated percentage of the plan premiums to maintain coverage. The monthly contribution rates as of January 1, 2024 served as a starting point for the valuation, and were assumed to increase at the same rate of health care costs in the future. Effective January 1, 2020, the Medicare eligible retirees will be covered under a fully-insured, stand-alone program. Retirees will still be required to contribute a stipulated percentage of the plan premiums to this program.
Mortality Rates	The mortality rates were based on the Society of Actuaries Pub-2010 Public Retirement Plans Headcount - Weighted General and Public Safety Mortality Tables with Scale MP-2021 Full Generational Improvement

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the City, calculated using the discount rate of 4.10%, as well as what the total OPEB liability would be using a discount rate that is one percentage point lower at 3.10% or one percentage point higher at 5.10% than the current rate.

		<u>1% Decrease</u>	<u>Current Single Discount</u>	<u>1% Increase</u>
		<u>3.10%</u>	<u>Rate Assumption</u>	<u>5.10%</u>
Total OPEB Liability	\$	197,453,435	172,361,057	151,968,220

The following presents the total OPEB liability of the City, calculated using the current healthcare cost trend rates as well as what the City's total OPEB liability would be if it were calculated using a trend rate that is one percentage point lower or one percentage point higher than the current trend rates of 8.00% for pre-Medicare and 7.00% for Medicare.

		<u>1% Decrease</u>	<u>Current Healthcare Cost Trend Rate</u>	<u>1% Increase</u>
		<u>7.00% Pre-Medicare &</u>	<u>Current</u>	<u>9.00% Pre-Medicare &</u>
		<u>6.00% Medicare</u>	<u>7.00% Medicare</u>	<u>8.00% Medicare</u>
Total OPEB Liability	\$	149,665,019	172,361,057	200,855,535

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

OPEB Expense and Deferred Outflows and Inflows of Resources Related to OPEB

For the year ended June 30, 2024, the City recognized OPEB expense of \$6,758,305. At June 30, 2024, the City reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 2,468,411	(4,470,506)
Changes in assumptions	9,040,386	(24,600,472)
Total	<u>\$ 11,508,797</u>	<u>(29,070,978)</u>

Amounts currently reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense over the average remaining service lives of plan participants (actives and retirees) as follows:

Fiscal Year Ending	Amount
2025	\$ (5,737,454)
2026	(9,544,534)
2027	(1,055,537)
2028	<u>(1,224,656)</u>
	<u>\$ (17,562,181)</u>

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

(11) Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. As a result, there are a number of claims and/or lawsuits to which the City is a party as a result of certain law enforcement activities, injuries, and various other matters and complaints arising in the ordinary course of City activities. The City is entitled to the defense of sovereign and official immunity against tort action that provides immunity except in two areas – motor vehicles and dangerous conditions of property of governmental entities. The City carries commercial property, boiler and machinery, liability, and flood insurance, and settlements of covered claims have not exceeded insurance limits for each of the past three fiscal years. The City also carries automobile physical damage with varying deductibles as well as large contractors equipment.

Up until March 31, 2019, the City was a member of the Missouri Public Entity Risk Management Fund (MOPERM), which is a risk pool that provides liability protection to participating Missouri public entities, their officials, and employees. Coverage lines included law enforcement liability, general liability, public official errors and omissions liability, and automobile liability. The City joined MOPERM in 1987. This liability insurance program transfers the risk of liability claims up to the State's Sovereign Immunity Statute coverage limits. MOPERM has the authority to assess members for any deficiencies of revenues under expenses for any single plan year, and MOPERM had no deficiencies in any of the past three fiscal years.

Beginning April 1, 2019, the City left MOPERM and joined the States Risk Retention Group, which is a member-owned company providing excess liability insurance to cities, counties, school districts, and other public entities across the country. States is a Risk Retention program whereby the City assumed the first \$250,000 of each liability occurrence for the 2023-24 policy year. The liability limits are \$10,000,000 each occurrence/policy aggregate.

The City is self-insured for workers' compensation and purchased excess coverage for workers' compensation claims in excess of \$1,500,000 per accident for the 2023-24 policy year. In order to maintain this self-insured status for workers compensation, the State of Missouri requires the City to maintain a surety bond in the amount of \$2,320,000 and an escrow account in the amount of \$200,000. The escrow account of \$200,000 is reflected as restricted assets in the Workers' Compensation Fund. Estimated workers' compensation claims incurred but not reported are accrued as liabilities in the City's Workers' Compensation Fund.

The City offers its employees and retirees contributory self-insurance healthcare plans (Staywell Open Access Plan 1, Staywell Open Access Plan 2, Staywell Local Plus Plan, Staywell Base Plan, and the Post-65 Retiree Medicare Plan). An excess coverage insurance policy covers the portion of specific claims in excess of \$275,000 and aggregate claims in excess of \$24,430,836 for the open access plan and for the in-network plan. The City's share of the premiums for this employee and retiree benefit was \$19,311,444. For the Staywell Health Care Plan, the premiums paid by the City are recorded as expenditures/expenses of the various funds and premium revenue in the Staywell Health Care (Internal Service) Fund. Incurred but not reported medical, vision, and prescription claims are accrued as a liability in the Internal Service Fund. For the Post-65 Retiree Medicare Plan, the premiums paid by the City are recorded as expenditures/expenses of the various funds and remitted to Cigna.

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

Changes in the balances of the workers' compensation and health care claims liability during the last two years are as follows:

Claims Payable				
	Workers' Compensation		Staywell	
	2023	2024	2023	2024
Beginning of year	\$ 8,110,693	8,887,495	1,464,200	1,704,200
Current year claims and changes in estimates	3,845,613	9,180,219	20,472,697	17,870,811
Claims payments	(3,068,811)	(6,649,309)	(20,232,697)	(17,916,311)
End of year	\$ <u>8,887,495</u>	<u>11,418,405</u>	<u>1,704,200</u>	<u>1,658,700</u>

(12) Commitments and Contingencies***Construction Commitments***

At June 30, 2024, the City had commitments of approximately \$37.8 million to complete construction contracts. Of this amount, \$14.8 million relates to the enterprise funds. The commitments for the governmental funds will be funded through sales tax and grant funding. The commitments for the enterprise funds will be funded through operating revenues and/or bond proceeds.

Purchase/Sales of Capacity and Energy

The City purchases a portion of its power supply needs under seven long-term purchase agreements: a participation power agreement with Omaha Public Power District (OPPD), a participation power agreement with Missouri Joint Municipal Electric Utility Commission (MJMEUC), a renewable energy purchase agreement with Smoky Hills Wind Project II, LLC (Smoky Hills), a renewable energy purchase agreement with Marshall Wind Energy LLC (Marshall Wind), two renewable energy purchase agreements with MCP-Independence LLC (MCP), and a capacity agreement with Oneta Power, LLC.

In January 2004, the City entered into a participation power agreement with OPPD. Under this agreement, the City purchases an 8.33% share (approximately 57 megawatts) of a 682 megawatt coal-fired baseload generating unit at OPPD's existing Nebraska City power station site (Nebraska City Unit 2). The agreement provides that OPPD is the owner/operator of the unit and OPPD sells the City's share of the output on a cost-based approach. OPPD issued tax-exempt bonds to pay for the construction of the unit and the City is obligated to pay its proportionate share of the debt service on the bonds, the fixed operation and maintenance costs, the variable operating costs including fuel and renewals and replacements of the unit. The unit began commercial operation on May 1, 2009. The term of the agreement is 40 years from the commercial operation date and can be extended by the City for the life of the proposed unit. The future minimum payments (City's portion of the debt service) are approximately \$107,100,000 through the year 2049. During fiscal year 2024, the delivered cost of capacity and energy under the agreement, including all demand, energy, and debt service was approximately \$16,900,000 for 323,849 megawatt-hours of wholesale energy. For fiscal year 2025, the projected costs under the agreement are estimated to be approximately \$20,900,000.

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

In June 2006, the City entered into a unit power purchase agreement with MJMEUC. Under this agreement, the City purchases a 50% share (approximately 53 megawatts) of MJMEUC's 106 MW ownership share of the nominal 875 megawatt Iatan 2 coal-fired generating unit located at Kansas City Power & Light Company's (KCPL) existing power station site in Weston, Missouri. The agreement provides that MJMEUC sells the City's share of the output on a cost-based approach. MJMEUC issued tax-exempt bonds to pay for its share of the construction of the unit and the City is obligated to pay its share of the debt service on the bonds, the fixed operation and maintenance costs, the variable operating costs including fuel, renewals and replacements of the unit and related administrative costs incurred by MJMEUC. The unit began commercial operations on December 31, 2010. The term of the agreement is 40 years from the commercial operation date and can be extended by the City for the life of the proposed unit. The future minimum payments (City's portion of the debt service) are approximately \$118,200,000 through the year 2039. During fiscal year 2024, the delivered cost of capacity and energy under the agreement, including all demand, energy, and debt service was approximately \$20,100,000 for 110,451 megawatt-hours of wholesale energy. For fiscal year 2025, the projected costs under the agreement are estimated to be approximately \$19,400,000.

In August 2008, the City entered into a renewable energy purchase agreement with Smoky Hills. Under this agreement, the City purchases a 10.10% share (15 megawatts) of a 148.5 megawatt wind farm generation project located in north-central Kansas. The agreement provides that the City will purchase its share of the energy output of the Smoky Hills project and will pay a flat fixed rate (in dollars per megawatt-hour) for the entire term of the agreement. Energy deliveries from the wind farm began on December 8, 2008 and will continue for a term of 20 years with certain renewal options at the mutual agreement of the parties. During fiscal year 2024, the cost of the energy purchases was approximately \$2,200,000 for 32,731 megawatt-hours of wholesale energy. For the fiscal year 2025, the projected costs under the agreement are estimated to be approximately \$2,300,000.

In May 2015, the City entered into a renewable energy purchase agreement with Marshall Wind Energy LLC. Under this agreement, the City purchases a 27.78% share (20 megawatts) of a 72 megawatt wind farm generation project located in north central Kansas. The agreement provides that the City will purchase its share of the energy output of the Marshall Wind project and will pay a flat fixed rate (in dollars per megawatt-hour) for the entire term of the agreement. Energy deliveries from the wind farm began on March 22, 2016 and will continue for a term of 20 years with certain renewal options at the mutual agreement of the parties. During fiscal year 2024, the cost of the energy purchases was approximately \$2,000,000 for 60,282 megawatt-hours of wholesale energy. For fiscal year 2025, the projected costs under the agreement are estimated to be approximately \$2,300,000.

In November 2015, the City entered into a renewable energy purchase agreement with MCP-Independence LLC. Under this agreement, the City purchases power generated from a 3 megawatt AC photovoltaic solar farm located in Independence, Missouri. In July 2017, the City entered into a second renewable energy purchase agreement with MCP-Independence, LLC to expand the solar farm by 8.5 megawatts. Both agreements provides that the City will purchase all energy output of the projects and will pay a flat fixed rate (in dollars per kilowatt-hour) for the entire 25-year term of the agreements. Energy deliveries from the solar farm began on March 15, 2017 and deliveries for the expansion began on June 14, 2018. During fiscal year 2024, the cost of the energy purchased was \$1,500,000 for 19,972 megawatt-hours of wholesale energy. For the fiscal year 2025, the projected costs under the agreement are estimated to be approximately \$1,600,000.

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

In May 2019, the City entered into an agreement with Oneta Power LLC, for a Capacity Only Power Purchase Agreement for the purchase of 46 megawatts of capacity only from the Oneta Generating Facility for a 10 year term. Oneta Generating Facility is a 1,133 MW natural gas-fired combined cycle plant located in Coweta, Oklahoma. For Delivery Years 1-5, the City shall have the right to increase the Quantity of the Contract Capacity (up to 70 MW total, the 'Reserved Capacity') for any remaining years of the Delivery Term. Beginning in Delivery Year 6, in the event Oneta is interested in pursuing a transaction with a third party for any portion of the Reserved Capacity that is not yet committed to the City, Oneta shall give the City advance notice, and the City has the right, exercisable within a specified number of days following the notice, to add such portion of the Reserved Capacity to the Contract Capacity (in lieu of Oneta transacting with a third party for such portion). Any adjustment of Contract Capacity shall not fall below the level of Contract Capacity for the previous Delivery Year. During fiscal year 2024, the cost of the capacity purchased was approximately \$1,300,000. For the fiscal year 2025, the projected costs under the agreement are estimated to be approximately \$1,400,000.

Dogwood Energy Facility

On April 5, 2012, pursuant to an Asset Purchase Agreement with Dogwood Energy, LLC, the City purchased a 12.3% undivided interest (approximately 75 MW) in the Dogwood Energy Facility – a nominal 610 megawatt natural gas-fired combined cycle generating plant located in Pleasant Hill, Missouri. The facility was originally developed as a joint venture between Aquila, Inc. and Calpine Corporation. The facility (originally named Aries) was placed into commercial operation in two phases: first as a peaking facility during the summer of 2001 and then as a combined cycle plant on February 27, 2002. In addition to the City, Kansas Power Pool (KPP), Missouri Joint Municipal Electric Utility Commission (MJMEUC), the Unified Government of Wyandotte County (KCBPU), and the Kansas Municipal Energy Agency (KMEA) also own 10.3%, 16.4%, 17.0% and 10.1% shares respectively of the Dogwood Energy Facility. Dogwood Energy, LLC maintains the remaining ownership share (33.9%) in the facility.

Each of the owners has entered into certain project agreements that provide for the joint ownership and operation of the Dogwood Facility. Under the project agreements, each of the owners are responsible for their respective share of the fixed operation and maintenance costs, the variable operating costs including fuel, and renewals and replacements of the facility. In addition, the owners share in any revenues from sales of unused capacity and energy in the facility.

The plant had a value of \$53,785,771 with \$6,049,771 accumulated depreciation, making the net purchase price \$47,736,000. An operating reserve account was established in the amount of \$430,500 for working capital and \$61,500 for SPP credit. Prepaid operating expenses as of June 30, 2024 were \$556,357 and depreciation expense for fiscal year end June 30, 2024 was \$675,434.

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

Litigation

The City is involved in lawsuits arising in the ordinary course of activities, including claims regarding construction contract issues, personal injury and discriminatory personnel practices, property condemnation proceedings, and suits contesting the legality of certain taxes. While other cases may have future financial effect, management, based on advice of counsel, believes that their ultimate outcome will not be material to the basic financial statements.

Contingencies

The City receives significant financial assistance from numerous federal, state, and local governmental agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material effect on any of the financial statements of the individual fund types included herein or on the overall financial position of the City at June 30, 2024.

(13) Deficits

The accumulated deficits of \$8,581,737 in the Workers' Compensation Fund, \$280,130 in the Central Garage Fund, \$2,371,034 in the Risk Management Fund, and \$2,269,442 in the Finance and Support Services Fund, will be eliminated by future revenues or transfers.

(14) Subsequent Events

The City evaluated subsequent events through December 20, 2024, the date the financial statements were available to be issued, and there were no items to report.

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

(15) Fund Balance

Fund balances at year-end are as follows:

	Governmental Funds			Total
	General	TIF Debt Service	Nonmajor	
Fund balances:				
Restricted for:				
Protested Revenues	\$ 72,227	—	—	72,227
Police Equipment	282,053	—	—	282,053
Tourism	—	—	1,926,190	1,926,190
Independence Square Benefit District	—	—	6,020	6,020
License Surcharge	—	—	1,311,330	1,311,330
Street Sales Tax	—	—	24,193,353	24,193,353
Parks Sales Tax	—	—	4,745,101	4,745,101
Storm Water Sales Tax	—	—	14,174,357	14,174,357
Police Sales Tax	—	—	3,677,679	3,677,679
Fire Sales Tax	—	—	16,590,463	16,590,463
Marijuana Sales Tax	—	—	461,956	461,956
Animal Shelter Use Tax	—	—	493,075	493,075
Police Use Tax	—	—	5,040,392	5,040,392
Health Property Tax	—	—	143,835	143,835
Parks & Recreation Property Tax	—	—	635,995	635,995
Debt Service Fund	—	—	113,079	113,079
Debt Issued for Capital Projects	—	—	10,915,305	10,915,305
TIF Debt Service	—	27,957,130	—	27,957,130
Total fund balances restricted	354,280	27,957,130	84,428,130	112,739,540
Committed for:				
Domestic Violence	21,343	—	—	21,343
Capital Projects	—	—	82,249	82,249
Vandalism Reward	3,000	—	—	3,000
Community development	41,276	—	—	41,276
Total fund balances committed	65,619	—	82,249	147,868
Assigned for:				
Cigna Wellness Funds	50,000	—	—	50,000
Encumbrances:				
Communication Services	1,450	—	—	1,450
Maintenance	171,430	—	—	171,430
Professional Services	210,457	—	—	210,457
Rental of Equipment	7,083	—	—	7,083
Other Services	16,453	—	—	16,453
Supplies	13,615	—	—	13,615
Tools & Equipment	27,684	—	—	27,684
Capital Outlay/Equipment	98,347	—	—	98,347
Total fund balances assigned	596,519	—	—	596,519
Unassigned	14,590,280	—	(426,625)	14,163,655
Total fund balance	\$ 15,606,698	27,957,130	84,083,754	127,647,582

CITY OF INDEPENDENCE, MISSOURI

Notes to Financial Statements

June 30, 2024

The outstanding encumbrances are amounts needed to pay any commitments related to purchase orders and contracts that remain unperformed at year-end. Totals include encumbrances as follows: General Fund of \$596,259 with \$49,740 included in restricted fund balance and \$546,519 in assigned fund balance, and Non-Major Funds of \$17,640,209 included in the restricted and committed fund balances.

**Required
Supplementary
Information**

CITY OF INDEPENDENCE, MISSOURI
Budgetary Comparison Schedule
General Fund
Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts (Budget Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Taxes	\$ 36,828,625	36,828,625	38,698,300	1,869,675
Licenses and permits	4,452,950	4,452,950	4,861,003	408,053
Intergovernmental	5,960,000	5,960,000	7,223,392	1,263,392
Charges for services	2,034,900	2,188,714	2,733,278	544,564
Interfund charges for support services	4,469,287	4,469,287	4,376,682	(92,605)
Fines and forfeitures	2,086,000	2,086,000	2,454,405	368,405
Investment income	180,000	180,000	530,431	350,431
Other revenue	749,451	759,451	1,550,765	791,314
Total revenues	56,761,213	56,925,027	62,428,256	5,503,229
EXPENDITURES				
City Council	1,174,882	706,159	736,086	(29,927)
City Clerk	—	482,323	299,368	182,955
City Manager	1,292,479	1,314,253	1,350,301	(36,048)
Municipal Court	1,579,595	1,579,595	1,490,552	89,043
Law	185,216	185,216	178,326	6,890
Finance	579,527	646,553	683,601	(37,048)
Community Development	5,980,795	6,115,715	5,711,468	404,247
Police	35,397,004	35,567,784	35,756,939	(189,155)
Fire	24,404,130	26,227,360	27,557,051	(1,329,691)
Municipal Services - Public Works	5,103,087	5,180,034	4,611,706	568,328
Parks and Recreation	1,478,993	1,500,956	1,448,905	52,051
General Government	21,600	64,353	70,307	(5,954)
Contingencies	364,005	364,005	—	364,005
Debt Service	140,900	526,522	566,028	(39,506)
Total expenditures	77,702,213	80,460,828	80,460,638	190
OTHER FINANCING SOURCES (USES)				
Transfers in - utility payments in lieu of taxes	21,301,000	21,301,000	22,149,695	848,695
Operating transfers in	—	—	22,018	22,018
Transfers out	(360,000)	(345,000)	(29,206)	315,794
Total other financing sources (uses)	20,941,000	20,956,000	22,142,507	1,186,507
Excess of revenues and other financing sources over (under) expenditures and other financing uses	\$ —	(2,579,801)	4,110,125	6,689,926
Unassigned fund balance - beginning			10,185,654	
Cancellation of prior year encumbrances			239,025	
Investment fair value change			150,037	
Change in other fund balance components during the year			(94,561)	
Unassigned fund balance - ending			\$ 14,590,280	

See accompanying Independent Auditor's Report and notes to budgetary comparison schedules.

CITY OF INDEPENDENCE, MISSOURI
Budgetary Basis Reconciliation Schedule
General Fund
Year Ended June 30, 2024

The Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds does not include encumbrances outstanding at year-end as expenditures because encumbrances are reported as reservations of fund balances in accordance with GAAP for the modified accrual basis of accounting. Adjustments necessary to convert the results of operations under the modified accrual basis to the budget basis are included as reconciling items on the following budget-basis statement:

	General Fund
Sources/Inflows of Resources:	
Actual amounts (budgetary basis) for total revenues and other financing sources from the budgetary comparison schedule	\$ 84,599,969
Basis differences – budget to GAAP:	
Investment Fair Value Change	150,037
Total revenues and other financing sources as reported on the statement of revenues, expenditures and changes in fund balances – governmental funds	\$ <u>84,750,006</u>
Uses/Outflows of Resources:	
Actual amounts (budgetary basis) for total expenditures and other financing uses from the budgetary comparison schedule	\$ 80,489,844
Basis differences – budget to GAAP:	
Outstanding encumbrances at year-end charged to the current year's budget	(564,189)
Current year expenditures of encumbrances outstanding at the end of the prior fiscal year	264,843
Total expenditures and other financing uses as reported on the statement of revenues, expenditures and changes in fund balances – governmental funds	\$ <u>80,190,498</u>

See accompanying Independent Auditor's Report and notes to budgetary comparison schedules.

CITY OF INDEPENDENCE, MISSOURI

Notes to Budgetary Comparison Schedules

Year ended June 30, 2024

(1) Budgets and Budgetary Accounting

The City follows these procedures in establishing the budgetary data reflected in the accompanying financial statements:

- Prior to May 15, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them.
- Public hearings are conducted to obtain taxpayer comments.
- Prior to June 27, the City Council adopts the budget. If the City Council fails to adopt the budget on or before that date, the budget, as submitted or amended, goes into effect.
- The City Manager is authorized to transfer budgeted amounts between divisions of a department within any fund; however, any revisions that alter the total appropriations within any fund, or that transfer appropriations between departments, must be approved by the City Council. The 2023-2024 budget was amended during the year for transfers and supplemental appropriations. The budget amendments were approved by the City Council.
- Expenditures may not exceed appropriations for any department without City Council approval. Unencumbered appropriations lapse at year-end.
- Formal budgets are used as a control device for most funds; however, there is no requirement to report on the budget unless appropriated. Therefore, the financial statements include a comparison of budget to actual only for the General, Tourism, Community Development Block Grant, Rental Rehabilitation, Street Improvement Sales Tax, Parks Improvements Sales Tax, Storm Water Sales Tax, Police Public Safety Sales Tax, Fire Protection Sales Tax, Marijuana Sales Tax, Grants, American Rescue Plan Act, Animal Services Use Tax, Police Use Tax, Health Property Tax Levy, and Parks and Recreation Property Tax Levy Funds who have appropriated budgets. Annual operating budgets are not prepared for Capital Projects Funds, although budgets on a project basis are prepared.

The City's policy is to prepare the annual operating budget on a basis which includes encumbrances as an equivalent to expenditures. The budgetary comparison schedules are prepared on this basis. Certain reclassifications between budgeted revenues and transfers have been made to facilitate the comparison with actual operations.

See accompanying Independent Auditor's Report.

CITY OF INDEPENDENCE, MISSOURI
Schedule of Changes in Total OPEB Liability and Related Ratios
June 30, 2024

	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability							
Service cost	\$ 3,138,148	3,493,312	5,856,465	5,402,186	5,117,074	7,279,911	6,933,082
Interest	7,007,167	6,984,546	4,762,281	5,359,428	5,675,902	9,525,419	9,284,832
Changes in benefit terms	—	(6,794,555)	(3,357,040)	—	(64,032)	(117,967,934)	—
Differences between expected and actual experience	(205,918)	(2,946,506)	(5,795,760)	9,050,839	(2,415,214)	8,495,479	—
Changes of assumptions or other inputs	(5,917,378)	3,792,125	(49,666,422)	19,586,986	15,655,275	2,890,612	2,548,653
Benefit payments	(7,404,000)	(8,767,000)	(8,152,000)	(7,591,000)	(7,047,000)	(7,979,000)	(7,268,000)
Net change in total OPEB liability	(3,381,981)	(4,238,078)	(56,352,476)	31,808,439	16,922,005	(97,755,513)	11,498,567
Total OPEB liability - beginning	175,743,038	179,981,116	236,333,592	204,525,153	187,603,148	285,358,661	273,860,094
Total OPEB liability - ending	<u>\$ 172,361,057</u>	<u>175,743,038</u>	<u>179,981,116</u>	<u>236,333,592</u>	<u>204,525,153</u>	<u>187,603,148</u>	<u>285,358,661</u>
Covered - employee payroll	\$ 62,284,231	61,966,777	60,254,051	61,410,210	61,654,203	62,360,911	62,007,715
Total OPEB liability as a percentage of covered payroll	276.73%	283.61%	298.70%	384.84%	331.73%	300.83%	460.20%

Notes to schedule:

2017-18 was the City's first year implementing GASB Statement No. 75 for the OPEB Liability. This schedule will become a ten year schedule, as information becomes available, in accordance with GASB Statement No. 75 requirements.

Changes in assumptions or other inputs reflect the effects of changes in the discount rate each period.

The following are the discount rates used in each period:

2024 - 4.10%

2023 - 4.00%

2022 - 3.90%

2021 - 2.00%

2020 - 2.60%

2019 - 3.00%

2018 - 3.30%

There are no assets accumulated in a trust to pay related benefits for the City's other-post employment benefits.

See accompanying Independent Auditor's Report.

CITY OF INDEPENDENCE, MISSOURI
LAGERS Schedule of Changes in Net Pension Liability (Asset) and Related Ratios
June 30, 2024

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Pension Liability										
Service cost	\$ 9,697,580	9,200,438	8,985,966	8,835,703	8,812,673	8,767,760	8,491,285	8,388,017	8,219,353	8,279,026
Interest on the total pension liability	42,425,529	40,277,631	38,538,472	39,838,559	38,699,404	37,097,513	35,565,355	34,642,794	31,909,765	31,404,337
Difference between expected and actual experience	21,025,674	17,661,816	11,593,985	(2,691,753)	(1,634,804)	5,293,296	4,958,458	(3,550,230)	4,916,999	(10,375,729)
Assumption changes	—	—	—	(12,909,211)	—	—	—	—	17,199,406	—
Benefit payments, including refunds	(38,344,019)	(35,179,649)	(33,604,454)	(30,623,078)	(29,744,536)	(28,449,283)	(27,600,963)	(26,039,035)	(23,272,216)	(21,374,778)
Net change in total pension liability	34,804,764	31,960,236	25,513,969	2,450,220	16,132,737	22,709,286	21,414,135	13,441,546	38,973,307	7,932,856
Total pension liability - beginning	620,124,866	588,164,630	562,650,661	560,200,441	544,067,704	521,358,418	499,944,283	486,502,737	447,529,430	439,596,574
Total pension liability - ending	\$ 654,929,630	620,124,866	588,164,630	562,650,661	560,200,441	544,067,704	521,358,418	499,944,283	486,502,737	447,529,430
Plan Fiduciary Net Position										
Contributions - employer	18,381,179	16,448,814	15,210,110	14,363,011	13,630,050	13,183,650	12,176,570	11,503,039	10,603,882	9,475,216
Contributions - employee	3,326,504	3,118,990	2,958,772	2,963,990	2,925,479	2,992,581	2,925,232	2,939,278	2,861,145	2,738,899
Pension plan net investment income	30,059,275	19,845,854	428,864	126,631,520	6,074,595	29,696,791	50,437,763	46,423,639	(791,625)	7,836,996
Benefit payments, including refunds	(38,272,622)	(35,179,649)	(33,604,454)	(30,623,078)	(29,744,536)	(28,449,283)	(27,600,963)	(26,039,035)	(23,272,216)	(21,374,778)
Pension plan administrative expense	(320,244)	(358,252)	(254,303)	(232,953)	(302,539)	(271,793)	(189,560)	(183,539)	(181,225)	(198,235)
Other	4,268,043	3,796,388	(2,700,703)	3,128,373	(1,027,620)	(302,321)	1,122,739	(701,221)	981,004	(5,341,994)
Net change in plan fiduciary net position	17,442,135	7,672,145	(17,961,714)	116,230,863	(8,444,571)	16,849,625	38,871,781	33,942,161	(9,799,035)	(6,863,896)
Plan fiduciary net position - beginning	571,565,678	563,893,533	581,855,247	465,624,384	474,068,955	457,219,330	418,347,549	384,405,388	394,204,423	401,068,319
Plan fiduciary net position - ending	\$ 589,007,813	571,565,678	563,893,533	581,855,247	465,624,384	474,068,955	457,219,330	418,347,549	384,405,388	394,204,423
Employer net pension liability (asset)	\$ 65,921,817	48,559,188	24,271,097	(19,204,586)	94,576,057	69,998,749	64,139,088	81,596,734	102,097,349	53,325,007
Plan fiduciary net position as a percentage of the total pension liability (City)	89.93%	92.17%	95.87%	103.41%	83.12%	87.13%	87.70%	83.68%	79.01%	88.08%
Covered payroll	\$ 81,989,857	75,463,600	73,966,040	71,711,424	72,175,519	72,252,369	72,279,232	69,006,951	69,847,339	67,691,063
Employer's net pension liability (asset) as a percentage of covered payroll	80.40%	64.35%	32.81%	-26.78%	131.04%	96.88%	88.74%	118.24%	146.17%	78.78%

Notes to schedule:

During 2015-16 amounts reported as assumption changes were primarily from changes to the mortality table, as well as salary increases and inflation.

During 2020-21 amounts reported as assumption changes were primarily from changes to the mortality tables.

See accompanying Independent Auditor's Report.

CITY OF INDEPENDENCE, MISSOURI
LAGERS Schedule of Contributions
Last Ten Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially determined contribution	\$ 22,821,297	20,211,164	18,375,465	17,174,262	16,276,175	16,251,566	15,008,913	13,142,800	13,185,228	12,190,564
Actual contributions in relation to the actuarially determined contribution	18,367,777	16,448,814	15,210,110	14,363,011	13,630,050	13,183,650	12,176,570	11,503,039	10,603,882	9,475,216
Contribution deficiency	<u>\$ 4,453,520</u>	<u>3,762,350</u>	<u>3,165,355</u>	<u>2,811,251</u>	<u>2,646,125</u>	<u>3,067,916</u>	<u>2,832,343</u>	<u>1,639,761</u>	<u>2,581,346</u>	<u>2,715,348</u>
Covered payroll	\$ 81,989,857	75,463,600	73,966,040	71,711,424	72,175,519	72,252,369	72,279,232	69,006,951	69,847,339	67,691,063
Contributions as a percentage of covered payroll	22.40%	21.80%	20.56%	20.03%	18.88%	18.25%	16.85%	16.67%	15.18%	14.00%

Notes to schedule:

Valuation Date Actuarially determined contribution rates were calculated as of February 29, 2024 prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal and Modified Terminal Funding
Amortization Method	A level percentage of payroll amortization method is used to amortize the UAAL over a closed period of years. If the UAAL (excluding the UAAL associated with benefit changes) is negative, then this amount is amortized over the greater of (i) the remaining initial amortization period, or (ii) 15 years.
Remaining Amortization Period	Multiple bases from 5 to 19 years.
Asset Valuation Method	5-Year smoothed fair value; 20% corridor.
Inflation	2.75% wage inflation and 2.25% price inflation.
Salary Increases	2.75% to 7.15%; including wage inflation.
Investment Rate of Return	7.00%, net of investment expenses.
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	The healthy retiree mortality tables, for post-retirement mortality, were 115% of the PubG - 2010 Retiree Mortality Table for males and females. The disabled retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubNS - 2010 Disabled Retiree Mortality Table for males and females. The pre-retirement mortality tables used were 75% of the PubG - 2010 Employee Mortality Table for males and females of General groups and 75% of the PubS - 2010 Employee Mortality Table for males and females of Police, Fire, and Public Safety groups. Mortality rates for a particular calendar year are determined by applying the MP - 2020 mortality improvement scale to the above described tables.
Other information:	None

See accompanying Independent Auditor's Report.

CITY OF INDEPENDENCE, MISSOURI

Nonmajor Governmental Funds Special Revenue Funds

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Tourism – This fund is used to account for expenditures for tourism that are financed out of the transient guest tax.

Truman Heartland Community Foundation – This fund is used to account for receipts and expenditures of various donated funds the City holds at the Truman Heartland Community Foundation.

Independence Square Benefit District – This fund is used to account for expenditures to improve the City's downtown business district that are financed by a special property tax levy on those businesses which are benefited.

Community Development Block Grant Fund – This fund is used to account for all projects that are funded by the Federal Community Development Block Grant.

Rental Rehabilitation – This fund is used to account for expenditures to improve rental property within the City that are funded by state and federal grants.

Street Improvement Sales Tax – This fund is used to account for all street projects that are funded by the street improvement sales tax.

Parks Improvement Sales Tax Fund – This fund accounts for all park projects that are funded by the park improvement sales tax.

Storm Water Sales Tax – This fund is used to account for all storm water projects that are funded by the storm water sales tax.

Police Public Safety Sales Tax – This fund is used to account for receipts and expenditures of the City's sales tax for police protection services.

Fire Protection Sales Tax – This fund is used to account for receipts and expenditures of the City's sales tax for fire protection services.

Marijuana Sales Tax – This fund is used to account for receipts and expenditures of the City's marijuana sales tax.

License Surcharge – This fund is used to account for street improvements funded by an excise tax that is based on increased traffic flow relating to new development.

Grants Fund – This fund is used to account for expenditures that are funded by grants.

American Rescue Plan Act Fund – This fund is used to account for expenditures funded from the American Rescue Plan Act.

Animal Services Use Tax – This fund is used to account for receipts and expenditures of the City's use tax for animal services.

Police Use Tax – This fund is used to account for receipts and expenditures of the City's use tax for police services.

Health Property Tax Levy Fund – This fund is used to account for revenues and expenditures for the Health portion of the City's property tax.

Parks and Recreation Property Tax Levy Fund – This fund is used to account for revenues and expenditures for the Parks and Recreation portion of the City's property tax.

CITY OF INDEPENDENCE, MISSOURI

Capital Projects Funds

Capital Project Funds are used to account for the acquisition and construction of major capital facilities other than those financed by the proprietary funds or trust funds.

Street Improvements Fund – This fund is used to account for major street improvement construction projects. Revenues received by this fund come primarily from a sales tax allocation for capital improvements and from federal and state grants and other contributions.

Police Improvements Fund – This fund is used to account for major police improvement projects.

Revolving Public Improvements – This fund, which is legally mandated by City Charter, is used to account for the cost of public works or improvements funded by special assessments.

Building and Other Improvements – This fund is used to account for the acquisition, construction, and improvement of nonproprietary buildings and facilities of the City.

Storm Drainage – This fund is used to account for the acquisition and construction of the City's infrastructure to control the run-off surface water.

Park Improvements – This fund is used to account for the acquisition and construction of the City's parkland.

Debt Service Fund

The debt service fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

CITY OF INDEPENDENCE, MISSOURI
Combining Governmental Balance Sheet
Nonmajor Governmental Funds
June 30, 2024

	Special Revenue (Exhibit 16)	Capital Projects (Exhibit 35)	Debt Service Fund	Total Nonmajor Governmental Funds
ASSETS				
Pooled cash and investments	\$ 71,942,075	132,631	18,994	72,093,700
Receivables:				
Taxes	10,662,103	—	—	10,662,103
Accounts, net	114,079	—	—	114,079
Special assessment principal	—	355,677	—	355,677
Accrued interest	50,173	—	85	50,258
Due from other funds	150,727	—	—	150,727
Due from other governments	2,647,204	252,483	—	2,899,687
Restricted cash and investments	301,904	10,915,305	94,000	11,311,209
Total assets	<u>\$ 85,868,265</u>	<u>11,656,096</u>	<u>113,079</u>	<u>97,637,440</u>
LIABILITIES				
Accounts and contracts payable	\$ 1,532,868	453,160	—	1,986,028
Due to other funds	1,438,344	276,330	—	1,714,674
Due to other governments	16,753	—	—	16,753
Accrued items	785,267	—	—	785,267
Other current liabilities	32,597	—	—	32,597
Unearned revenue	5,586,778	—	—	5,586,778
Total liabilities	<u>9,392,607</u>	<u>729,490</u>	<u>—</u>	<u>10,122,097</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - special assessments	—	355,677	—	355,677
Unavailable revenue - real estate taxes	3,075,912	—	—	3,075,912
Total deferred inflows of resources	<u>3,075,912</u>	<u>355,677</u>	<u>—</u>	<u>3,431,589</u>
Total liabilities and deferred inflows of resources	<u>12,468,519</u>	<u>1,085,167</u>	<u>—</u>	<u>13,553,686</u>
FUND BALANCES				
Restricted	73,399,746	10,915,305	113,079	84,428,130
Committed	—	82,249	—	82,249
Unassigned	—	(426,625)	—	(426,625)
Total fund balances	<u>73,399,746</u>	<u>10,570,929</u>	<u>113,079</u>	<u>84,083,754</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 85,868,265</u>	<u>11,656,096</u>	<u>113,079</u>	<u>97,637,440</u>

See accompanying notes to financial statements.

CITY OF INDEPENDENCE, MISSOURI
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2024

	Special Revenue (Exhibit 17)	Capital Projects (Exhibit 36)	Debt Service Fund	Total Nonmajor Governmental Funds
REVENUES				
Taxes	\$ 48,816,187	—	—	48,816,187
Licenses and permits	465,223	—	—	465,223
Intergovernmental	7,543,852	263,967	—	7,807,819
Charges for services	1,288,929	6,950	10,158	1,306,037
Investment income	3,239,529	206,054	6,404	3,451,987
Other revenue	3,284,282	—	—	3,284,282
Total revenues	<u>64,638,002</u>	<u>476,971</u>	<u>16,562</u>	<u>65,131,535</u>
EXPENDITURES				
Current:				
Administrative Services	69,552	—	—	69,552
Public Safety	15,651,740	—	—	15,651,740
Municipal Services - Public Works	1,339,955	9,527	—	1,349,482
Culture and Recreation	9,991,289	5	—	9,991,294
Community Development	2,717,299	—	—	2,717,299
Storm Water	2,858,679	—	—	2,858,679
Health and Animal Services	3,733,273	—	—	3,733,273
General Government	104,635	—	143	104,778
Capital Outlay	14,443,600	10,288,227	—	24,731,827
Debt service:				
Principal	1,678,664	—	12,000	1,690,664
Interest and fiscal agent fees	420,562	—	1,119	421,681
Total expenditures	<u>53,009,248</u>	<u>10,297,759</u>	<u>13,262</u>	<u>63,320,269</u>
Excess (deficiency) of revenues over expenditures	<u>11,628,754</u>	<u>(9,820,788)</u>	<u>3,300</u>	<u>1,811,266</u>
OTHER FINANCING SOURCES (USES)				
Lease proceeds	61,988	—	—	61,988
Subscription proceeds	91,350	—	—	91,350
Debt proceeds	—	20,000,000	—	20,000,000
Transfers in	342,194	327,175	—	669,369
Transfers out	(613,910)	(54,102)	—	(668,012)
Total other financing sources (uses)	<u>(118,378)</u>	<u>20,273,073</u>	<u>—</u>	<u>20,154,695</u>
Net change in fund balances	11,510,376	10,452,285	3,300	21,965,961
Fund balances - beginning	61,889,370	118,644	109,779	62,117,793
Fund balances - ending	<u>\$ 73,399,746</u>	<u>10,570,929</u>	<u>113,079</u>	<u>84,083,754</u>

See accompanying notes to financial statements.

CITY OF INDEPENDENCE, MISSOURI
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2024

	Tourism	Truman Heartland Community	Independence Square Benefit District	Community Development Block Grant	Rental Rehabilitation	Consolidated Sales Tax Funds (Exhibit 33)	License Surcharge	Grants	American Rescue Plan	Animal Shelter Use Tax	Police Use Tax	Health Property Tax Levy	Parks and Recreation Property Tax	Total
ASSETS														
Pooled cash and investments	\$ 1,810,625	359,208	33,223	—	9,684	57,134,924	1,277,382	—	4,577,326	539,832	5,388,881	173,893	637,097	71,942,075
Receivables:														
Taxes	200,000	—	33,272	—	—	7,307,318	—	—	—	—	—	998,884	2,122,629	10,662,103
Accounts, net	5,000	—	—	—	—	6,263	32,992	69,824	—	—	—	—	—	114,079
Accrued interest	1,355	—	25	—	—	42,885	956	—	—	404	4,034	37	477	50,173
Due from other funds	—	—	—	—	—	150,727	—	—	—	—	—	—	—	150,727
Due from other governments	—	—	—	103,708	4,175	343,211	—	2,196,110	—	—	—	—	—	2,647,204
Restricted cash and investments	—	—	—	—	—	301,904	—	—	—	—	—	—	—	301,904
Total assets	<u>\$ 2,016,980</u>	<u>359,208</u>	<u>66,520</u>	<u>103,708</u>	<u>13,859</u>	<u>65,287,232</u>	<u>1,311,330</u>	<u>2,265,934</u>	<u>4,577,326</u>	<u>540,236</u>	<u>5,392,915</u>	<u>1,172,814</u>	<u>2,760,203</u>	<u>85,868,265</u>
LIABILITIES														
Accounts and contracts payable	\$ 3,430	—	33,000	20,942	—	1,109,905	—	100,605	39,175	—	222,709	1,429	1,673	1,532,868
Due to other funds	—	—	—	73,452	—	—	—	1,364,892	—	—	—	—	—	1,438,344
Due to other governments	—	—	—	—	—	—	—	—	—	—	—	5,361	11,392	16,753
Accrued items	86,247	—	—	6,736	1,214	319,867	—	105,155	5,863	47,161	129,814	46,577	36,633	785,267
Other current liabilities	1,113	—	—	2,578	12,645	14,551	—	—	—	—	—	120	1,590	32,597
Unearned revenue	—	359,208	—	—	—	—	—	695,282	4,532,288	—	—	—	—	5,586,778
Total liabilities	<u>90,790</u>	<u>359,208</u>	<u>33,000</u>	<u>103,708</u>	<u>13,859</u>	<u>1,444,323</u>	<u>—</u>	<u>2,265,934</u>	<u>4,577,326</u>	<u>47,161</u>	<u>352,523</u>	<u>53,487</u>	<u>51,288</u>	<u>9,392,607</u>
DEFERRED INFLOWS OF RESOURCES														
Unavailable revenue - real estate taxes	—	—	27,500	—	—	—	—	—	—	—	—	975,492	2,072,920	3,075,912
Total deferred inflows of resources	<u>—</u>	<u>—</u>	<u>27,500</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>975,492</u>	<u>2,072,920</u>	<u>3,075,912</u>
Total liabilities and deferred inflows of resources	<u>90,790</u>	<u>359,208</u>	<u>60,500</u>	<u>103,708</u>	<u>13,859</u>	<u>1,444,323</u>	<u>—</u>	<u>2,265,934</u>	<u>4,577,326</u>	<u>47,161</u>	<u>352,523</u>	<u>1,028,979</u>	<u>2,124,208</u>	<u>12,468,519</u>
FUND BALANCES														
Restricted	1,926,190	—	6,020	—	—	63,842,909	1,311,330	—	—	493,075	5,040,392	143,835	635,995	73,399,746
Total fund balances	<u>1,926,190</u>	<u>—</u>	<u>6,020</u>	<u>—</u>	<u>—</u>	<u>63,842,909</u>	<u>1,311,330</u>	<u>—</u>	<u>—</u>	<u>493,075</u>	<u>5,040,392</u>	<u>143,835</u>	<u>635,995</u>	<u>73,399,746</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 2,016,980</u>	<u>359,208</u>	<u>66,520</u>	<u>103,708</u>	<u>13,859</u>	<u>65,287,232</u>	<u>1,311,330</u>	<u>2,265,934</u>	<u>4,577,326</u>	<u>540,236</u>	<u>5,392,915</u>	<u>1,172,814</u>	<u>2,760,203</u>	<u>85,868,265</u>

See accompanying notes to financial statements.

CITY OF INDEPENDENCE, MISSOURI
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Year Ended June 30, 2024

	Tourism	Heartland Community Foundation	Independence Square Benefit District	Community Development Block Grant	Rental Rehabilitation	Consolidated Sales Tax Funds (Exhibit 34)	License Surcharge	Grants	American Rescue Plan	Animal Shelter Use Tax	Police Use Tax	Health Property Tax Levy	Recreation Property Tax Levy	Total
REVENUES														
Taxes	\$ 2,304,882	—	27,436	—	—	38,434,594	—	—	—	855,000	4,483,000	867,608	1,843,667	48,816,187
Licenses and permits	—	—	—	—	—	—	100	—	—	—	—	465,123	—	465,223
Intergovernmental	—	—	—	632,328	250,308	978,175	—	4,807,196	875,845	—	—	—	—	7,543,852
Charges for services	14,771	—	—	—	—	777,082	—	237,882	—	—	—	169,269	89,925	1,288,929
Investment income	104,509	—	3,292	—	—	2,663,799	63,167	—	—	37,277	301,284	19,355	46,846	3,239,529
Other revenue	8,343	5,635	—	712	—	3,147,561	—	22,154	—	128	21,280	66,115	12,354	3,284,282
Total revenues	2,432,505	5,635	30,728	633,040	250,308	46,001,211	63,267	5,067,232	875,845	892,405	4,805,564	1,587,470	1,992,792	64,638,002
EXPENDITURES														
Current:														
Administrative Services	—	—	—	—	—	—	—	65,915	3,637	—	—	—	—	69,552
Public Safety	—	—	—	—	—	8,155,654	—	2,611,796	126,343	—	4,757,947	—	—	15,651,740
Municipal Services - Public Works	—	—	—	—	—	1,172,684	—	167,271	—	—	—	—	—	1,339,955
Culture and Recreation	2,568,460	—	—	—	—	5,878,165	—	50,148	—	—	—	—	1,494,516	9,991,289
Community Development	—	—	—	632,094	250,315	197,424	—	1,124,108	513,358	—	—	—	—	2,717,299
Storm Water	—	—	—	—	—	2,858,679	—	—	—	—	—	—	—	2,858,679
Health and Animal Services	—	—	—	—	—	—	—	1,214,438	55	722,098	—	1,796,682	—	3,733,273
General Government	—	5,635	33,445	—	—	—	374	—	65,181	—	—	—	—	104,635
Capital Outlay	—	—	—	—	—	14,411,326	—	—	—	—	—	—	32,274	14,443,600
Debt service:														
Principal	617	—	—	230	—	1,674,650	—	802	—	—	—	1,400	965	1,678,664
Interest and fiscal agent fees	13	—	—	4	—	420,466	—	25	—	—	—	18	36	420,562
Total expenditures	2,569,090	5,635	33,445	632,328	250,315	34,769,048	374	5,067,232	875,845	722,098	4,757,947	1,798,100	1,527,791	53,009,248
Excess (deficiency) of revenues over expenditures	(136,585)	—	(2,717)	712	(7)	11,232,163	62,893	—	—	170,307	47,617	(210,630)	465,001	11,628,754
OTHER FINANCING SOURCES (USES)														
Lease proceeds	—	—	—	—	—	61,988	—	—	—	—	—	—	—	61,988
Subscription proceeds	—	—	—	—	—	91,350	—	—	—	—	—	—	—	91,350
Transfers in	—	—	—	—	—	228,514	—	—	—	—	—	—	113,680	342,194
Transfers out	(349,237)	—	—	—	—	(125,766)	(39,053)	—	—	—	(99,854)	—	—	(613,910)
Total other financing sources (uses)	(349,237)	—	—	—	—	256,086	(39,053)	—	—	—	(99,854)	—	113,680	(118,378)
Net change in fund balances	(485,822)	—	(2,717)	712	(7)	11,488,249	23,840	—	—	170,307	(52,237)	(210,630)	578,681	11,510,376
Fund balances (deficit) - beginning	2,412,012	—	8,737	(712)	7	52,354,660	1,287,490	—	—	322,768	5,092,629	354,465	57,314	61,889,370
Fund balances - ending	\$ 1,926,190	—	6,020	—	—	63,842,909	1,311,330	—	—	493,075	5,040,392	143,835	635,995	73,399,746

See accompanying notes to financial statements.

CITY OF INDEPENDENCE, MISSOURI
Budgetary Comparison Schedule
Tourism Fund
Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budget Basis)	Final Budget
REVENUES				
Transient guest taxes	\$ 2,300,000	2,300,000	2,304,882	4,882
Charges for services	—	—	14,771	14,771
Investment income	25,050	25,050	84,617	59,567
Other revenue	3,000	3,000	8,343	5,343
Total revenues	<u>2,328,050</u>	<u>2,328,050</u>	<u>2,412,613</u>	<u>84,563</u>
EXPENDITURES				
Tourism	2,343,264	2,859,118	2,709,263	149,855
Debt Service	—	—	630	(630)
Capital Outlay	400,000	947,350	119,544	827,806
Total expenditures	<u>2,743,264</u>	<u>3,806,468</u>	<u>2,829,437</u>	<u>977,031</u>
OTHER FINANCING SOURCE (USES)				
Transfers out	—	—	(349,237)	(349,237)
Total other financing sources (uses)	<u>—</u>	<u>—</u>	<u>(349,237)</u>	<u>(349,237)</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	\$ <u>(415,214)</u>	<u>(1,478,418)</u>	(766,061)	<u>712,357</u>
Fund balance - beginning			2,412,012	
Cancellation of prior year encumbrances			6,720	
Investment fair value change			19,892	
Increase (decrease) in prior year encumbrances			253,627	
Fund balance - ending			<u>\$ 1,926,190</u>	

CITY OF INDEPENDENCE, MISSOURI
Budgetary Basis Reconciliation Schedule
Tourism Fund
Year Ended June 30, 2024

	Tourism Fund
Sources/Inflows of Resources:	
Actual amounts (budgetary basis) for total revenues from the budgetary comparison schedule	\$ 2,412,613
Basis differences – budget to GAAP:	
Fair value adjustment to investments	19,892
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	\$ 2,432,505
Uses/Outflows of resources:	
Actual amounts (budgetary basis) for total expenditures from the budgetary comparison schedule	\$ 2,829,437
Basis differences – budget to GAAP:	
Outstanding encumbrances at year-end charged to the current year's budget (1)	(346,282)
Current year expenditures of encumbrances outstanding at the end of the prior fiscal year (1)	85,935
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	\$ 2,569,090

- (1) Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.

CITY OF INDEPENDENCE, MISSOURI
Budgetary Comparison Schedule
Community Development Block Grant Fund
Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts (Budget Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Grants and other shared revenue	\$ 851,251	851,251	632,328	(218,923)
Other revenue	—	—	712	712
Total revenues	<u>851,251</u>	<u>851,251</u>	<u>633,040</u>	<u>(218,211)</u>
EXPENDITURES				
CDBG administration	169,702	169,702	165,260	4,442
CDBG expenditures	681,001	681,002	461,284	219,718
Debt Service	—	—	235	(235)
Total expenditures	<u>850,703</u>	<u>850,704</u>	<u>626,779</u>	<u>223,925</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	\$ <u>548</u>	<u>547</u>	6,261	<u>5,714</u>
Fund balance (deficit) - beginning			(712)	
Cancellation of prior year encumbrances			45	
Increase (decrease) in prior year encumbrances			(5,594)	
Fund balance (deficit) - beginning			<u>\$ —</u>	

Exhibit 19.1

CITY OF INDEPENDENCE, MISSOURI
Budgetary Basis Reconciliation Schedule
Community Development Block Grant Fund
Year Ended June 30, 2024

	<u>Community Development Block Grant</u>
Sources/Inflows of Resources:	
Actual amounts (budgetary basis) for total revenues from the budgetary comparison schedule	\$ 633,040
Basis differences – budget to GAAP:	
None	<u>—</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	<u>\$ 633,040</u>
Uses/Outflows of resources:	
Actual amounts (budgetary basis) for total expenditures from the budgetary comparison schedule	\$ 626,779
Basis differences – budget to GAAP:	
Outstanding encumbrances at year-end charged to the current year’s budget (1)	(3,132)
Current year expenditures of encumbrances outstanding at the end of the prior fiscal year (1)	<u>8,681</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	<u>\$ 632,328</u>

- (1) Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.

CITY OF INDEPENDENCE, MISSOURI
Budgetary Comparison Schedule
Rental Rehabilitation Fund
Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budget Basis)	Final Budget
REVENUES				
Grants and other shared revenue	\$ 570,305	570,305	250,308	(319,997)
Total revenues	<u>570,305</u>	<u>570,305</u>	<u>250,308</u>	<u>(319,997)</u>
EXPENDITURES				
HOME administration	59,987	59,987	49,774	10,213
Multi-family housing	375,107	375,107	—	375,107
Community housing development	<u>107,172</u>	<u>107,172</u>	<u>—</u>	<u>107,172</u>
Total expenditures	<u>542,266</u>	<u>542,266</u>	<u>49,774</u>	<u>492,492</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	\$ <u>28,039</u>	<u>28,039</u>	200,534	<u>172,495</u>
Fund balance - beginning			7	
Increase (decrease) in prior year encumbrances			<u>(200,541)</u>	
Fund balance - ending			<u><u>—</u></u>	

CITY OF INDEPENDENCE, MISSOURI
Budgetary Basis Reconciliation Schedule
Rental Rehabilitation
Year Ended June 30, 2024

	<u>Rental Rehabilitation</u>
Sources/Inflows of Resources:	
Actual amounts (budgetary basis) for total revenues from the budgetary comparison schedule	\$ 250,308
Basis differences – budget to GAAP:	
None	<u>—</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	<u>\$ 250,308</u>
Uses/Outflows of resources:	
Actual amounts (budgetary basis) for total expenditures from the budgetary comparison schedule	\$ 49,774
Basis differences – budget to GAAP:	
Outstanding encumbrances at year-end charged to the current year's budget (1)	—
Current year expenditures of encumbrances outstanding at the end of the prior fiscal year (1)	<u>200,541</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	<u>\$ 250,315</u>

- (1) Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.

CITY OF INDEPENDENCE, MISSOURI
Budgetary Comparison Schedule
Street Improvements Sales Tax Fund
Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts (Budget Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Sales tax	\$ 10,534,000	10,534,000	10,118,609	(415,391)
Use tax	321,000	321,000	1,044,623	723,623
Grants and other shared revenue	—	3,345,086	675,879	(2,669,207)
Investment income	125,000	125,000	838,240	713,240
Other revenue	—	—	2,768,750	2,768,750
Total revenues	10,980,000	14,325,086	15,446,101	1,121,015
EXPENDITURES				
Street Maintenance	1,382,173	1,382,173	1,173,218	208,955
Debt Service	1,747,446	1,747,446	1,747,446	—
Capital Outlay	21,798,746	25,288,298	14,206,943	11,081,355
Total expenditures	24,928,365	28,417,917	17,127,607	11,290,310
OTHER FINANCING SOURCES (USES)				
Other financing sources - leases	—	—	53,392	53,392
Other financing sources - subscriptions	—	—	91,350	91,350
Transfers out	—	—	(72,665)	(72,665)
Total other financing sources (uses)	—	—	72,077	72,077
Excess of revenues and other financing sources over (under) expenditures and other financing uses	\$ (13,948,365)	(14,092,831)	(1,609,429)	12,483,402
Fund balance - beginning			23,207,557	
Cancellation of prior year encumbrances			1,320,211	
Investment fair value change			238,379	
Increase (decrease) in prior year encumbrances			1,036,635	
Fund balance - ending			\$ 24,193,353	

CITY OF INDEPENDENCE, MISSOURI
Budgetary Basis Reconciliation Schedule
Street Improvements Sales Tax Fund
Year Ended June 30, 2024

	<u>Street Improvements Sales Tax</u>
Sources/Inflows of Resources:	
Actual amounts (budgetary basis) for total revenues from the budgetary comparison schedule	\$ 15,446,101
Basis differences – budget to GAAP:	
Investment Fair Value Change	<u>238,379</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	<u><u>\$ 15,684,480</u></u>
Uses/Outflows of resources:	
Actual amounts (budgetary basis) for total expenditures from the budgetary comparison schedule	\$ 17,127,607
Basis differences – budget to GAAP:	
Outstanding encumbrances at year-end charged to the current year's budget (1)	(8,568,166)
Current year expenditures of encumbrances outstanding at the end of the prior fiscal year (1)	<u>6,211,320</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	<u><u>\$ 14,770,761</u></u>

- (1) Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.

CITY OF INDEPENDENCE, MISSOURI
Budgetary Comparison Schedule
Parks Improvements Sales Tax Fund
Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts (Budget Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Sales tax	\$ 5,268,000	5,268,000	5,059,280	(208,720)
Use tax	169,000	169,000	522,286	353,286
Grants and other shared revenue	33,000	33,000	56,813	23,813
Charges for services	578,500	578,500	777,082	198,582
Investment income	19,180	19,180	126,452	107,272
Other revenue	27,400	27,400	60,767	33,367
Total revenues	<u>6,095,080</u>	<u>6,095,080</u>	<u>6,602,680</u>	<u>507,600</u>
EXPENDITURES				
Culture and Recreation	6,940,818	6,977,655	6,007,692	969,963
Debt Service	—	—	2,460	(2,460)
Capital Outlay	200,000	200,000	—	200,000
Total expenditures	<u>7,140,818</u>	<u>7,177,655</u>	<u>6,010,152</u>	<u>1,167,503</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers in	—	—	228,514	228,514
Total other financing sources (uses)	<u>—</u>	<u>—</u>	<u>228,514</u>	<u>228,514</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ (1,045,738)</u>	<u>(1,082,575)</u>	821,042	<u>1,903,617</u>
Fund balance - beginning			3,752,805	
Cancellation of prior year encumbrances			12,190	
Investment fair value change			41,724	
Increase (decrease) in prior year encumbrances			117,340	
Fund balance - ending			<u>\$ 4,745,101</u>	

CITY OF INDEPENDENCE, MISSOURI
Budgetary Basis Reconciliation Schedule
Park Improvements Sales Tax Fund
Year Ended June 30, 2024

	Park Improvements Sales Tax
Sources/Inflows of Resources:	
Actual amounts (budgetary basis) for total revenues from the budgetary comparison schedule	\$ 6,602,680
Basis differences – budget to GAAP:	
Investment Fair Value Change	41,724
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	\$ 6,644,404
Uses/Outflows of resources:	
Actual amounts (budgetary basis) for total expenditures from the budgetary comparison schedule	\$ 6,010,152
Basis differences – budget to GAAP:	
Outstanding encumbrances at year-end charged to the current year's budget (1)	(155,063)
Current year expenditures of encumbrances outstanding at the end of the prior fiscal year (1)	25,533
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	\$ 5,880,622

- (1) Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.

CITY OF INDEPENDENCE, MISSOURI
Budgetary Comparison Schedule
Storm Water Sales Tax Fund
Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts (Budget Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Sales tax	\$ 5,268,000	5,268,000	5,059,280	(208,720)
Use tax	169,000	169,000	522,286	353,286
Grants and other shared revenue	—	—	245,483	245,483
Investment income	164,000	164,000	488,413	324,413
Other revenue	7,900	7,900	23,981	16,081
Total revenues	5,608,900	5,608,900	6,339,443	730,543
EXPENDITURES				
Storm Water				
Administration	231,484	245,484	213,395	32,089
Maintenance	2,829,466	2,827,994	2,344,080	483,914
Permit completion	318,000	318,000	316,400	1,600
Debt Service	—	—	694	(694)
Capital Outlay	3,470,000	6,669,122	3,769,326	2,899,796
Total expenditures	6,848,950	10,060,600	6,643,895	3,416,705
OTHER FINANCING SOURCES (USES)				
Transfers out	—	(260,000)	(20,325)	239,675
Total other financing sources (uses)	—	(260,000)	(20,325)	239,675
Excess of revenues and other financing sources over (under) expenditures and other financing uses	\$ (1,240,050)	(4,711,700)	(324,777)	4,386,923
Fund balance - beginning			12,181,382	
Cancellation of prior year encumbrances			121,701	
Investment fair value change			146,893	
Increase (decrease) in prior year encumbrances			2,049,158	
Fund balance - ending			\$ 14,174,357	

Exhibit 23.1

CITY OF INDEPENDENCE, MISSOURI
Budgetary Basis Reconciliation Schedule
Storm Water Sales Tax Fund
Year Ended June 30, 2024

	<u>Storm Water Sales Tax</u>
Sources/Inflows of Resources:	
Actual amounts (budgetary basis) for total revenues from the budgetary comparison schedule	\$ 6,339,443
Basis differences – budget to GAAP:	
Investment Fair Value Change	<u>146,893</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	<u>\$ 6,486,336</u>
Uses/Outflows of resources:	
Actual amounts (budgetary basis) for total expenditures from the budgetary comparison schedule	\$ 6,643,895
Basis differences – budget to GAAP:	
Outstanding encumbrances at year-end charged to the current year's budget (1)	(2,549,214)
Current year expenditures of encumbrances outstanding at the end of the prior fiscal year (1)	<u>378,355</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	<u>\$ 4,473,036</u>

- (1) Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.

CITY OF INDEPENDENCE, MISSOURI
Budgetary Comparison Schedule
Police Public Safety Sales Tax Fund
Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts (Budget Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Sales tax	\$ 2,831,000	2,831,000	2,923,053	92,053
Use tax	85,000	85,000	261,143	176,143
Investment income	35,000	35,000	127,406	92,406
Other revenue	7,600	7,600	189,973	182,373
Total revenues	2,958,600	2,958,600	3,501,575	542,975
EXPENDITURES				
Public Safety				
Communications	679,700	583,700	465,351	118,349
Facilities	116,700	124,720	118,901	5,819
Equipment	2,595,800	2,685,147	2,712,499	(27,352)
Debt Service	25,422	25,422	26,387	(965)
Capital Outlay	1,400,000	1,400,000	1,325,119	74,881
Total expenditures	4,817,622	4,818,989	4,648,257	170,732
OTHER FINANCING SOURCES (USES)				
Transfers out	—	—	(32,776)	(32,776)
Total other financing sources (uses)	—	—	(32,776)	(32,776)
Excess of revenues and other financing sources over (under) expenditures and other financing uses	\$ (1,859,022)	(1,860,389)	(1,179,458)	680,931
Fund balance - beginning			3,276,426	
Cancellation of prior year encumbrances			55,115	
Investment fair value change			36,471	
Increase (decrease) in prior year encumbrances			1,489,125	
Fund balance - ending			\$ 3,677,679	

CITY OF INDEPENDENCE, MISSOURI
Budgetary Basis Reconciliation Schedule
Police Public Safety Sales Tax Fund
Year Ended June 30, 2024

	<u>Police Public Safety Sales Tax</u>
Sources/Inflows of Resources:	
Actual amounts (budgetary basis) for total revenues from the budgetary comparison schedule	\$ 3,501,575
Basis differences – budget to GAAP:	
Investment Fair Value Change	<u>36,471</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	<u><u>\$ 3,538,046</u></u>
Uses/Outflows of resources:	
Actual amounts (budgetary basis) for total expenditures from the budgetary comparison schedule	\$ 4,648,257
Basis differences – budget to GAAP:	
Outstanding encumbrances at year-end charged to the current year’s budget (1)	(1,640,066)
Current year expenditures of encumbrances outstanding at the end of the prior fiscal year (1)	<u>95,826</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	<u><u>\$ 3,104,017</u></u>

- (1) Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.

CITY OF INDEPENDENCE, MISSOURI
Budgetary Comparison Schedule
Fire Protection Sales Tax
Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts (Budget Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Sales tax	\$ 11,395,000	11,395,000	11,200,531	(194,469)
Use tax	321,000	321,000	1,044,623	723,623
Investment income	47,000	47,000	448,944	401,944
Other revenue	6,000	6,000	104,090	98,090
Total revenues	11,769,000	11,769,000	12,798,188	1,029,188
EXPENDITURES				
Law	8,391,735	6,309,195	4,989,912	1,319,283
Debt Service	73,236	217,585	255,381	(37,796)
Capital Outlay	1,800,000	4,025,630	4,601,310	(575,680)
Total expenditures	10,264,971	10,552,410	9,846,603	705,807
OTHER FINANCING SOURCES (USES)				
Other financing sources - leases	—	—	8,596	8,596
Total other financing sources (uses)	—	—	8,596	8,596
Excess of revenues and other financing sources over (under) expenditures and other financing uses	\$ 1,504,029	1,216,590	2,960,181	1,743,591
Fund balance - beginning			9,936,490	
Cancellation of prior year encumbrances			—	
Investment fair value change			161,959	
Increase (decrease) in prior year encumbrances			3,531,833	
Fund balance - ending			\$ 16,590,463	

CITY OF INDEPENDENCE, MISSOURI
Budgetary Basis Reconciliation Schedule
Fire Protection Sales Tax Fund
Year Ended June 30, 2024

	Fire Protection Sales Tax
Sources/Inflows of Resources:	
Actual amounts (budgetary basis) for total revenues from the budgetary comparison schedule	\$ 12,798,188
Basis differences – budget to GAAP:	
Investment Fair Value Change	161,959
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	\$ 12,960,147
Uses/Outflows of resources:	
Actual amounts (budgetary basis) for total expenditures from the budgetary comparison schedule	\$ 9,846,603
Basis differences – budget to GAAP:	
Outstanding encumbrances at year-end charged to the current year's budget (1)	(3,693,353)
Current year expenditures of encumbrances outstanding at the end of the prior fiscal year (1)	161,520
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	\$ 6,314,770

- (1) Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.

CITY OF INDEPENDENCE, MISSOURI
Budgetary Comparison Schedule
Marijuana Sales Tax
Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts (Budget Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Sales tax	\$ 150,000	150,000	678,880	528,880
Investment income	—	—	4,898	4,898
Total revenues	<u>150,000</u>	<u>150,000</u>	<u>683,778</u>	<u>533,778</u>
EXPENDITURES				
Community Development	—	382,275	382,303	(28)
Police	—	13,446	28,418	(14,972)
Fire	15,000	15,000	—	15,000
Total expenditures	<u>15,000</u>	<u>410,721</u>	<u>410,721</u>	<u>—</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	\$ <u>135,000</u>	<u>(260,721)</u>	273,057	<u>533,778</u>
Fund balance - beginning			—	
Cancellation of prior year encumbrances			—	
Investment fair value change			4,020	
Increase (decrease) in prior year encumbrances			184,879	
Fund balance - ending			<u>\$ 461,956</u>	

CITY OF INDEPENDENCE, MISSOURI
Budgetary Basis Reconciliation Schedule
Marijuana Sales Tax
Year Ended June 30, 2024

	<u>Marijuana Sales Tax</u>
Sources/Inflows of Resources:	
Actual amounts (budgetary basis) for total revenues from the budgetary comparison schedule	\$ 683,778
Basis differences – budget to GAAP:	
Investment Fair Value Change	4,020
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	\$ <u>687,798</u>
Uses/Outflows of resources:	
Actual amounts (budgetary basis) for total expenditures from the budgetary comparison schedule	\$ 410,721
Basis differences – budget to GAAP:	
Outstanding encumbrances at year-end charged to the current year’s budget (1)	(184,879)
Current year expenditures of encumbrances outstanding at the end of the prior fiscal year (1)	<u>—</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	\$ <u>225,842</u>

- (1) Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.

CITY OF INDEPENDENCE, MISSOURI
Budgetary Comparison Schedule
Grants Fund
Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budget Basis)	Final Budget
REVENUES				
Grants and other shared revenue	\$ 4,479,344	7,970,725	4,807,196	(3,163,529)
Charges for services	109,023	237,880	237,882	2
Other revenue	140,620	448,684	22,154	(426,530)
Total revenues	<u>4,728,987</u>	<u>8,657,289</u>	<u>5,067,232</u>	<u>(3,590,057)</u>
EXPENDITURES				
City Council	—	14,000	10,790	3,210
City Manager	—	236,794	110,765	126,029
Law	100,880	51,886	40,928	10,958
Finance	—	14,196	14,196	—
Community Development	1,510,774	1,223,113	1,124,108	99,005
Police	719,282	3,334,696	2,450,025	884,671
Fire	59,629	12,442	12,442	—
Health and Animal Services	1,490,122	3,542,633	1,212,627	2,330,006
Culture and Recreation	82,434	167,251	139,844	27,407
Total expenditures	<u>3,963,121</u>	<u>8,597,011</u>	<u>5,115,725</u>	<u>3,481,286</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	\$ <u>765,866</u>	<u>60,278</u>	(48,493)	<u>(108,771)</u>
Fund balance - beginning			—	
Cancellation of prior year encumbrances			—	
Increase (decrease) in prior year encumbrances			48,493	
Fund balance - ending			<u>\$ —</u>	

CITY OF INDEPENDENCE, MISSOURI
Budgetary Basis Reconciliation Schedule
Grants Fund
Year Ended June 30, 2024

	<u>Grants</u>
Sources/Inflows of Resources:	
Actual amounts (budgetary basis) for total revenues from the budgetary comparison schedule	\$ 5,067,232
Basis differences – budget to GAAP:	
None	<u>—</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	<u><u>\$ 5,067,232</u></u>
Uses/Outflows of resources:	
Actual amounts (budgetary basis) for total expenditures from the budgetary comparison schedule	\$ 5,115,725
Basis differences – budget to GAAP:	
Outstanding encumbrances at year-end charged to the current year's budget (1)	(123,360)
Current year expenditures of encumbrances outstanding at the end of the prior fiscal year (1)	<u>74,867</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	<u><u>\$ 5,067,232</u></u>

- (1) Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.

CITY OF INDEPENDENCE, MISSOURI
Budgetary Comparison Schedule
American Rescue Plan Act Fund
Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with
	Original	Final	(Budget Basis)	Final Budget
REVENUES				
Grants and other shared revenue	\$ 9,557,038	5,408,133	875,845	(4,532,288)
Total revenues	<u>9,557,038</u>	<u>5,408,133</u>	<u>875,845</u>	<u>(4,532,288)</u>
EXPENDITURES				
American Rescue Plan	<u>5,247,038</u>	<u>4,987,112</u>	<u>694,342</u>	<u>4,292,770</u>
Total expenditures	<u>5,247,038</u>	<u>4,987,112</u>	<u>694,342</u>	<u>4,292,770</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	\$ <u>4,310,000</u>	<u>421,021</u>	181,503	<u>(239,518)</u>
Fund balance - beginning			—	
Cancellation of prior year encumbrances			8,111	
Investment fair value change			—	
Increase (decrease) in prior year encumbrances			<u>(189,614)</u>	
Fund balance - ending			<u>\$ —</u>	

Exhibit 28.1

**CITY OF INDEPENDENCE, MISSOURI
Budgetary Basis Reconciliation Schedule
American Rescue Plan Act Fund
Year Ended June 30, 2024**

**American Rescue
Plan Act**

Sources/Inflows of Resources:

Actual amounts (budgetary basis) for total revenues from the budgetary comparison schedule

\$ 875,845

Basis differences – budget to GAAP:

None

—

Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds

\$ 875,845

Uses/Outflows of resources:

Actual amounts (budgetary basis) for total expenditures from the budgetary comparison schedule

\$ 694,342

Basis differences – budget to GAAP:

Outstanding encumbrances at year-end charged to the current year's budget (1)

(125,617)

Current year expenditures of encumbrances outstanding at the end of the prior fiscal year (1)

307,120

Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds

\$ 875,845

- (1) Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.

CITY OF INDEPENDENCE, MISSOURI
Budgetary Comparison Schedule
Animal Services Use Tax Fund
Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts (Budget Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Use tax	\$ 855,000	855,000	855,000	—
Investment income	6,000	6,000	31,345	25,345
Other revenue	—	—	128	128
Total revenues	<u>861,000</u>	<u>861,000</u>	<u>886,473</u>	<u>25,473</u>
EXPENDITURES				
Animal Services	<u>886,000</u>	<u>886,000</u>	<u>723,718</u>	<u>162,282</u>
Total expenditures	<u>886,000</u>	<u>886,000</u>	<u>723,718</u>	<u>162,282</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers in	<u>25,000</u>	<u>25,000</u>	<u>—</u>	<u>(25,000)</u>
Total other financing sources (uses)	<u>25,000</u>	<u>25,000</u>	<u>—</u>	<u>(25,000)</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ —</u>	<u>—</u>	162,755	<u>162,755</u>
Fund balance - beginning			322,768	
Cancellation of prior year encumbrances			—	
Investment fair value change			5,932	
Increase (decrease) in prior year encumbrances			1,620	
Fund balance - ending			<u>\$ 493,075</u>	

CITY OF INDEPENDENCE, MISSOURI
Budgetary Basis Reconciliation Schedule
Animal Services Use Tax Fund
Year Ended June 30, 2024

	Animal Services Use Tax
Sources/Inflows of Resources:	
Actual amounts (budgetary basis) for total revenues from the budgetary comparison schedule	\$ 886,473
Basis differences – budget to GAAP:	
Investment Fair Value Change	5,932
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	\$ <u>892,405</u>
Uses/Outflows of resources:	
Actual amounts (budgetary basis) for total expenditures from the budgetary comparison schedule	\$ 723,718
Basis differences – budget to GAAP:	
Outstanding encumbrances at year-end charged to the current year's budget (1)	(1,620)
Current year expenditures of encumbrances outstanding at the end of the prior fiscal year (1)	<u>—</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	\$ <u>722,098</u>

- (1) Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.

CITY OF INDEPENDENCE, MISSOURI
Budgetary Comparison Schedule
Police Use Tax Fund
Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts (Budget Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Use tax	\$ 4,483,000	4,483,000	4,483,000	—
Investment income	59,000	59,000	242,071	183,071
Other revenue	—	—	21,280	21,280
Total revenues	<u>4,542,000</u>	<u>4,542,000</u>	<u>4,746,351</u>	<u>204,351</u>
EXPENDITURES				
Police	<u>4,231,251</u>	<u>5,639,523</u>	<u>4,903,843</u>	<u>735,680</u>
Total expenditures	<u>4,231,251</u>	<u>5,639,523</u>	<u>4,903,843</u>	<u>735,680</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	<u>—</u>	<u>—</u>	<u>(99,854)</u>	<u>(99,854)</u>
Total other financing sources (uses)	<u>—</u>	<u>—</u>	<u>(99,854)</u>	<u>(99,854)</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	\$ <u>310,749</u>	<u>(1,097,523)</u>	<u>(257,346)</u>	<u>840,177</u>
Fund balance - beginning			5,092,629	
Cancellation of prior year encumbrances			15,446	
Investment fair value change			59,213	
Increase (decrease) in prior year encumbrances			130,450	
Fund balance - ending			<u>\$ 5,040,392</u>	

CITY OF INDEPENDENCE, MISSOURI
Budgetary Basis Reconciliation Schedule
Police Use Tax Fund
Year Ended June 30, 2024

	<u>Police Use Tax</u>
Sources/Inflows of Resources:	
Actual amounts (budgetary basis) for total revenues from the budgetary comparison schedule	\$ 4,746,351
Basis differences – budget to GAAP:	
Investment Fair Value Change	<u>59,213</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	<u><u>\$ 4,805,564</u></u>
Uses/Outflows of resources:	
Actual amounts (budgetary basis) for total expenditures from the budgetary comparison schedule	\$ 4,903,843
Basis differences – budget to GAAP:	
Outstanding encumbrances at year-end charged to the current year's budget (1)	(264,886)
Current year expenditures of encumbrances outstanding at the end of the prior fiscal year (1)	<u>118,990</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	<u><u>\$ 4,757,947</u></u>

- (1) Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.

CITY OF INDEPENDENCE, MISSOURI
Budgetary Comparison Schedule
Health Property Tax Levy Fund
Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts (Budget Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Real estate tax	\$ 870,620	870,620	867,608	(3,012)
Licenses and permits	412,400	412,400	465,123	52,723
Charges for services	170,000	170,000	169,269	(731)
Investment income	11,500	11,500	18,820	7,320
Other revenue	14,000	14,000	66,115	52,115
Total revenues	<u>1,478,520</u>	<u>1,478,520</u>	<u>1,586,935</u>	<u>108,415</u>
EXPENDITURES				
Health Services	805,672	827,532	647,963	179,569
Animal Services	997,849	1,182,699	1,238,258	(55,559)
Total expenditures	<u>1,803,521</u>	<u>2,010,231</u>	<u>1,886,221</u>	<u>124,010</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers in	<u>325,000</u>	<u>325,000</u>	<u>—</u>	<u>(325,000)</u>
Total other financing sources (uses)	<u>325,000</u>	<u>325,000</u>	<u>—</u>	<u>(325,000)</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	\$ <u>(1)</u>	<u>(206,711)</u>	(299,286)	<u>(92,575)</u>
Fund balance - beginning			354,465	
Cancellation of prior year encumbrances			835	
Investment fair value change			535	
Increase (decrease) in prior year encumbrances			87,286	
Fund balance - ending			<u>\$ 143,835</u>	

CITY OF INDEPENDENCE, MISSOURI
Budgetary Basis Reconciliation Schedule
Health Property Tax Levy Fund
Year Ended June 30, 2024

	<u>Health Property Tax Levy</u>
Sources/Inflows of Resources:	
Actual amounts (budgetary basis) for total revenues from the budgetary comparison schedule	\$ 1,586,935
Basis differences – budget to GAAP:	
Investment Fair Value Change	<u>535</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	<u><u>\$ 1,587,470</u></u>
Uses/Outflows of resources:	
Actual amounts (budgetary basis) for total expenditures from the budgetary comparison schedule	\$ 1,886,221
Basis differences – budget to GAAP:	
Outstanding encumbrances at year-end charged to the current year's budget (1)	(91,679)
Current year expenditures of encumbrances outstanding at the end of the prior fiscal year (1)	<u>3,558</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	<u><u>\$ 1,798,100</u></u>

- (1) Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.

CITY OF INDEPENDENCE, MISSOURI
Budgetary Comparison Schedule
Parks and Recreation Property Tax Levy Fund
Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts (Budget Basis)	Variance with Final Budget
	Original	Final		
REVENUES				
Real estate tax	\$ 1,838,155	1,838,155	1,843,667	5,512
Charges for services	88,500	88,500	89,925	1,425
Investment income	16,485	16,485	39,846	23,361
Other revenue	—	—	12,354	12,354
Total revenues	<u>1,943,140</u>	<u>1,943,140</u>	<u>1,985,792</u>	<u>42,652</u>
EXPENDITURES				
Culture and Recreation	<u>1,583,850</u>	<u>1,586,850</u>	<u>1,575,701</u>	<u>11,149</u>
Total expenditures	<u>1,583,850</u>	<u>1,586,850</u>	<u>1,575,701</u>	<u>11,149</u>
OTHER FINANCING SOURCES (USES)				
Operating transfers in	<u>—</u>	<u>—</u>	<u>113,680</u>	<u>113,680</u>
Total other financing sources (uses)	<u>—</u>	<u>—</u>	<u>113,680</u>	<u>113,680</u>
Excess of revenues and other financing sources over (under) expenditures and other financing uses	<u>\$ 359,290</u>	<u>356,290</u>	<u>523,771</u>	<u>167,481</u>
Fund balance - beginning			57,314	
Cancellation of prior year encumbrances			30	
Investment fair value change			7,000	
Increase (decrease) in prior year encumbrances			<u>47,880</u>	
Fund balance - ending			<u>\$ 635,995</u>	

CITY OF INDEPENDENCE, MISSOURI
Budgetary Basis Reconciliation Schedule
Parks and Recreation Property Tax Levy Fund
Year Ended June 30, 2024

	Parks and Recreation Property Tax Levy
Sources/Inflows of Resources:	
Actual amounts (budgetary basis) for total revenues from the budgetary comparison schedule	\$ 1,985,792
Basis differences – budget to GAAP:	
Investment Fair Value Change	7,000
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	\$ 1,992,792
Uses/Outflows of resources:	
Actual amounts (budgetary basis) for total expenditures from the budgetary comparison schedule	\$ 1,575,701
Basis differences – budget to GAAP:	
Outstanding encumbrances at year-end charged to the current year's budget (1)	(80,184)
Current year expenditures of encumbrances outstanding at the end of the prior fiscal year (1)	32,274
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances – governmental funds	\$ 1,527,791

- (1) Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.

CITY OF INDEPENDENCE, MISSOURI
Combining Balance Sheet
Nonmajor Sales Tax Funds
June 30, 2024

	Street Improvements Sales Tax	Parks Improvements Sales Tax	Storm Water Sales Tax	Police Sales Tax	Fire Sales Tax	Marijuana Sales Tax	Total (Exhibit 16)
ASSETS							
Pooled cash and investments	\$ 21,543,760	3,799,416	13,368,510	3,319,178	14,738,240	365,820	57,134,924
Receivables:							
Taxes	2,201,555	1,100,474	1,100,474	564,232	2,198,677	141,906	7,307,318
Accounts, net	—	6,263	—	—	—	—	6,263
Accrued interest	16,241	2,843	10,008	2,485	11,034	274	42,885
Due from other funds	150,727	—	—	—	—	—	150,727
Due from other governments	337,382	5,829	—	—	—	—	343,211
Restricted cash and investments	301,904	—	—	—	—	—	301,904
Total assets	<u>\$ 24,551,569</u>	<u>4,914,825</u>	<u>14,478,992</u>	<u>3,885,895</u>	<u>16,947,951</u>	<u>508,000</u>	<u>65,287,232</u>
LIABILITIES							
Accounts and contracts payable	\$ 339,648	38,068	240,979	208,216	236,950	46,044	1,109,905
Accrued items	18,568	117,105	63,656	—	120,538	—	319,867
Other current liabilities	—	14,551	—	—	—	—	14,551
Total liabilities	<u>358,216</u>	<u>169,724</u>	<u>304,635</u>	<u>208,216</u>	<u>357,488</u>	<u>46,044</u>	<u>1,444,323</u>
FUND BALANCES							
Restricted	<u>24,193,353</u>	<u>4,745,101</u>	<u>14,174,357</u>	<u>3,677,679</u>	<u>16,590,463</u>	<u>461,956</u>	<u>63,842,909</u>
Total fund balances	<u>24,193,353</u>	<u>4,745,101</u>	<u>14,174,357</u>	<u>3,677,679</u>	<u>16,590,463</u>	<u>461,956</u>	<u>63,842,909</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 24,551,569</u>	<u>4,914,825</u>	<u>14,478,992</u>	<u>3,885,895</u>	<u>16,947,951</u>	<u>508,000</u>	<u>65,287,232</u>

See accompanying notes to financial statements.

CITY OF INDEPENDENCE, MISSOURI
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Sales Tax Funds
For the Year Ended June 30, 2024

	Street Improvements Sales Tax	Parks Improvements Sales Tax	Storm Water Sales Tax	Police Sales Tax	Fire Sales Tax	Marijuana Sales Tax	Total (Exhibit 17)
REVENUES							
Taxes	\$ 11,163,232	5,581,566	5,581,566	3,184,196	12,245,154	678,880	38,434,594
Intergovernmental	675,879	56,813	245,483	—	—	—	978,175
Charges for services	—	777,082	—	—	—	—	777,082
Investment income	1,076,619	168,176	635,306	163,877	610,903	8,918	2,663,799
Other revenue	2,768,750	60,767	23,981	189,973	104,090	—	3,147,561
Total revenues	<u>15,684,480</u>	<u>6,644,404</u>	<u>6,486,336</u>	<u>3,538,046</u>	<u>12,960,147</u>	<u>687,798</u>	<u>46,001,211</u>
EXPENDITURES							
Current:							
Public Safety	—	—	—	3,062,053	5,065,183	28,418	8,155,654
Municipal Services - Public Works	1,172,684	—	—	—	—	—	1,172,684
Culture and Recreation	—	5,878,165	—	—	—	—	5,878,165
Community Development	—	—	—	—	—	197,424	197,424
Storm Water	—	—	2,858,679	—	—	—	2,858,679
Capital Outlay	11,784,014	—	1,613,663	19,444	994,205	—	14,411,326
Debt service:							
Principal	1,407,730	2,306	689	19,924	244,001	—	1,674,650
Interest and fiscal agent fees	406,333	151	5	2,596	11,381	—	420,466
Total expenditures	<u>14,770,761</u>	<u>5,880,622</u>	<u>4,473,036</u>	<u>3,104,017</u>	<u>6,314,770</u>	<u>225,842</u>	<u>34,769,048</u>
Excess (deficiency) of revenues over expenditures	<u>913,719</u>	<u>763,782</u>	<u>2,013,300</u>	<u>434,029</u>	<u>6,645,377</u>	<u>461,956</u>	<u>11,232,163</u>
OTHER FINANCING SOURCES (USES)							
Lease proceeds	53,392	—	—	—	8,596	—	61,988
Subscription proceeds	91,350	—	—	—	—	—	91,350
Transfers in	—	228,514	—	—	—	—	228,514
Transfers out	(72,665)	—	(20,325)	(32,776)	—	—	(125,766)
Total other financing sources (uses)	<u>72,077</u>	<u>228,514</u>	<u>(20,325)</u>	<u>(32,776)</u>	<u>8,596</u>	<u>—</u>	<u>256,086</u>
Net change in fund balances	985,796	992,296	1,992,975	401,253	6,653,973	461,956	11,488,249
Fund balances - beginning	23,207,557	3,752,805	12,181,382	3,276,426	9,936,490	—	52,354,660
Fund balances - ending	<u>\$ 24,193,353</u>	<u>4,745,101</u>	<u>14,174,357</u>	<u>3,677,679</u>	<u>16,590,463</u>	<u>461,956</u>	<u>63,842,909</u>

See accompanying notes to financial statements.

CITY OF INDEPENDENCE, MISSOURI
Combining Balance Sheet
Nonmajor Capital Project Funds
June 30, 2024

	Street Improvements	Police Improvements Fund	Revolving Public Improvements	Buildings and Other Improvements	Storm Drainage	Park Improvements	Total (Exhibit 14)
ASSETS							
Pooled cash and investments	\$ —	132,631	—	—	—	—	132,631
Receivables:							
Special assessment principal	355,677	—	—	—	—	—	355,677
Due from other governments	252,483	—	—	—	—	—	252,483
Restricted cash and investments	—	—	—	10,915,305	—	—	10,915,305
Total assets	<u>\$ 608,160</u>	<u>132,631</u>	<u>—</u>	<u>10,915,305</u>	<u>—</u>	<u>—</u>	<u>11,656,096</u>
LIABILITIES							
Accounts and contracts payable	\$ 19,507	132,631	—	301,022	—	—	453,160
Due to other funds	150,727	—	—	125,603	—	—	276,330
Total liabilities	<u>170,234</u>	<u>132,631</u>	<u>—</u>	<u>426,625</u>	<u>—</u>	<u>—</u>	<u>729,490</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue - special assessments	355,677	—	—	—	—	—	355,677
Total deferred inflows of resources	<u>355,677</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>355,677</u>
Total liabilities and deferred inflows of resources	<u>525,911</u>	<u>132,631</u>	<u>—</u>	<u>426,625</u>	<u>—</u>	<u>—</u>	<u>1,085,167</u>
FUND BALANCES							
Restricted	—	—	—	10,915,305	—	—	10,915,305
Committed	82,249	—	—	—	—	—	82,249
Unassigned	—	—	—	(426,625)	—	—	(426,625)
Total fund balances	<u>82,249</u>	<u>—</u>	<u>—</u>	<u>10,488,680</u>	<u>—</u>	<u>—</u>	<u>10,570,929</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 608,160</u>	<u>132,631</u>	<u>—</u>	<u>10,915,305</u>	<u>—</u>	<u>—</u>	<u>11,656,096</u>

See accompanying notes to financial statements.

CITY OF INDEPENDENCE, MISSOURI
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Project Funds
For the Year Ended June 30, 2024

	Street Improvements	Police Improvements Fund	Revolving Public Improvements	Buildings and Other Improvements	Storm Drainage	Park Improvements	Total (Exhibit 15)
REVENUES							
Intergovernmental	\$ 263,967	—	—	—	—	—	263,967
Charges for services	6,950	—	—	—	—	—	6,950
Investment income	2,232	—	405	202,811	—	606	206,054
Total revenues	273,149	—	405	202,811	—	606	476,971
EXPENDITURES							
Municipal Services - Public Works	12	—	3	9,512	—	—	9,527
Culture and Recreation	—	—	—	—	—	5	5
Capital Outlay	424,787	132,631	—	9,730,809	—	—	10,288,227
Total expenditures	424,799	132,631	3	9,740,321	—	5	10,297,759
Excess (deficiency) of revenues over expenditures	(151,650)	(132,631)	402	(9,537,510)	—	601	(9,820,788)
OTHER FINANCING SOURCES (USES)							
Debt proceeds	—	—	—	20,000,000	—	—	20,000,000
Transfers in	150,844	132,631	—	27,545	16,155	—	327,175
Transfers out	—	—	(22,018)	—	—	(32,084)	(54,102)
Total other financing sources (uses)	150,844	132,631	(22,018)	20,027,545	16,155	(32,084)	20,273,073
Net change in fund balances	(806)	—	(21,616)	10,490,035	16,155	(31,483)	10,452,285
Fund balances (deficit) - beginning	83,055	—	21,616	(1,355)	(16,155)	31,483	118,644
Fund balances - ending	\$ 82,249	—	—	10,488,680	—	—	10,570,929

See accompanying notes to financial statements.

CITY OF INDEPENDENCE, MISSOURI
Combining Balance Sheet
Component Unit - Tax Increment Financing
June 30, 2024

	Santa Fe TIF	Eastland Center TIF	North Independence	Crackerneck Creek/Bass Pro TIF	Old Landfill TIF	Trinity Development TIF	HCA Centerpoint TIF	Cinema East TIF	23rd & Noland Project 1 TIF	23rd & Noland Project 2 TIF	23rd & Noland Project 3 TIF
ASSETS											
Pooled cash and investments	\$ 600,000	—	—	2,664,683	—	17,504	1,268,043	13,423	—	5,484	3,335
Receivables:											
Taxes	—	22,456	—	684,278	780,202	367,455	4,193,669	149,013	—	8,144	20,505
Accounts, net	—	—	—	60,000	8,530	—	—	—	—	—	—
Accrued interest	—	—	—	405	—	13	949	10	—	4	47
Leases	—	—	—	1,965,490	—	—	—	—	—	—	—
Due from other funds	—	—	—	—	—	—	—	—	—	—	—
Due from other governments	140	—	—	288,714	3,888	30,910	5,691	28,782	100	3,078	12,348
Restricted cash and investments	527,907	—	—	6,343,795	—	—	3,443,492	—	—	—	—
Total assets	<u>\$ 1,128,047</u>	<u>22,456</u>	<u>—</u>	<u>12,007,365</u>	<u>792,620</u>	<u>415,882</u>	<u>8,911,844</u>	<u>191,228</u>	<u>100</u>	<u>16,710</u>	<u>36,235</u>
LIABILITIES											
Accounts and contracts payable	\$ —	—	—	500	—	—	—	—	—	—	—
Due to other funds	—	—	—	1,213	3,267	—	—	—	—	—	—
Total liabilities	<u>—</u>	<u>—</u>	<u>—</u>	<u>1,713</u>	<u>3,267</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>
DEFERRED INFLOWS OF RESOURCES											
Unavailable revenue - real estate taxes	—	—	—	558,592	749,571	345,255	4,188,819	136,913	—	8,144	15,505
Unavailable revenue - leases	—	—	—	1,965,490	—	—	—	—	—	—	—
Total deferred inflows of resources	<u>—</u>	<u>—</u>	<u>—</u>	<u>2,524,082</u>	<u>749,571</u>	<u>345,255</u>	<u>4,188,819</u>	<u>136,913</u>	<u>—</u>	<u>8,144</u>	<u>15,505</u>
Total liabilities and deferred inflows of resources	<u>—</u>	<u>—</u>	<u>—</u>	<u>2,525,795</u>	<u>752,838</u>	<u>345,255</u>	<u>4,188,819</u>	<u>136,913</u>	<u>—</u>	<u>8,144</u>	<u>15,505</u>
FUND BALANCES											
Restricted	1,128,047	22,456	—	9,481,570	39,782	70,627	4,723,025	54,315	100	8,566	20,730
Total fund balances	<u>1,128,047</u>	<u>22,456</u>	<u>—</u>	<u>9,481,570</u>	<u>39,782</u>	<u>70,627</u>	<u>4,723,025</u>	<u>54,315</u>	<u>100</u>	<u>8,566</u>	<u>20,730</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 1,128,047</u>	<u>22,456</u>	<u>—</u>	<u>12,007,365</u>	<u>792,620</u>	<u>415,882</u>	<u>8,911,844</u>	<u>191,228</u>	<u>100</u>	<u>16,710</u>	<u>36,235</u>

(continued)

See accompanying notes to financial statements.

	23rd & Noland Project 4 TIF	Independence Square TIF	Little Blue Parkway 1 TIF	Little Blue Parkway 3 TIF	Marketplace Shopping Center TIF	Marketplace Shopping Center 2 TIF	Hub Drive TIF	TIF Supplemental Appropriations	Reclassifications	Total
ASSETS										
Pooled cash and investments	\$ 4,136	1,096,591	59,254	6,759	9,662	14,814	33,068	9,708,114	—	15,504,870
Receivables:										
Taxes	129,576	455,776	1,161,965	216,725	86,886	103,960	116,880	641,867	—	9,139,357
Accounts, net	—	—	—	—	—	—	—	—	—	68,530
Accrued interest	407	821	1,351	233	7	11	21	7,270	—	11,549
Leases	—	—	—	—	—	—	—	—	—	1,965,490
Due from other funds	—	—	—	—	—	—	—	3,267	(3,267)	—
Due from other governments	121,184	—	231,344	18,450	53,750	14,750	—	—	—	813,129
Restricted cash and investments	—	—	—	—	—	—	—	—	—	10,315,194
Total assets	\$ 255,303	1,553,188	1,453,914	242,167	150,305	133,535	149,969	10,360,518	(3,267)	37,818,119
LIABILITIES										
Accounts and contracts payable	\$ —	—	—	—	—	—	79,004	—	—	79,504
Due to other funds	—	—	—	—	—	—	10,000	—	(3,267)	11,213
Total liabilities	—	—	—	—	—	—	89,004	—	(3,267)	90,717
DEFERRED INFLOWS OF RESOURCES										
Unavailable revenue - real estate taxes	87,076	333,421	625,132	206,825	80,386	96,660	31,616	340,867	—	7,804,782
Unavailable revenue - leases	—	—	—	—	—	—	—	—	—	1,965,490
Total deferred inflows of resources	87,076	333,421	625,132	206,825	80,386	96,660	31,616	340,867	—	9,770,272
Total liabilities and deferred inflows of resources	87,076	333,421	625,132	206,825	80,386	96,660	120,620	340,867	(3,267)	9,860,989
FUND BALANCES										
Restricted	168,227	1,219,767	828,782	35,342	69,919	36,875	29,349	10,019,651	—	27,957,130
Total fund balances	168,227	1,219,767	828,782	35,342	69,919	36,875	29,349	10,019,651	—	27,957,130
Total liabilities, deferred inflows of resources, and fund balance	\$ 255,303	1,553,188	1,453,914	242,167	150,305	133,535	149,969	10,360,518	(3,267)	37,818,119

See accompanying notes to financial statements.

CITY OF INDEPENDENCE, MISSOURI
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Component Unit - Tax Increment Financing
For the Year Ended June 30, 2024

	Santa Fe TIF	Eastland Center TIF	North Indep Improvements TIF	Crackerneck Creek/Bass Pro TIF	Old Landfill TIF	Trinity Development TIF	HCA Centerpoint TIF	Cinema East TIF	23rd & Noland Project 1 TIF	23rd & Noland Project 2 TIF	23rd & Noland Project 3 TIF
REVENUES											
Taxes	\$ 41,114	—	—	2,233,060	778,982	522,020	4,241,865	281,343	—	20,608	70,539
Investment income	28,423	3,484	—	410,876	4,137	1,901	237,081	966	—	287	1,858
Other revenue	54,185	—	—	971,835	—	—	—	—	—	—	—
Total revenues	<u>123,722</u>	<u>3,484</u>	<u>—</u>	<u>3,615,771</u>	<u>783,119</u>	<u>523,921</u>	<u>4,478,946</u>	<u>282,309</u>	<u>—</u>	<u>20,895</u>	<u>72,397</u>
EXPENDITURES											
Tax Increment Financing	2,500	21,029	621	67,383	748,666	511,013	1,198,082	274,367	—	10,933	1,157
Debt service:											
Principal	215,000	—	—	3,900,000	—	—	2,470,000	—	—	—	—
Interest and fiscal agent fees	313,838	—	—	3,183,913	—	—	663,200	—	—	—	—
Total expenditures	<u>531,338</u>	<u>21,029</u>	<u>621</u>	<u>7,151,296</u>	<u>748,666</u>	<u>511,013</u>	<u>4,331,282</u>	<u>274,367</u>	<u>—</u>	<u>10,933</u>	<u>1,157</u>
Excess (deficiency) of revenues over expenditures	<u>(407,616)</u>	<u>(17,545)</u>	<u>(621)</u>	<u>(3,535,525)</u>	<u>34,453</u>	<u>12,908</u>	<u>147,664</u>	<u>7,942</u>	<u>—</u>	<u>9,962</u>	<u>71,240</u>
OTHER FINANCING SOURCES (USES)											
Transfers in	1,023,057	10,615	—	2,050,000	—	53,929	11,367	—	—	—	—
Transfers out	—	(1,809)	—	—	—	(53,929)	(11,367)	—	—	—	(60,000)
Total other financing sources (uses)	<u>1,023,057</u>	<u>8,806</u>	<u>—</u>	<u>2,050,000</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>(60,000)</u>
Net change in fund balances	615,441	(8,739)	(621)	(1,485,525)	34,453	12,908	147,664	7,942	—	9,962	11,240
Fund balances - beginning	512,606	31,195	621	10,967,095	5,329	57,719	4,575,361	46,373	100	(1,396)	9,490
Fund balances - ending	<u>\$ 1,128,047</u>	<u>22,456</u>	<u>—</u>	<u>9,481,570</u>	<u>39,782</u>	<u>70,627</u>	<u>4,723,025</u>	<u>54,315</u>	<u>100</u>	<u>8,566</u>	<u>20,730</u>

See accompanying notes to financial statements.

(continued)

	23rd & Noland Project 4 TIF	Independence Square TIF	Little Blue Parkway 1 TIF	Little Blue Parkway 3 TIF	Marketplace Shopping Center TIF	Marketplace Shopping Center 2 TIF	Hub Drive TIF	TIF Supplemental Appropriations	Total
REVENUES									
Taxes	\$ 607,096	403,057	2,148,058	334,335	191,985	188,492	121,334	3,297,510	15,481,398
Investment income	19,352	73,632	61,444	11,278	712	1,324	852	428,882	1,286,489
Other revenue									1,026,020
Total revenues	626,448	476,689	2,209,502	345,613	192,697	189,816	122,186	3,726,392	17,793,907
EXPENDITURES									
Tax Increment Financing	13,338	230,809	188,754	21,209	180,341	187,452	92,837	118,289	3,868,780
Debt service:									
Principal	—	—	—	—	—	—	—	—	6,585,000
Interest and fiscal agent fees	—	—	—	—	—	—	—	—	4,160,951
Total expenditures	13,338	230,809	188,754	21,209	180,341	187,452	92,837	118,289	14,614,731
Excess (deficiency) of revenues over expenditures	613,110	245,880	2,020,748	324,404	12,356	2,364	29,349	3,608,103	3,179,176
OTHER FINANCING SOURCES (USES)									
Transfers in	—	—	—	—	—	—	—	1,809	3,150,777
Transfers out	(540,000)	—	(1,745,000)	(305,000)	—	—	—	(433,672)	(3,150,777)
Total other financing sources (uses)	(540,000)	—	(1,745,000)	(305,000)	—	—	—	(431,863)	—
Net change in fund balances	73,110	245,880	275,748	19,404	12,356	2,364	29,349	3,176,240	3,179,176
Fund balances - beginning	95,117	973,887	553,034	15,938	57,563	34,511	—	6,843,411	24,777,954
Fund balances - ending	\$ 168,227	1,219,767	828,782	35,342	69,919	36,875	29,349	10,019,651	27,957,130

See accompanying notes to financial statements.

CITY OF INDEPENDENCE, MISSOURI

Internal Service Funds

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other governmental units on a cost-reimbursement basis.

Central Garage – This fund is used to account for costs of maintenance of the City's fleet of vehicles and mobile equipment and related charges to other departments.

Staywell Health Care – This fund is used to account for the costs of the City's self-insured healthcare plan.

Workers' Compensation – This fund is used to account for the costs of the City's self-insured Worker's Compensation claims and administration plan.

Risk Management – This fund is used to account for the costs of the City's liability insurance and risk management claims.

Finance and Support Services – This fund is used to account for the costs of the City's Finance, Human Resources, and Technology Services departments.

CITY OF INDEPENDENCE, MISSOURI
Combining Statement of Net Position
Internal Service Funds
For the Year Ended June 30, 2024

	Central Garage	Staywell Health Care	Workers' Compensation	Risk Management	Finance and Support Services	Total (Exhibit 5)
ASSETS						
Current assets:						
Pooled cash and investments	\$ 1,126,000	7,445,020	2,655,350	1,041,782	3,038	12,271,190
Receivables:						
Accounts, net	772	5,152	—	—	—	5,924
Accrued interest	843	—	2,145	780	—	3,768
Inventory	114,053	—	—	—	—	114,053
Total current assets	1,241,668	7,450,172	2,657,495	1,042,562	3,038	12,394,935
Noncurrent assets:						
Capital Assets:						
Nondepreciable	93,979	—	—	—	—	93,979
Depreciable, net	33,675	—	—	—	3,111,824	3,145,499
Lease assets, net	—	—	—	—	25,560	25,560
Subscription assets, net	—	—	—	—	872,618	872,618
Restricted cash and investments	—	—	209,300	—	—	209,300
Total noncurrent assets	127,654	—	209,300	—	4,010,002	4,346,956
Total assets	1,369,322	7,450,172	2,866,795	1,042,562	4,013,040	16,741,891
DEFERRED OUTFLOWS OF RESOURCES						
Pension related amounts	184,720	—	—	—	1,372,860	1,557,580
Other post-employment benefits	74,035	—	—	—	101,511	175,546
Total deferred outflows of resources	258,755	—	—	—	1,474,371	1,733,126
Total assets and deferred outflows of resources	\$ 1,628,077	7,450,172	2,866,795	1,042,562	5,487,411	18,475,017
LIABILITIES						
Current liabilities:						
Accounts and contracts payable	\$ 146,838	—	30,127	6,306	207,218	390,489
Due to other funds	—	—	—	—	1,829,587	1,829,587
Accrued items	34,635	—	—	37	232,050	266,722
Compensated absences - current	49,104	—	—	—	387,728	436,832
Lease liability	—	—	—	—	14,176	14,176
Subscription liability	—	—	—	—	310,112	310,112
Total OPEB liability	47,629	—	—	—	65,305	112,934
Claims payable	—	1,658,700	2,935,092	851,814	—	5,445,606
Total current liabilities	278,206	1,658,700	2,965,219	858,157	3,046,176	8,806,458
Noncurrent liabilities:						
Compensated absences-long term	68,514	—	—	—	556,439	624,953
Lease liability	—	—	—	—	10,044	10,044
Subscription liability	—	—	—	—	104,180	104,180
Total OPEB liability	1,061,157	—	—	—	1,454,970	2,516,127
Net pension liability	306,038	—	—	—	2,274,513	2,580,551
Claims payable	—	—	8,483,313	2,555,439	—	11,038,752
Total noncurrent liabilities	1,435,709	—	8,483,313	2,555,439	4,400,146	16,874,607
Total liabilities	1,713,915	1,658,700	11,448,532	3,413,596	7,446,322	25,681,065
DEFERRED INFLOWS OF RESOURCES						
Pension related amounts-deferred inflow	7,281	—	—	—	54,116	61,397
OPEB - deferred inflow	187,011	—	—	—	256,415	443,426
Total deferred inflows of resources	194,292	—	—	—	310,531	504,823
Total liabilities and deferred inflows of resources	1,908,207	1,658,700	11,448,532	3,413,596	7,756,853	26,185,888
NET POSITION						
Net investment in capital assets	127,654	—	—	—	3,571,490	3,699,144
Restricted for:						
Workers' Compensation escrow	—	—	209,300	—	—	209,300
Unrestricted	(407,784)	5,791,472	(8,791,037)	(2,371,034)	(5,840,932)	(11,619,315)
Total net position (deficit)	(280,130)	5,791,472	(8,581,737)	(2,371,034)	(2,269,442)	(7,710,871)
Total liabilities, deferred inflows of resources, and net position	\$ 1,628,077	7,450,172	2,866,795	1,042,562	5,487,411	18,475,017

See accompanying notes to financial statements.

CITY OF INDEPENDENCE, MISSOURI
Combining Statement of Revenues, Expenses, and Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2024

	<u>Central Garage</u>	<u>Staywell Health Care</u>	<u>Workers' Compensation</u>	<u>Risk Management</u>	<u>Finance and Support Services</u>	<u>Total Internal Service Funds (Exhibit 6)</u>
OPERATING REVENUES						
Charges for services	\$ 3,285,300	19,857,277	4,296,000	2,944,400	11,645,482	42,028,459
Miscellaneous operating	10,922	954,285	239,909	75,332	—	1,280,448
Total operating revenues	<u>3,296,222</u>	<u>20,811,562</u>	<u>4,535,909</u>	<u>3,019,732</u>	<u>11,645,482</u>	<u>43,308,907</u>
OPERATING EXPENSES						
Personnel services	339,310	569,028	5,015	5,015	5,980,091	6,898,459
Other services	976,540	20,481,171	7,582,347	7,498,308	4,121,893	40,660,259
Supplies	1,357,511	—	—	—	195,590	1,553,101
Depreciation and amortization	10,418	—	—	—	1,795,359	1,805,777
Total operating expenses	<u>2,683,779</u>	<u>21,050,199</u>	<u>7,587,362</u>	<u>7,503,323</u>	<u>12,092,933</u>	<u>50,917,596</u>
Operating income (loss)	<u>612,443</u>	<u>(238,637)</u>	<u>(3,051,453)</u>	<u>(4,483,591)</u>	<u>(447,451)</u>	<u>(7,608,689)</u>
NONOPERATING REVENUES (EXPENSES)						
Investment income	50,476	286,988	224,082	63,151	—	624,697
Miscellaneous non-operating	20,037	1,995,196	1,953	263	11,066	2,028,515
Interest and amortization expense	—	—	—	—	(15,981)	(15,981)
Total nonoperating revenues (expenses)	<u>70,513</u>	<u>2,282,184</u>	<u>226,035</u>	<u>63,414</u>	<u>(4,915)</u>	<u>2,637,231</u>
Income (loss) before contributions and transfers	<u>682,956</u>	<u>2,043,547</u>	<u>(2,825,418)</u>	<u>(4,420,177)</u>	<u>(452,366)</u>	<u>(4,971,458)</u>
Change in net position	<u>682,956</u>	<u>2,043,547</u>	<u>(2,825,418)</u>	<u>(4,420,177)</u>	<u>(452,366)</u>	<u>(4,971,458)</u>
Total net position (deficit) - beginning	<u>(963,086)</u>	<u>3,747,925</u>	<u>(5,756,319)</u>	<u>2,049,143</u>	<u>(1,817,076)</u>	<u>(2,739,413)</u>
Total net position (deficit) - ending	<u>\$ (280,130)</u>	<u>5,791,472</u>	<u>(8,581,737)</u>	<u>(2,371,034)</u>	<u>(2,269,442)</u>	<u>(7,710,871)</u>

See accompanying notes to financial statements.

CITY OF INDEPENDENCE, MISSOURI

Combining Statement of Cash Flows

Internal Service Funds

Year Ended June 30, 2024

	Internal Service Funds					
	Central Garage	Staywell Health Care	Workers' Compensation	Risk Management	Finance and Support Services	Total (Exhibit 7)
Cash Flows from Operations:						
Receipts from customers	\$ 3,330,836	22,807,405	4,537,862	3,019,995	11,656,548	45,352,646
Payments to suppliers	(2,285,750)	(20,526,671)	(5,047,339)	(4,148,986)	(5,280,717)	(37,289,463)
Payments to employees	(757,088)	(569,028)	(5,015)	(5,386)	(6,163,789)	(7,500,306)
Net cash provided by (used in) operating activities	287,998	1,711,706	(514,492)	(1,134,377)	212,042	562,877
Cash Flows from Noncapital Financing Activities:						
Advances from (to) other funds	—	—	—	—	(137,337)	(137,337)
Net cash provided by (used in) noncapital financing activities	—	—	—	—	(137,337)	(137,337)
Cash Flows from Capital and Related Financing Activities:						
Acquisition and construction of capital assets	—	—	—	—	(55,686)	(55,686)
Interest paid on equipment contracts	—	—	—	—	(15,981)	(15,981)
Net cash used in capital and related financing activities	—	—	—	—	(71,667)	(71,667)
Cash Flows from Investing Activities:						
Interest on investments	57,892	286,988	255,004	84,513	—	684,397
Adjustment to fair value	(6,785)	—	(27,167)	(18,191)	—	(52,143)
Net cash provided by (used in) investing activities	51,107	286,988	227,837	66,322	—	632,254
Net increase (decrease) in cash and cash equivalents	339,105	1,998,694	(286,655)	(1,068,055)	3,038	986,127
Cash and cash equivalents at beginning of year	786,895	5,446,326	3,151,305	2,109,837	—	11,494,363
Cash and cash equivalents at end of year	\$ 1,126,000	7,445,020	2,864,650	1,041,782	3,038	12,480,490
Noncash capital and related financing activities:						
Leases and subscriptions	\$ —	—	—	—	56,456	56,456
	\$ —	—	—	—	56,456	56,456
Components of cash and short-term investments at end of fiscal year						
Unrestricted assets	1,126,000	7,445,020	2,655,350	1,041,782	3,038	12,271,190
Restricted assets	—	—	209,300	—	—	209,300
Pooled cash and investments	\$ 1,126,000	7,445,020	2,864,650	1,041,782	3,038	12,480,490
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:						
Operating income (loss)	\$ 612,443	(238,637)	(3,051,453)	(4,483,591)	(447,451)	(7,608,689)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:						
Depreciation and amortization	10,418	—	—	—	1,795,359	1,805,777
Miscellaneous revenue	20,037	1,995,196	1,953	263	11,066	2,028,515
Change in assets and liabilities:						
Accounts receivable	14,577	647	—	—	—	15,224
Inventory	(10,635)	—	—	—	—	(10,635)
Deferred outflows	(61,266)	—	—	—	(631,223)	(692,489)
Accounts and contracts payable	74,130	—	4,398	(57,931)	(25,227)	(4,630)
Accrued liabilities	1,170	(45,500)	(300)	(371)	(77,850)	(122,851)
Other post-employment benefits and net pension liability	(27,150)	—	—	—	662,386	635,236
Claims payable	—	—	2,530,910	3,407,253	—	5,938,163
Compensated absences	36,719	—	—	—	101,572	138,291
Lease and subscriptions	—	—	—	—	(938,007)	(938,007)
Unearned revenue	(15,194)	—	—	—	—	(15,194)
Deferred inflows	(367,251)	—	—	—	(238,583)	(605,834)
Total adjustments	(324,445)	1,950,343	2,536,961	3,349,214	659,493	8,171,566
Net cash provided by (used in) operating activities	\$ 287,998	1,711,706	(514,492)	(1,134,377)	212,042	562,877

CITY OF INDEPENDENCE, MISSOURI
Combining Statement of Fiduciary Net Position
Custodial funds
June 30, 2024

	<u>Flexible Benefit Plan</u>	<u>Susie Paxton Block Trust</u>	<u>Seniors Travel Program</u>	<u>Total Custodial funds</u>
ASSETS				
Pooled cash and investments	\$ 190,466	36,642	36,152	263,260
Accrued interest	—	503	27	530
Total assets	<u>190,466</u>	<u>37,145</u>	<u>36,179</u>	<u>263,790</u>
NET POSITION				
Restricted for:				
Individuals and organizations	<u>190,466</u>	<u>37,145</u>	<u>36,179</u>	<u>263,790</u>
Total net position	<u>\$ 190,466</u>	<u>37,145</u>	<u>36,179</u>	<u>263,790</u>

See accompanying notes to financial statements.

CITY OF INDEPENDENCE, MISSOURI
Combining Statement of Fiduciary Net Position
Custodial Funds
Year Ended June 30, 2024

	Flexible Benefit Plan	Susie Block Trust	Senior Travel Program	Total
ADDITIONS				
Contributions	\$ 185,879	—	51,989	237,868
Interest on investments	9,748	2,441	1,860	14,049
Total additions	<u>195,627</u>	<u>2,441</u>	<u>53,849</u>	<u>251,917</u>
DEDUCTIONS				
Benefits paid to participants	188,111	—	48,446	236,557
Award distribution	—	1,000	—	1,000
Total deductions	<u>188,111</u>	<u>1,000</u>	<u>48,446</u>	<u>237,557</u>
Change in net position	7,516	1,441	5,403	14,360
Net position - beginning	<u>182,950</u>	<u>35,704</u>	<u>30,776</u>	<u>249,430</u>
Net position - ending	<u>\$ 190,466</u>	<u>37,145</u>	<u>36,179</u>	<u>263,790</u>

CITY OF INDEPENDENCE, MISSOURI
Schedules of Operating Expenses – Power and Light Fund
Years Ended June 30, 2024 and 2023

	2024			2023		
	Operations	Maintenance	Total	Operations	Maintenance	Total
Production Fuel:						
Gas	\$ 6,989,185	—	6,989,185	9,535,978	—	9,535,978
Oil	3,558,282	—	3,558,282	3,618,379	—	3,618,379
Total production fuel	<u>\$ 10,547,467</u>	<u>—</u>	<u>10,547,467</u>	<u>13,154,357</u>	<u>—</u>	<u>13,154,357</u>
Purchased Power:						
Purchased energy	\$ 17,677,292	—	17,677,292	24,615,376	—	24,615,376
Purchased capacity (net)	25,896,693	—	25,896,693	23,569,446	—	23,569,446
Border customers	84,009	—	84,009	68,013	—	68,013
Control and dispatching	2,834,381	—	2,834,381	2,650,533	—	2,650,533
Total purchased power	<u>\$ 46,492,375</u>	<u>—</u>	<u>46,492,375</u>	<u>50,903,368</u>	<u>—</u>	<u>50,903,368</u>
Production (Other):						
Blue Valley Station:						
Supervision and engineering	\$ —	—	—	10,921	—	10,921
Steam	—	—	—	—	424,868	424,868
Electric	—	(12,306)	(12,306)	—	—	—
Structures and improvements	—	175,928	175,928	—	—	—
Miscellaneous	129,737	20,979	150,716	11,922	24,774	36,696
	<u>129,737</u>	<u>184,601</u>	<u>314,338</u>	<u>22,843</u>	<u>449,642</u>	<u>472,485</u>
Combustion Turbine Station:						
Supervision and engineering	3,291,694	324,175	3,615,869	3,762,526	244,657	4,007,183
Generation expenses	506,738	2,117,897	2,624,635	338,292	1,195,378	1,533,670
Structures and improvements	—	24,984	24,984	—	205,971	205,971
Miscellaneous	203,618	179,766	383,384	264,785	148,644	413,429
	<u>4,002,050</u>	<u>2,646,822</u>	<u>6,648,872</u>	<u>4,365,603</u>	<u>1,794,650</u>	<u>6,160,253</u>
Total production (other)	<u>\$ 4,131,787</u>	<u>2,831,423</u>	<u>6,963,210</u>	<u>4,388,446</u>	<u>2,244,292</u>	<u>6,632,738</u>
Transmission and Distribution:						
Transmission:						
Supervision and engineering	\$ 138,049	21,210	159,259	249,044	18,100	267,144
Overhead expenses	24,309	8,017	32,326	123,505	86,060	209,565
Station expenses	15,697	68,906	84,603	9,651	131,980	141,631
Underground line expense	1,931	360	2,291	3,214	21,886	25,100
Structures and improvements	—	270,745	270,745	—	—	—
Miscellaneous	9,400,394	624,076	10,024,470	8,165,549	167,123	8,332,672
Total transmission	<u>9,580,380</u>	<u>993,314</u>	<u>10,573,694</u>	<u>8,550,963</u>	<u>425,149</u>	<u>8,976,112</u>

(Continued)

CITY OF INDEPENDENCE, MISSOURI
Schedules of Operating Expenses – Power and Light Fund
Years Ended June 30, 2024 and 2023

	2024			2023		
	Operations	Maintenance	Total	Operations	Maintenance	Total
Distribution:						
Supervision and engineering	\$ 160,923	70,078	231,001	229,196	54,301	283,497
Overhead lines	1,348,691	6,761,914	8,110,605	941,404	5,688,827	6,630,231
Station expenses	103,547	1,678,228	1,781,775	120,000	1,583,165	1,703,165
Street lights and traffic signals	315,329	919,812	1,235,141	290,864	888,229	1,179,093
Meters	177,800	570,286	748,086	147,099	558,616	705,715
Customer installations	311,323	—	311,323	427,566	—	427,566
Underground lines	575,676	959,376	1,535,052	590,447	936,815	1,527,262
Dispatching communication	723,934	604,888	1,328,822	570,393	—	570,393
Line transformers	—	197,056	197,056	—	256,679	256,679
Structures	—	—	—	—	7,671	7,671
Miscellaneous	1,756,114	—	1,756,114	1,663,682	949,133	2,612,815
Total distribution	5,473,337	11,761,638	17,234,975	4,980,651	10,923,436	15,904,087
Total transmission and distribution	\$ 15,053,717	12,754,952	27,808,669	13,531,614	11,348,585	24,880,199
Customer Service:						
Supervision			\$ 157,275			264,294
Meter reading			731,739			459,130
Customer records and collections			3,836,948			4,023,610
Provisions for doubtful accounts			11,063			25,838
Miscellaneous			140,853			166,879
Total customer service			4,877,878			4,939,751
General and Administrative:						
Salaries			1,881,760			1,583,738
Office supplies			771,305			441,739
Insurance			1,123,400			1,123,250
Injuries and damage			778,083			745,542
Employee benefits			2,925,597			(1,453,076)
Outside services			4,318,952			4,601,990
Miscellaneous			1,334,939			1,666,176
Total general and administrative			13,134,036			8,709,359
Depreciation and amortization			11,709,270			11,752,337
Payroll taxes			1,351,036			1,081,808
Total operating expenses			\$ 122,883,941			122,053,917

CITY OF INDEPENDENCE, MISSOURI
Schedule of Operating Statistics – Power and Light Fund
Year ended June 30, 2024

	Number of Customers			
	Beginning of Year	End of Year	Revenue	KWH
Sale of Electric Energy:				
Metered:				
Residential	53,603	54,038	\$ 83,858,590	519,230,312
Small general services	4,980	3,996	10,636,360	61,978,475
Large general services	1,627	867	39,628,005	267,561,349
Total electric general services	116	78	5,981,497	48,262,697
Large power services	3	10	2,767,834	27,790,900
Combined interruptible services	2	3	2,739,704	32,416,963
Municipal - City (Buildings)	168	166	1,466,133	13,528,920
	<u>60,499</u>	<u>59,158</u>	<u>147,078,123</u>	<u>970,769,616</u>
Unmetered:				
Wholesale (border customers) revenue			100,374	1,563,768
Wholesale (interchange)			4,116,977	78,840,899
Power and light usage (building and substations)			—	1,143,571
City Public Street lighting			—	3,740,706
			<u>4,217,351</u>	<u>85,288,944</u>
Change in unbilled revenue			1,121,143	7,944,177
Other operating revenue			8,138,100	—
EVTC			49,092	—
Total operating revenue and total energy sales			<u>\$ 160,603,809</u>	<u>1,064,002,737</u>
Net generation				303,949,152
Wholesale power purchased				802,162,165
Net generation and power purchased				<u>1,106,111,317</u>
Disposition of energy - Retail				978,713,793
Disposition of energy - Wholesale				80,404,667
Disposition of energy - Internal				4,884,277
Net disposition				<u>1,064,002,737</u>
Transmission and distribution operating losses				<u>42,108,580</u>

CITY OF INDEPENDENCE, MISSOURI
Schedule of Operating Statistics – Water Fund
Year ended June 30, 2024

	Number of Customers			
	Beginning of Year	End of Year	Revenue	MGS*
Sale of Water:				
Residential	45,042	44,963	\$ 13,861,384	2,338,551
Commercial	3,935	3,942	6,263,007	1,253,228
Industrial	6	6	400,327	124,672
Public authority	193	192	220,606	41,156
Resale	14	14	10,558,447	5,083,915
Private fire protection	499	524	236,736	—
Public fire protection	—	—	1,693,825	—
	<u>49,689</u>	<u>49,641</u>	<u>33,234,332</u>	<u>8,841,522</u>
Change in unbilled revenue			124,561	
Other operating revenue			404,140	
Total operating revenue			<u>\$ 33,763,033</u>	
Thousands of gallons produced:				
Courtney Bend Plant				10,291,394
Less total gallons sold				<u>8,841,522</u>
Unaccounted for water				<u>1,449,872</u>

* Thousand gallons sold.

CITY OF INDEPENDENCE, MISSOURI
Schedule of Operating Statistics – Sanitary Sewer Fund
Year ended June 30, 2024

	Number of Customers		Revenue	CCF*
	Beginning of Year	End of Year		
Sale of Sanitary Sewer Services:				
Residential	42,041	42,037	\$ 19,898,825	2,373,875
Commercial:				
Base	3,492	3,490	7,951,909	1,380,947
Surcharge	—	—	693,193	—
Contract waste treatment	—	—	262,384	—
Regulatory Compliance	—	—	6,528,270	—
Intermunicipal agreements:				
Sugar Creek	—	—	892,877	—
Kansas City	—	—	214,458	—
	<u>45,533</u>	<u>45,527</u>	<u>36,441,916</u>	<u>3,754,822</u>
Other operating revenue			357,609	
Change in unbilled revenue			(10,266)	
Total operating revenue			<u>\$ 36,789,259</u>	

* Hundred cubic feet.

STATISTICAL DATA

The statistical data relates to the physical, economic, social, and political characteristics of the City. Its design is to provide a broader and more complete understanding of the City and its financial affairs than is possible from the financial statements, notes, and supporting schedule presentation in the Financial Section.

STATISTICAL SECTION

This part of the City of Independence's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

Contents

Tables

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

1 - 4

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue sources.

5 - 15

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future

16 - 20

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

21 - 22

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

23 - 25

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

Table 1

City of Independence, Missouri
Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental activities										
Net investment in capital assets	\$ 334,319,837	330,518,564	325,298,654	324,198,133	319,052,806	311,168,595	309,489,295	292,315,112	288,411,464	274,181,687
Restricted	16,335,599	14,823,334	13,785,094	18,741,314	18,602,877	22,279,174	24,490,689	40,260,773	51,099,584	84,230,907
Unrestricted	(255,063,735)	(259,618,128)	(266,833,068)	(378,520,677)	(269,187,817)	(271,260,070)	(258,060,366)	(234,589,664)	(220,274,228)	(224,244,646)
Total governmental activities net position	<u>\$ 95,591,701</u>	<u>85,723,770</u>	<u>72,250,680</u>	<u>(35,581,230)</u>	<u>68,467,866</u>	<u>62,187,699</u>	<u>75,919,618</u>	<u>97,986,221</u>	<u>119,236,820</u>	<u>134,167,948</u>
Business-type activities	\$									
Net investment in capital assets	230,396,460	238,427,241	216,148,308	214,381,085	216,116,969	211,224,057	222,514,950	225,938,690	240,674,339	250,418,291
Restricted	16,587,288	17,608,769	22,390,679	23,202,738	25,007,273	25,084,135	25,448,806	16,435,396	17,133,289	17,036,852
Unrestricted	49,598,827	33,115,833	53,123,997	8,070,332	57,814,152	69,117,824	54,975,581	82,896,262	99,429,012	130,576,822
Total business-type activities net position	<u>\$ 296,582,575</u>	<u>289,151,843</u>	<u>291,662,984</u>	<u>245,654,155</u>	<u>298,938,394</u>	<u>305,426,016</u>	<u>302,939,337</u>	<u>325,270,348</u>	<u>357,236,640</u>	<u>398,031,965</u>
Primary government										
Net investment in capital assets	\$ 564,716,297	568,945,805	541,446,962	538,579,218	535,169,775	522,392,652	532,004,245	518,253,802	529,085,803	524,599,978
Restricted	32,922,887	32,432,103	36,175,773	41,944,052	43,610,150	47,363,309	49,939,495	56,696,169	68,232,873	101,267,759
Unrestricted	(205,464,908)	(226,502,295)	(213,709,071)	(370,450,345)	(211,373,665)	(202,142,246)	(203,084,785)	(151,693,402)	(120,845,216)	(93,667,824)
Total primary government net position	<u>\$ 392,174,276</u>	<u>374,875,613</u>	<u>363,913,664</u>	<u>210,072,925</u>	<u>367,406,260</u>	<u>367,613,715</u>	<u>378,858,955</u>	<u>423,256,569</u>	<u>476,473,460</u>	<u>532,199,913</u>

Note: In 2015 the City adopted GASB Statement No. 68, which restated beginning net position. For the years prior to 2015, the amounts in this schedule have not been restated.

Note: In 2018 the City adopted GASB Statement No. 75, which restated beginning net position. For the years prior to 2018, the amounts in this schedule have not been restated.

Note: In 2019 the City implemented significant changes to healthcare coverage by moving retirees into a separate Medicare program which resulted in a decrease to the City's recorded Other Post Employment Benefits (OPEB) liability, resulting in an increase to net position.

Table 2

City of Independence, Missouri
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expenses										
Governmental activities:										
Administrative Services	\$ 9,348,081	9,054,549	10,060,792	9,787,625	11,766,972	11,465,578	8,846,826	7,504,588	5,317,752	4,966,248
Public Safety	57,226,139	59,265,485	59,583,743	59,355,553	64,741,468	68,890,126	60,111,785	63,738,835	66,986,969	86,973,763
Municipal Services	17,740,128	18,062,959	17,889,269	18,384,360	19,081,925	18,966,524	18,666,752	20,839,417	19,999,077	21,246,258
Health and Animal Services	3,672,055	3,597,625	2,690,316	2,190,183	—	691,921	2,052,328	2,170,360	3,306,814	3,783,685
Culture and Recreation	8,004,845	8,500,729	8,490,201	8,659,305	9,829,225	9,359,426	9,121,110	8,759,163	10,201,048	12,652,002
Community Development	4,876,851	4,694,568	5,913,644	6,364,261	6,866,076	6,729,400	6,019,417	6,240,454	7,659,845	8,972,281
Storm Water	2,917,670	3,381,187	3,734,597	3,722,027	3,854,859	3,929,055	3,764,430	3,538,060	3,918,103	4,626,468
General Government	9,462,575	10,082,656	9,330,488	9,749,366	1,047,083	838,934	4,349,995	992,854	990,601	1,392,812
Tax Increment Financing	11,531,889	11,319,659	16,156,910	8,756,255	9,743,568	10,786,336	10,611,180	11,146,839	23,961,338	8,296,829
Interest on long-term debt	176,912	116,229	108,756	75,246	109,479	96,297	778,438	541,914	463,293	898,493
Total governmental activities expenses	124,957,145	128,075,646	133,958,716	127,044,181	127,040,655	131,753,597	124,322,261	125,472,484	142,804,840	153,808,839
Business-type activities:										
Power and Light	136,825,933	134,873,700	128,209,073	130,197,969	124,700,820	122,805,250	120,251,808	116,113,226	125,623,313	127,345,102
Water	20,921,367	21,913,607	22,136,019	23,976,929	22,519,143	24,940,525	23,866,752	22,529,358	22,954,212	25,671,824
Sewer	21,822,803	23,512,501	24,420,243	25,605,642	25,728,344	27,191,672	26,149,731	26,942,461	27,820,819	27,253,121
Events Center	11,218,628	11,734,030	12,067,172	12,287,000	13,218,585	12,178,812	9,732,396	16,697,546	12,512,968	15,708,283
Total business-type activities expenses	190,788,731	192,033,838	186,832,507	192,067,540	186,166,892	187,116,259	180,000,687	182,282,591	188,911,312	195,978,330
Total primary government expenses	\$ 315,745,876	320,109,484	320,791,223	319,111,721	313,207,547	318,869,856	304,322,948	307,755,075	331,716,152	349,787,169
Program Revenues										
Governmental activities:										
Charges for services:										
Administrative Services	\$ 7,526,268	8,026,010	8,206,822	8,406,360	6,533,752	6,436,938	6,394,861	6,396,699	3,768,977	5,653,298
Public Safety	5,016,016	4,757,394	4,670,892	4,372,243	4,513,453	3,659,764	2,960,579	2,981,538	2,834,631	3,303,706
Municipal Services	391,816	376,062	577,574	537,691	640,034	543,843	484,731	578,035	417,831	476,191
Health Services	659,329	198,147	854,870	744,308	—	10,688	196,902	556,853	595,848	634,392
Culture and Recreation	689,980	821,976	843,135	913,869	1,264,973	1,017,524	512,418	729,775	875,378	881,777
Community Development	1,285,797	1,230,826	2,529,919	2,023,318	4,535,619	4,394,291	4,032,959	5,158,737	4,797,497	5,655,475
Storm Water	—	—	—	—	—	—	—	—	723	—
General Government	999,787	1,263,754	1,031,478	1,114,160	1,000,040	771,397	1,110,856	—	—	—
Tax Increment Financing	—	—	—	—	—	—	—	988,799	984,348	944,066
Operating grants and contributions	8,844,808	9,025,480	8,238,425	8,908,557	8,611,746	7,851,184	18,379,425	21,098,815	19,179,250	16,273,097
Capital grants and contributions	1,930,309	575,703	131,098	2,239,697	1,299,857	824,436	389,936	229,348	2,202,634	1,619,848
Total governmental activities program revenues	27,344,110	26,275,352	27,084,213	29,260,203	28,399,474	25,510,065	34,462,667	38,718,599	35,657,117	35,441,850
Business-type activities:										
Charges for services:										
Power and Light	139,078,098	134,747,475	137,945,902	148,047,728	145,164,378	128,575,740	128,548,974	137,273,615	152,626,237	160,603,809
Water	27,838,244	30,858,398	32,260,796	32,953,246	32,365,391	31,792,837	32,648,354	32,735,657	34,301,948	33,763,033
Sewer	23,545,640	23,743,340	26,029,675	28,812,899	30,171,515	33,354,075	36,164,808	37,080,181	36,686,076	36,789,259
Events Center	4,273,465	4,461,330	4,771,821	5,241,363	5,761,559	4,813,992	2,399,178	8,392,112	4,995,973	7,541,116
Capital grants and contributions	1,613,406	1,425,612	1,322,901	864,452	182,117	37,799	151,769	16,858	50,736	751
Total business-type activities program revenues	196,348,853	195,236,155	202,331,095	215,919,688	213,644,960	198,574,443	199,913,083	215,498,423	228,660,970	238,697,968
Total primary government program revenues	\$ 223,692,963	221,511,507	229,415,308	245,179,891	242,044,434	224,084,508	234,375,750	254,217,022	264,318,087	274,139,818

City of Independence, Missouri
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

Table 2

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net (expense)/revenue										
Governmental activities	\$ (97,613,035)	(101,800,294)	(106,874,503)	(97,783,978)	(98,641,181)	(106,243,532)	(89,859,594)	(86,753,885)	(107,147,723)	(118,366,989)
Business-type activities	5,560,122	3,202,317	15,498,588	23,852,148	27,478,068	11,458,184	19,912,396	33,215,832	39,749,658	42,719,638
Total primary government net expense	\$ (92,052,913)	(98,597,977)	(91,375,915)	(73,931,830)	(71,163,113)	(94,785,348)	(69,947,198)	(53,538,053)	(67,398,065)	(75,647,351)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Property taxes	\$ 8,546,600	8,485,768	7,978,323	8,237,760	8,080,629	8,717,634	9,684,246	9,088,287	9,244,766	9,093,280
Sales and use taxes	44,459,358	44,683,858	45,348,299	46,319,963	45,006,244	46,752,729	51,500,218	58,149,550	70,893,438	75,503,479
Intergovernmental activity taxes	8,830,000	10,351,536	10,776,518	11,720,991	12,328,192	13,388,147	13,724,099	12,370,738	12,692,303	9,693,346
Franchise taxes	9,960,928	8,528,741	8,703,530	8,771,667	8,651,580	7,523,346	7,376,564	8,161,195	9,228,632	8,705,780
Financial institutions tax	16,523	21,116	34,130	34,818	18,814	32,404	20,601	60,911	29,725	14,586
Investment earnings (loss)	256,159	311,028	130,083	478,931	2,294,796	2,897,668	572,681	(999,657)	2,741,825	6,063,641
Special item - OPEB change in benefit terms	—	—	—	—	72,282,213	—	—	—	—	—
Miscellaneous	1,960,753	796,842	1,147,386	1,211,700	594,740	1,469,877	1,467,868	1,781,900	1,070,057	2,080,141
Transfers	18,676,005	18,753,474	19,283,144	20,057,532	20,360,728	19,181,560	19,245,236	20,207,564	21,758,476	22,143,864
Total governmental activities	92,706,326	91,932,363	93,401,413	96,833,362	169,617,936	99,963,365	103,591,513	108,820,488	127,659,222	133,298,117
Business-type activities:										
Sales and use taxes	5,600,076	5,741,439	5,770,850	5,973,582	6,793,078	7,783,055	8,024,737	8,876,336	8,952,353	9,027,801
Investment earnings (loss)	32,746	176,436	(35,308)	674,832	5,455,337	5,526,440	28,950	(3,126,574)	3,874,424	9,776,331
Special item - litigation settlement	—	—	—	—	—	—	—	—	—	—
Special item - OPEB change in benefit terms	—	—	—	—	33,603,664	—	—	—	—	—
Special item - electric rebate	—	—	—	—	—	—	(11,196,400)	—	—	—
Miscellaneous	1,456,086	2,202,550	560,155	665,216	314,820	901,503	(11,126)	3,572,981	1,148,333	1,415,419
Transfers	(18,676,005)	(18,753,474)	(19,283,144)	(20,057,532)	(20,360,728)	(19,181,560)	(19,245,236)	(20,207,564)	(21,758,476)	(22,143,864)
Total business-type activities	(11,587,097)	(10,633,049)	(12,987,447)	(12,743,902)	25,806,171	(4,970,562)	(22,399,075)	(10,884,821)	(7,783,366)	(1,924,313)
Total primary government	\$ 81,119,229	81,299,314	80,413,966	84,089,460	195,424,107	94,992,803	81,192,438	97,935,667	119,875,856	131,373,804
Changes in Net Position										
Governmental activities	\$ (4,906,709)	(9,867,931)	(13,473,090)	(950,616)	70,976,755	(6,280,167)	13,731,919	22,066,603	20,511,499	14,931,128
Business-type activities	(6,026,975)	(7,430,732)	2,511,141	11,108,246	53,284,239	6,487,622	(2,486,679)	22,331,011	31,966,292	40,795,325
Total primary government	\$ (10,933,684)	(17,298,663)	(10,961,949)	10,157,630	124,260,994	207,455	11,245,240	44,397,614	52,477,791	55,726,453

Note: In 2015 the City adopted GASB Statement No. 68, which restated beginning net position. For the years prior to 2015, the amounts in this schedule have not been restated.

Note: In 2018 the City adopted GASB Statement No. 75, which restated beginning net position. For the years prior to 2018, the amounts in this schedule have not been restated.

Table 3

City of Independence, Missouri
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund										
Nondisposable	\$ —	11,424	—	—	—	—	19,755	—	—	—
Restricted	142,966	273,164	404,806	395,412	84,386	78,022	118,750	93,848	225,394	354,280
Committed	471,606	348,001	261,700	106,884	30,762	18,105	16,373	17,145	50,985	65,619
Assigned	1,300,973	1,336,086	1,648,808	1,268,521	574,172	723,920	465,453	534,629	585,157	596,519
Unassigned	3,741,675	3,684,710	5,982,941	7,030,007	6,591,442	5,301,516	5,700,364	6,281,728	10,185,654	14,590,280
	<u>\$ 5,657,220</u>	<u>5,653,385</u>	<u>8,298,255</u>	<u>8,800,824</u>	<u>7,280,762</u>	<u>6,121,563</u>	<u>6,320,695</u>	<u>6,927,350</u>	<u>11,047,190</u>	<u>15,606,698</u>
All other governmental funds										
Nondisposable	\$ —	665	—	526,245	—	—	—	—	—	—
Restricted	43,356,113	42,864,399	44,066,001	43,085,814	47,556,094	74,562,521	76,458,587	85,993,577	86,779,211	112,385,260
Committed	164,507	41,772	30,198	53,981	61,507	81,165	92,421	129,414	136,154	82,249
Unassigned	(5,796,859)	(2,929,573)	(1,482,674)	(1,440,718)	(1,627,806)	(3,851,954)	(3,574,111)	(3,156,286)	(19,618)	(426,625)
	<u>\$ 37,723,761</u>	<u>39,977,263</u>	<u>42,613,525</u>	<u>42,225,322</u>	<u>45,989,795</u>	<u>70,791,732</u>	<u>72,976,897</u>	<u>82,966,705</u>	<u>86,895,747</u>	<u>112,040,884</u>

Table 4

City of Independence, Missouri
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenues										
Taxes	\$ 71,412,311	71,815,835	73,168,146	75,673,475	74,694,144	76,307,087	82,183,412	87,672,164	101,937,475	102,995,885
Licenses, fees and permits	3,785,532	3,802,218	5,614,626	4,834,935	4,783,828	5,012,961	4,772,400	5,977,008	5,072,653	5,326,226
Intergovernmental	10,337,589	9,174,995	8,215,395	10,860,762	9,304,404	8,315,029	18,653,010	21,239,607	20,683,506	15,031,211
Charges for services	2,905,601	3,273,899	3,378,711	3,385,145	3,378,423	3,153,527	2,908,352	3,284,546	3,785,507	4,039,315
Interfund charges for support services	4,544,233	4,913,709	4,943,014	5,099,696	5,035,500	5,035,500	5,035,500	5,035,500	2,354,600	4,376,682
Fines, forfeitures, and court costs	4,652,309	4,214,064	3,855,121	3,716,388	3,913,825	2,890,421	2,152,627	2,116,883	2,125,274	2,454,405
Investment income (loss)	250,763	286,088	93,294	337,709	2,000,253	2,704,945	552,145	(933,587)	2,402,444	5,418,944
Developer contributions	35,000	17,025	—	—	—	—	—	—	—	—
Other	2,155,444	2,551,667	2,486,708	2,552,686	2,774,293	2,842,834	2,844,550	2,960,672	2,599,649	5,861,067
Total revenues	100,078,782	100,049,500	101,755,015	106,460,796	105,884,670	106,262,304	119,101,996	127,352,793	140,961,108	145,503,735
Expenditures										
Administrative Services	7,640,238	7,576,728	7,834,761	8,051,979	10,429,550	8,583,484	8,622,539	10,265,123	5,057,832	4,534,605
Public Safety	49,529,374	50,513,184	49,939,819	52,410,075	59,828,210	61,192,700	62,223,200	70,059,732	72,593,972	79,063,881
Municipal Services - Public Works	5,386,719	4,693,660	4,791,209	5,495,957	7,470,311	6,484,056	6,503,782	6,345,847	6,246,120	7,026,666
Health and Animal Services	3,206,732	3,130,183	2,464,245	2,114,547	—	537,806	2,018,672	2,758,607	2,975,936	3,733,273
Culture and Recreation	5,793,101	5,888,760	6,013,044	6,163,491	7,508,674	6,625,256	7,526,753	7,648,143	9,352,626	10,205,979
Community Development	4,460,559	4,303,735	5,226,710	5,865,477	6,561,980	6,108,787	5,943,402	6,785,215	7,583,582	8,454,787
Storm Water	1,629,842	1,769,844	2,271,882	2,092,652	2,223,961	2,145,806	2,174,015	2,657,126	2,604,668	2,858,679
General Government	8,622,570	8,921,005	8,543,800	8,968,731	343,456	18,129	3,386,866	59,485	56,400	148,679
Tax Increment Financing	1,290,274	859,000	1,136,583	1,083,430	3,124,874	4,545,677	3,973,105	5,859,997	18,889,484	3,868,780
Capital outlay	14,159,976	13,890,964	11,951,855	15,078,234	12,808,202	10,298,410	13,806,476	8,858,632	14,246,744	24,776,639
Debt Service										
Principal	8,513,930	6,833,988	8,107,973	8,848,975	7,578,765	7,344,377	8,200,715	8,563,784	6,420,614	8,436,370
Interest	9,243,134	8,541,494	7,214,003	6,899,667	6,123,004	5,856,638	6,102,645	4,841,930	4,831,681	4,987,954
Debt issuance costs	240,698	1,156,904	431,670	249,268	—	—	1,216,641	—	—	—
Total expenditures	119,717,147	118,079,449	115,927,554	123,322,483	124,000,987	119,741,126	131,698,811	134,703,621	150,859,659	158,096,292
Excess of revenues over (under) expenditures	(19,638,365)	(18,029,949)	(14,172,539)	(16,861,687)	(18,116,317)	(13,478,822)	(12,596,815)	(7,350,828)	(9,898,551)	(12,592,557)
Other Financing Sources (Uses)										
Transfers in	2,119,880	2,964,941	2,118,908	7,815,722	3,058,253	8,806,903	6,198,157	10,336,872	16,380,819	3,842,164
Transfers out	(1,857,265)	(2,726,803)	(1,834,435)	(7,825,722)	(3,068,253)	(8,816,902)	(8,983,770)	(12,647,943)	(20,282,462)	(3,847,995)
Issuance of debt	8,770,000	50,074,897	19,604,504	12,052,210	—	17,940,000	37,297,511	—	—	20,000,000
Premiums/Discounts on debt issued	(99,693)	(1,168,942)	2,585,491	836,091	—	—	4,689,862	—	—	—
Payment to refunded loans escrow agent	(7,887,707)	(47,379,813)	(22,019,468)	(15,969,779)	—	—	(43,475,884)	—	—	—
Transfers in - utility payments in lieu of taxes	18,413,389	18,515,336	18,998,671	20,067,531	20,370,728	19,191,559	19,255,236	20,168,635	21,760,119	22,149,695
Lease or subscription proceeds	—	—	—	—	—	—	—	89,727	88,957	153,338
Total other financing sources	19,458,604	20,279,616	19,453,671	16,976,053	20,360,728	37,121,560	14,981,112	17,947,291	17,947,433	42,297,202
Net change in fund balances	\$ (179,761)	2,249,667	5,281,132	114,366	2,244,411	23,642,738	2,384,297	10,596,463	8,048,882	29,704,645
Debt service as a percentage of non-capital expenditures	17.45%	15.03%	15.10%	14.94%	12.53%	12.37%	12.43%	10.85%	8.43%	10.30%

Note: In 2019 the Health Department was restructured and remaining functions were moved to other departments. In 2021 the Health Department was restructured as its own department. Animal Services is included in the Health Services category.

Table 5

City of Independence, Missouri
Sales and Use Tax Revenue
Last Ten Fiscal Years

City Sales and Use Tax Revenue:	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund	\$ 18,132,065	18,220,678	17,982,053	18,470,762	17,946,599	18,160,631	19,138,667	20,676,408	22,690,575	24,190,946
Tourism Fund (Transient Guest Tax)	1,618,246	1,954,406	1,994,953	1,956,256	1,967,003	1,554,582	1,321,757	2,116,326	2,322,046	2,304,882
Street Sales Tax Fund	8,357,101	8,399,825	8,329,801	8,540,878	8,258,900	8,323,739	8,999,260	9,556,264	10,444,986	11,163,232
Park Improvements Sales Tax Fund	4,178,652	4,200,128	4,167,642	4,270,461	4,129,442	4,161,885	4,499,634	4,778,115	5,222,535	5,581,566
Storm Water Sales Tax Fund	4,178,663	4,200,147	4,167,558	4,270,479	4,129,446	4,161,887	4,499,634	4,778,115	5,222,535	5,581,566
Police Sales Tax Fund	2,211,890	2,221,976	2,198,883	2,269,600	2,210,139	2,238,572	2,365,703	2,563,038	2,817,634	3,184,197
Fire Sales Tax Fund	2,089,554	2,100,451	2,089,313	2,135,284	2,064,701	2,080,829	2,250,479	3,720,007	11,784,656	12,245,154
Marijuana Sales Tax Fund	—	—	—	—	—	—	—	—	—	678,880
TIF Funds (consolidated)	3,693,187	3,386,247	4,418,096	4,406,243	4,300,014	4,398,792	4,675,084	5,198,526	5,506,471	5,235,056
Events Center Community Improvement District	5,600,076	5,741,439	5,770,850	5,973,582	6,793,078	7,783,055	8,024,737	8,876,336	8,952,353	9,027,801
Animal Services Use Tax	—	—	—	—	—	750,000	750,000	762,750	782,000	855,000
Police Use Tax	—	—	—	—	—	921,812	3,000,000	4,000,000	4,100,000	4,483,000
Total	\$ 50,059,434	50,425,297	51,119,149	52,293,545	51,799,322	54,535,784	59,524,955	67,025,886	79,845,791	84,531,280

Source: City of Independence

Note: the TIF Funds do not include intergovernmental sales tax activity.

Table 6

City of Independence, Missouri
Sales Tax Rates
Direct and Overlapping Governments
Last Ten Calendar Years
(in percent)

Direct Sales Tax Rate City of Independence	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Fund	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
Street Improvements	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500	0.500
Park Improvements	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250
Storm Water Improvements	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250	0.250
Police Public Safety	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125
Fire Public Safety	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.500	0.500	0.500
Direct Sales Tax Rate City of Independence	2.250	2.250	2.250	2.250	2.250	2.250	2.250	2.625	2.625	2.625
Transportation Development District	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125
Total Direct Sales Tax Rate	2.375	2.375	2.375	2.375	2.375	2.375	2.375	2.750	2.750	2.750
Total Local Option Sales Tax Rate	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
State of Missouri	4.000	4.000	4.000	4.000	4.000	4.000	4.000	4.000	4.000	4.000
Missouri State Conservation	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125
Missouri State Parks and Soil	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100	0.100
Jackson County	1.125	1.125	1.125	1.125	1.125	1.125	1.125	1.125	1.125	1.125
Jackson County - Community Children's Services	0.000	0.000	0.125	0.125	0.125	0.125	0.125	0.125	0.250	0.250
Kansas City Zoo	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125
City of Independence	2.250	2.250	2.250	2.250	2.250	2.250	2.250	2.625	2.625	2.625
Transportation Development District	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125	0.125
Total Direct and Overlapping Sales Tax Rate	7.850	7.850	7.975	7.975	7.975	7.975	7.975	8.350	8.475	8.475

Source: Missouri Department of Revenue

Note: The rate shown for the Transportation Development District is for the 39th Street corridor only.

Note: Residents voted to repeal the existing Fire Protection Sales Tax of 1/8 of a cent in effect until December 31, 2026, and instead impose a Sales Tax of 1/2 of a cent to be effective April 1, 2022.

Note: Residents voted to continue Jackson County's Community Children's Services Fund at one-fourth of one cent on November 8, 2022.

Table 7

City of Independence, Missouri
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxing Year	Real Property					Other Property		Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Market Value	Assessed Value as a Percentage of Actual Value
		Residential Property	Agricultural Property	Commercial Property	State Assessed	Total	Personal Property	Railroads & Utilities				
2015	2014	\$ 779,384,690	1,138,682	232,114,740	5,387,691	1,018,025,803	244,122,675	2,857,999	1,265,006,477	0.7393	5,595,741,171	22.61%
2016	2015	814,095,793	1,227,696	242,938,873	5,523,260	1,063,785,622	248,605,246	2,771,990	1,315,162,858	0.7165	5,826,614,435	22.57%
2017	2016	816,156,782	1,240,556	241,685,369	5,480,210	1,064,562,917	259,387,309	2,848,806	1,326,799,032	0.7216	5,866,135,798	22.62%
2018	2017	851,240,599	1,246,527	269,580,035	5,484,957	1,127,552,118	264,036,773	2,657,765	1,394,246,656	0.7031	6,151,388,242	22.67%
2019	2018	855,893,579	1,212,349	261,658,049	5,795,714	1,124,559,691	276,071,272	2,862,628	1,403,493,591	0.7105	6,188,587,536	22.68%
2020	2019	985,433,731	1,153,021	349,795,437	5,608,335	1,341,990,524	269,306,567	2,582,419	1,613,879,510	0.6078	7,123,537,106	22.66%
2021	2020	971,733,748	1,175,693	306,961,846	5,753,808	1,285,625,095	273,664,601	3,010,655	1,562,300,351	0.6672	6,932,645,923	22.54%
2022	2021	1,074,005,133	1,191,707	316,976,894	6,263,754	1,398,437,488	295,272,661	2,897,431	1,696,607,580	0.6103	7,568,475,671	22.42%
2023	2022	1,088,097,105	1,197,483	316,525,354	6,777,954	1,412,597,896	372,695,125	3,051,407	1,788,344,428	0.6059	7,875,868,957	22.71%
2024	2023	1,471,140,879	1,733,775	441,072,513	8,444,511	1,922,391,678	341,064,369	140	2,263,456,187	0.4759	10,186,253,318	22.22%

Note: The assessed value is set at 19% for residential property; 12% for agricultural property; and 32% for commercial property of the estimated fair value.

Note: The City does not assess taxes on personal property.

Source: Jackson County Assessor's Office and Clay County Assessor's Office.

Table 8

City of Independence, Missouri
Property Tax Rates
Direct and Overlapping Governments
Last Ten Fiscal Years
(rate per \$100 assessed value)

Fiscal Year ending (June 30)	Taxing Year	City Direct Rates				Overlapping Rates			
		Basic/General Rate	Public Health & Recreation	Debt Service	Total Direct	Metropolitan Junior College	Independence School District	Jackson County	State
2015	2014	\$ 0.5026	0.2367	—	0.7393	0.2374	5.700	1.0317	0.030
2016	2015	0.4871	0.2294	—	0.7165	0.2343	5.913	1.0038	0.030
2017	2016	0.4906	0.2310	—	0.7216	0.2339	5.913	1.0117	0.030
2018	2017	0.4780	0.2251	—	0.7031	0.2297	5.801	1.0685	0.030
2019	2018	0.4830	0.2275	—	0.7105	0.2305	5.801	1.2867	0.030
2020	2019	0.4132	0.1946	—	0.6078	0.2047	5.498	1.1371	0.030
2021	2020	0.4535	0.2137	—	0.6672	0.2128	5.538	1.1511	0.030
2022	2021	0.4149	0.1954	—	0.6103	0.2028	5.437	1.1032	0.030
2023	2022	0.4119	0.1940	—	0.6059	0.2028	5.437	1.1109	0.030
2024	2023	0.3235	0.1524	—	0.4759	0.1780	5.117	0.9696	0.030

- Notes:
- (1) Taxes are due November 1, delinquent after December 31. A penalty of 1% per month, up to a maximum of 10% is added for each month of delinquency. Collections are enforced through the attachment and sale of the property. Commercial real property is also assessed an additional "replacement tax" of 1.437 per \$100 assessed value.
 - (2) The General Fund and Public Health & Recreation Fund levy rates are limited by Missouri Statutes to \$1.00 and \$.40, respectively, per \$100.00 assessed valuation. There is no limit on the levy rates for General Debt and Interest.
 - (3) The property tax rate for the Independence Square Benefit District was \$0.5755 per \$100 assessed valuation for those properties around the downtown Independence Square.
 - (4) County Tax Breakdown (see note 5):

Health & Welfare Fund	0.1405
General Fund	0.2127
Road & Bridge Fund	0.0635
Park Fund	0.0949
Mid-Continent Public Library	0.2911
Developmentally Disabled	0.0716
Mental Health	0.0953
Total County	0.9696
 - (5) Three other school districts are in the Jackson County portion of the City of Independence. School tax rates for these districts are:

Fort Osage Reorganized #1	6.2500
Blue Springs Reorganized #4	5.0635
Kansas City School District	4.9599

Table 9

City of Independence, Missouri
Principal Property Taxpayers
Current Year and Ten Years Ago

Taxpayer	2024			2015		
	Total Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Total Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Southern Union Company	\$ 24,272,540	1	1.07%	\$ 5,953,893	4	0.47%
Independence Mall Holding LLC	13,710,195	2	0.61%			
DT Independence Commons LLC	12,345,600	3	0.55%			
Grace Holdings Independence LLC	11,009,745	4	0.49%			
HEP KC Independence LLC	9,880,000	5	0.44%			
BRE Space Kansas City LLC	7,973,706	6	0.35%	6,730,787	3	0.53%
Seven65 Cornerstone LLC	7,273,067	7	0.32%			
Centerpoint Medical Center	6,471,022	8	0.29%	3,278,403	10	0.26%
JVM Dunes Apartments LLC	5,795,000	9	0.26%			
3980 South Jackson Drive LLC	4,920,361	10	0.22%			
Simon Property Group				26,030,210	1	2.06%
Cole DDR Mt Independence LLC				8,963,343	2	0.71%
A T & T				5,105,329	5	0.40%
Sprint				4,758,915	6	0.38%
Mansion Apartments				4,530,213	7	0.36%
Comcast Cablevision				4,251,687	8	0.34%
Walmart				3,869,194	9	0.31%
Total	\$ <u>103,651,236</u>		<u>4.58%</u>	\$ <u>73,471,974</u>		<u>5.81%</u>

Source: Jackson County Collection Department

Table 10

City of Independence, Missouri
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxing Year	Taxes Levied for Fiscal Year (1)	Collected within Fiscal Year of Levy		Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2015	2014	7,468,109	7,164,660	95.94%	302,982	7,467,643	99.99%
2016	2015	7,633,251	7,182,858	94.10%	449,674	7,632,533	99.99%
2017	2016	7,781,711	7,396,095	95.04%	384,890	7,780,985	99.99%
2018	2017	7,844,329	7,374,105	94.01%	469,570	7,843,674	99.99%
2019	2018	8,057,649	7,589,114	94.19%	468,005	8,057,119	99.99%
2020	2019	7,903,568	7,554,965	95.59%	346,602	7,901,566	99.97%
2021	2020	8,485,960	7,942,736	93.60%	533,310	8,476,046	99.88%
2022	2021	8,376,081	8,181,219	97.67%	170,830	8,352,049	99.71%
2023	2022	8,230,672	7,904,114	96.03%	205,672	8,109,786	98.53%
2024	2023	8,755,551	8,292,892	94.72%	—	8,292,892	94.72%

Source: City of Independence

Note: (1) Includes subsequent adjustments to tax levy.

Table 11

City of Independence, Missouri
Total Utility Sales by Category
Last Ten Fiscal Years

Sales by Category:	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Power and Light:										
Residential	\$ 70,622,000	68,081,000	71,368,000	76,223,000	76,873,000	69,507,000	67,426,000	71,109,000	78,708,000	84,498,000
Commercial	58,251,000	54,249,000	55,067,000	56,522,000	52,656,000	48,512,000	47,513,000	46,554,000	52,443,000	58,152,000
Industrial	4,727,000	4,187,000	4,464,000	5,152,000	3,898,000	3,549,000	3,454,000	5,707,000	6,232,000	5,550,000
Sold to Other Utilities	2,369,000	3,298,000	1,751,000	3,088,000	5,780,000	5,620,000	5,040,000	5,832,000	5,858,000	4,217,000
Other	493,000	367,000	238,000	302,000	274,000	156,000	104,000	414,000	404,000	—
Water:										
Residential	13,147,584	14,272,445	15,288,208	15,647,744	13,699,721	13,367,035	13,691,456	13,604,181	14,097,468	13,861,384
Commercial	3,491,458	3,759,332	4,135,439	4,477,410	5,515,624	5,664,412	5,695,898	5,900,843	6,301,425	6,263,007
Industrial	605,223	694,902	605,996	583,867	1,265,360	683,790	609,886	615,875	505,936	400,327
Public Authority	318,503	281,902	344,489	300,755	256,247	209,639	216,085	214,091	221,815	220,606
Sold to Other Utilities	8,322,743	9,461,694	9,814,368	9,753,385	9,878,165	9,775,067	9,968,031	10,037,834	10,709,787	10,558,447
Other	1,845,426	1,981,057	2,146,939	2,199,111	2,327,662	2,154,021	2,121,321	2,194,834	2,374,828	2,334,701
Sanitary Sewer:										
Residential	11,545,538	12,121,229	12,340,133	14,001,286	15,766,174	17,582,711	19,705,726	19,970,942	19,689,717	19,898,825
Commercial	5,875,596	5,402,688	5,903,198	6,221,026	7,080,859	7,567,127	8,385,352	8,515,729	8,613,936	8,645,102
Other	6,073,994	6,148,154	7,865,081	7,889,045	7,846,608	8,097,157	7,555,644	8,489,981	8,249,275	8,255,598
Total	\$ 187,688,065	184,305,403	191,331,851	202,360,629	203,117,420	192,444,959	191,486,399	199,160,310	214,409,187	222,854,997

Source: City of Independence

2024 - Power and Light's Other category was moved under Commercial during the year.

Table 12

City of Independence, Missouri
 Total Utility Rates by Category
 Last Ten Fiscal Years

Rates by Category:		2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Power and Light (per Kwh):											
Residential	\$	0.14	0.14	0.14	0.14	0.14	0.13	0.13	0.14	0.15	0.16
Commercial		0.13	0.12	0.12	0.13	0.12	0.11	0.12	0.12	0.13	0.15
Industrial		0.09	0.08	0.07	0.08	0.07	0.07	0.07	0.09	0.10	0.09
Sold to Other Utilities		0.03	0.02	0.02	0.04	0.03	0.02	0.04	0.05	0.05	0.05
Other		0.12	0.09	0.06	0.08	0.25	0.14	0.53	0.36	0.36	-
Water (per 1,000 gallons):											
Residential		4.89	5.21	5.57	5.76	5.21	6.08	5.94	5.99	5.91	5.93
Commercial		4.44	4.77	5.07	5.36	7.18	5.54	4.98	5.02	5.01	5.00
Industrial		2.75	3.21	3.40	3.19	6.58	3.44	3.19	3.64	3.95	3.21
Public Authority		4.36	4.81	5.05	4.60	3.39	5.56	5.29	5.17	5.31	5.36
Sold to Other Utilities		1.80	1.93	2.05	2.09	2.04	2.09	2.08	2.09	2.07	2.08
Sanitary Sewer (per 100 cubic feet):											
Residential		4.49	4.89	5.07	5.49	6.55	7.42	8.38	8.31	8.43	8.38
Commercial		3.74	3.55	3.60	4.00	4.98	5.29	6.49	6.23	6.61	6.26
Total	\$	<u>26.98</u>	<u>28.81</u>	<u>30.23</u>	<u>30.95</u>	<u>36.56</u>	<u>35.90</u>	<u>37.24</u>	<u>37.19</u>	<u>38.08</u>	<u>36.67</u>

Source: City of Independence

2024 - Power and Light's Other category was moved under Commercial during the year.

Table 13

City of Independence, Missouri
Principal Utility Payers -
Power and Light
Current Year and Nine Years Ago

Utility Customer - Power and Light	2024			2015		
	Total Sales	Rank	Percentage of Total Sales	Total Sales	Rank	Percentage of Total Sales
Independence School District	\$ 2,583,920	1	1.70%	\$ 1,798,091	2	1.32%
Centerpoint Medical Center	1,947,793	2	1.28%	1,983,245	1	1.45%
Unilever (Thomas J. Lipton Co)	1,704,515	3	1.12%	1,618,748	3	1.19%
Burd and Fletcher (5151 Geospace)	1,176,107	4	0.77%	867,342	5	0.64%
Smart Warehouse/Commercial Distributions Center	1,050,479	5	0.69%	1,111,228	4	0.81%
Independence Mall Holding	776,954	6	0.51%	671,459	6	0.49%
HCP MOB Centerpoint (Boyer Company)	742,837	7	0.49%			
Quick Trip	709,660	8	0.47%			
Independence School District	700,050	9	0.46%			
Space Center KC	532,119	10	0.35%			
City's Rock Creek Sanitary Sewer Plant				607,286	7	0.45%
Costco Wholesale Inc				557,783	8	0.41%
Cable Dahmer Arena (Events Center)				520,362	9	0.38%
Price Chopper (23rd Street)				476,818	10	0.35%
Total	\$ 11,924,434		7.82%	\$ 10,212,362		7.48%

Source: City of Independence

Table 14

City of Independence, Missouri
Principal Utility Payers -
Water
Current Year and Nine Years Ago

Utility Customer - Water	2024			2015		
	Total Sales	Rank	Percentage of Total Sales	Total Sales	Rank	Percentage of Total Sales
Lee's Summit	\$ 5,760,659	1	17.13%	\$ 4,632,295	1	16.70%
Blue Springs	1,423,231	2	4.23%	1,255,596	2	4.53%
District #2, Jackson County	799,362	3	2.38%	587,869	3	2.12%
District #1, Lafayette County	547,040	4	1.63%	394,024	4	1.42%
Oak Grove	517,808	5	1.54%	353,967	5	1.28%
District #15, Jackson County	464,792	6	1.38%	272,416	7	0.98%
Grain Valley	400,297	7	1.19%	252,183	8	0.91%
District #16, Jackson County	224,424	8	0.67%	—		
Audubon (Lafarge) Corporation	182,703	9	0.54%	276,614	6	1.00%
Buckner	175,142	10	0.52%	171,492	10	0.62%
Unilever (Thomas J. Lipton Co)				204,247	9	0.74%
Total	\$ <u>10,495,458</u>		<u>31.20%</u>	\$ <u>8,400,703</u>		<u>30.29%</u>

Source: City of Independence

Table 15

City of Independence, Missouri
Principal Utility Payers -
Sanitary Sewer
Current Year and Nine Years Ago

Independence Housing Authority	2024			2015		
Utility Customer - Sewer	Total Sales	Rank	Percentage of Total Sales	Total Sales	Rank	Percentage of Total Sales
BP/AMOCO	\$ 227,879	1	0.62%	\$ 259,205	2	1.10%
Centerpoint Medical Center	137,280	2	0.37%	51,573	4	0.22%
Highland Park Investors	130,639	3	0.36%	41,866	7	0.18%
Independence Mall Holding	103,515	4	0.28%	45,162	5	0.19%
Unilever (Thomas J. Lipton Co)	76,940	5	0.21%	908,220	1	3.87%
Space Center of KC	75,592	6	0.21%	40,798	8	0.17%
Independence Housing Authority	74,138	7	0.20%	—		
Green Lantern	58,741	8	0.16%	—		
YES Companies	29,650	9	0.08%	—		
City of Independence, Power & Light	9,509	10	0.03%	183,608	3	0.78%
Midwest Ferrelwood MHP				44,909	6	0.19%
Smart Warehouse/Commercial Distributions Center				33,336	9	0.14%
Price Chopper (23rd Street)				24,881	10	0.11%
City of Independence, Power & Light						
Total	\$ 923,883		2.51%	\$ 1,633,558		6.95%

Source: City of Independence

Table 16

City of Independence, Missouri
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Governmental Activities								
Fiscal Year	Loans Payable	Neighborhood Improvement District	Financed Purchases	Leases & Subscriptions	Certificates of Participation			
2015	\$ 162,434,005	378,531	1,036,529	—	—			
2016	159,223,920	298,586	1,484,037	—	—			
2017	153,301,444	217,640	1,333,212	—	—			
2018	142,973,315	131,694	1,260,264	—	—			
2019	135,402,242	40,748	1,009,999	—	—			
2020	145,926,947	33,804	755,122	—	—			
2021	139,698,650	26,859	1,868,704	—	—			
2022	131,077,777	19,910	1,456,845	72,739	—			
2023	124,647,435	11,964	1,193,813	1,468,890	—			
2024	136,372,100	—	783,610	600,053	—			
Business-Type Activities						Total Primary Government	Percentage of Personal Income (1)	Per Capita (1)
Fiscal Year	Revenue Bonds	Loans Payable	Financed Purchases	Leases & Subscriptions	Certificates of Participation			
2015	\$ 354,386,824	—	—	—	—	518,235,889	18.75%	4,410.74
2016	344,168,539	—	—	—	—	505,175,082	17.72%	4,308.35
2017	383,308,356	—	—	—	—	538,160,652	16.90%	4,598.48
2018	374,751,112	—	—	—	—	519,116,385	17.24%	4,425.32
2019	365,808,725	—	—	—	—	502,261,714	14.58%	4,295.59
2020	355,501,259	—	—	—	—	502,217,132	16.99%	4,304.48
2021	334,701,955	—	—	—	—	476,296,168	14.42%	4,066.08
2022	322,431,204	—	—	1,545	—	455,060,020	12.31%	3,727.46
2023	309,798,453	—	—	364,475	—	437,485,030	11.38%	3,609.28
2024	296,540,783	—	—	246,151	—	434,542,697	11.83%	3,593.31

Reference: (1) See Table 21 for personal income and population data.

Table 17

City of Independence, Missouri
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Bonded Debt Outstanding			Percentage of Est. Actual Taxable Value of Property (1)	Per Capita (2)
	General Obligation Bonds	Less Amounts Available in Debt Service	Total		
2015	\$ —	\$ —	\$ —	0.00%	\$ —
2016	—	—	—	0.00%	—
2017	—	—	—	0.00%	—
2018	—	—	—	0.00%	—
2019	—	—	—	0.00%	—
2020	—	—	—	0.00%	—
2021	—	—	—	0.00%	—
2022	—	—	—	0.00%	—
2023	—	—	—	0.00%	—
2024	—	—	—	0.00%	—

Reference: (1) See Table 7 for property value data.
(2) See Table 21 for population data.

Note: The City does not have any General Bonded Debt over the past ten fiscal years. Details regarding the City's outstanding debt can be found in the notes to the financial statements.

Table 18

City of Independence, Missouri
Direct and Overlapping Governmental Activities Debt
As of June 30, 2024

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Independence School District	\$ 147,415,000	93.62%	\$ 138,009,923
Fort Osage Reorganized #1 School District	89,230,737	12.50%	11,153,842
Blue Springs Reorganized #4 School District	328,815,000	6.20%	20,386,530
Raytown School District	114,045,000	8.60%	9,807,870
Subtotal, overlapping debt			<u>179,358,165</u>
City direct debt			<u>137,755,763</u>
Total direct and overlapping debt			<u><u>\$ 317,113,928</u></u>

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Independence. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

Source: The debt outstanding data and applicable percentages are provided by each governmental entity, and is based on the City's percentage of assessed valuation within the school district.

Table 19

City of Independence, Missouri
Legal Debt Margin Information
Last Ten Fiscal Years

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Debt Limit (1)	\$ 253,001,295	263,032,572	265,359,806	280,698,718	280,698,718	322,775,902	312,460,070	339,321,516	370,926,556	452,691,237
Total net debt applicable to limit	290,306	197,697	118,648	32,474	—	—	—	—	(13,257,670)	—
Legal Debt Margin	\$ 252,710,989	262,834,875	265,241,158	280,666,244	280,698,718	322,775,902	312,460,070	339,321,516	384,184,226	452,691,237
Total net debt applicable to the limit as a percentage of debt limit	0.144%	0.115%	0.075%	0.045%	0.012%	0.000%	0.000%	0.000%	-3.574%	0.000%

Notes:

(1) - Article 6, Section 26(b) of the Missouri Constitution permits any county or city, by vote of four-sevenths of qualified electors voting thereon, to incur an indebtedness of city purposes not to exceed 5 percent of the value of the taxable tangible property therein, as shown by the last assessment.

(1) - Article 6, Section 26(c) of the Missouri Constitution permits any county or city, by vote of four-sevenths of qualified electors voting thereon, to incur additional indebtedness of city purposes not to exceed 5 percent of the value of the taxable tangible property therein, as shown by the last assessment.

(1) - Article 6, Section 26(d) & (e) of the Missouri Constitution provides that any city may become indebted not exceeding in the aggregate an additional 10 percent of the value of the taxable tangible property for the purpose of acquiring right-of-ways, constructing, extending and improving streets and avenues and/or sanitary or storm sewer systems and an additional 10 percent for purchasing or construction of waterworks, electric or other light plants provided the total general obligated indebtedness of the city does not exceed 20 percent of the assessed valuation.

Legal Debt Margin Calculation for Fiscal Year 2024

Assessed Value	\$ 2,263,456,187
Debt Limit (20% of assessed value)	452,691,237

General obligation:

City-Wide	—
Neighborhood Improvement Districts	—
Revenue Bonds	296,540,783
Total Bonded Debt	296,540,783
Less:	
Electric Utility Bonds	117,924,693
Water Utility Bonds	15,174,368
Sewer Utility Bonds	82,268,366
Events Center Bonds	81,173,356
Debt Service Fund Bonds	—
Total net debt applicable to limit	—
Legal debt margin	\$ 452,691,237

Table 20

City of Independence, Missouri
Pledged-Revenue Coverage
Last Ten Fiscal Years

Fiscal Year	Revenues		Less: Operating Expenses (1)		Net Available Revenue		Debt Service		Coverage
							Principal	Interest (2)	
Power & Light (2)									
2015	\$	139,687,551	\$	107,899,251	\$	33,434,107	\$ 3,265,000	\$ 5,670,556	\$ 3.74
2016		135,479,674		110,381,924		25,097,750	3,395,000	5,539,957	2.81
2017		138,833,337		103,916,192		34,917,145	3,530,000	6,607,431	3.44
2018		149,909,406		107,058,654		42,850,752	3,685,000	7,036,700	4.00
2019		149,612,959		102,668,316		46,944,643	3,850,000	6,872,250	4.38
2020		132,767,233		100,302,200		32,465,033	4,945,000	6,700,350	2.79
2021		129,655,541		105,215,502		24,440,039	4,045,000	6,490,050	2.32
2022		138,650,120		110,298,225		28,351,895	—	3,781,853	7.50
2023		155,380,962		118,425,443		36,955,519	3,210,000	5,413,234	4.29
2024		165,609,347		115,917,367		49,691,980	3,555,000	5,071,094	5.76
Water (2)									
2015	\$	29,739,720	\$	16,376,953	\$	13,362,767	\$ 4,230,000	\$ 1,281,338	\$ 2.42
2016		32,783,397		17,560,790		15,222,607	4,260,000	1,206,338	2.78
2017		34,018,812		17,976,941		16,041,871	3,275,000	1,114,613	3.65
2018		34,579,510		20,668,017		13,911,493	1,480,000	1,043,288	5.51
2019		35,021,121		18,862,896		16,158,225	1,530,000	998,138	6.39
2020		34,835,219		20,476,713		14,358,506	1,575,000	951,563	5.68
2021		35,186,966		22,636,000		12,550,966	1,630,000	895,338	4.97
2022		33,158,186		17,259,387		15,898,799	1,695,000	820,363	6.32
2023		38,813,972		22,657,864		16,156,108	1,785,000	733,363	6.42
2024		40,141,008		24,377,321		15,763,687	1,880,000	652,938	6.22
Sanitary Sewer									
2015	\$	23,586,443	\$	14,891,692	\$	8,694,751	\$ 1,015,000	\$ 3,979,597	\$ 1.74
2016		24,292,174		15,786,512		8,505,662	1,535,000	4,373,881	1.44
2017		26,286,812		16,173,501		10,113,311	1,945,000	4,327,756	1.61
2018		29,006,929		17,251,859		11,755,070	2,000,000	4,272,308	1.87
2019		30,839,962		17,126,837		13,713,125	2,060,000	4,212,537	2.19
2020		34,488,587		17,742,410		16,746,177	2,130,000	4,145,258	2.67
2021		36,302,460		18,712,810		17,589,650	2,205,000	4,070,631	2.80
2022		36,993,679		19,602,997		17,390,682	2,280,000	3,478,071	3.02
2023		37,650,664		21,433,196		16,217,468	3,535,000	2,689,072	2.61
2024		39,019,477		22,835,316		16,184,161	3,615,000	2,612,978	2.60

Reference: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

- Notes:
- (1) Operating expenses exclude depreciation, interest expense, amortization, non-operating expenses, OPEB, net pension expense (GASB 68), and payments in lieu of taxes.
 - (2) Numbers displayed for Power and Light are in accordance with FERC accounting. Numbers displayed for Water are in accordance with NARUC accounting.

Table 21

City of Independence, Missouri
Demographic and Economic Statistics
Last Ten Calendar Years

Calendar Year	Population (1)	Personal Income (thousands of dollars)	Per Capita Personal Income (A)	Median Age (A)	School Enrollment (B)	Unemployment Rate (A)
2014	117,494	2,763,928,856	23,524	41.80	24,304	6.70%
2015	117,255	2,850,820,815	24,313	38.60	25,173	5.60%
2016	117,030	3,183,801,150	27,205	39.30	25,076	5.50%
2017	117,306	3,011,010,408	25,668	37.80	25,158	4.70%
2018	116,925	3,445,545,900	29,468	40.20	25,023	4.10%
2019	116,673	2,956,610,493	25,341	36.80	24,408	4.00%
2020	(1) 117,139	3,302,968,383	28,197	39.50	22,684	8.00%
2021	122,083	3,695,818,659	30,273	43.70	22,583	6.40%
2022	121,211	3,844,085,654	31,714	40.20	22,657	3.20%
2023	120,931	3,673,883,780	30,380	38.00	23,656	3.60%

Note: (1) At the time of preparation of the fiscal year 2021 ACFR, the calendar year 2020 statistics were not yet available for population, per capita personal income, or median age and the 2019 statistics were used for those categories. The 2020 statistics were available and updated during the preparation of the fiscal year 2022 ACFR.

Sources: (A) Information provided by U.S. Census Bureau, Mid-America Regional Council or Claritas, Inc.
(B) Information provided by school districts.

Table 22

City of Independence, Missouri
Principal Employers
Current Year and Nine Years Ago

Employer	2024			2015		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Independence School District	2,200	1	3.94%	2,200	1	3.72%
Winchester (Lake City)	1,500	2	2.69%	1,600	2	2.70%
Centerpoint Medical Center	1,400	3	2.51%	1,400	3	2.36%
City of Independence	1,063	4	1.90%	1,120	4	1.89%
Rosewood Health Center at the Groves	444	5	0.80%	444	6	0.75%
Unilever	385	6	0.69%	260	10	0.44%
Cable Dahmer Automotive	340	7	0.61%	271	9	0.46%
Burd & Fletcher	334	8	0.60%	274	7	0.46%
Jackson County Circuit Court	274	9	0.49%	274	8	0.46%
Mid-Continent Library	160	10	0.29%			
Government Employee Health Association				650	5	1.10%
Total	8,100		14.51%	8,493		14.34%

Source: Independence Council for Economic Development and Mid-America Regional Council.

Table 23

City of Independence, Missouri
Full-time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
General Government										
City Council Office	10.00	10.00	10.00	10.00	10.00	9.00	10.00	10.00	9.00	11.00
City Clerk	7.00	7.00	7.00	5.00	2.00	2.00	2.00	2.00	2.00	—
City Manager	7.00	7.00	7.00	7.00	8.80	8.83	7.83	6.50	6.50	7.75
National Frontiers Trails Museum	5.00	—	—	—	—	—	—	—	—	—
Technology Services	23.00	24.00	24.00	19.00	13.48	13.00	11.00	17.85	—	—
Municipal Court	14.65	14.65	14.65	13.64	13.64	13.64	13.64	14.34	14.34	14.34
Law - General fund	6.23	6.23	6.21	5.71	5.46	2.00	1.50	1.00	1.16	1.16
Law - Grant fund	0.28	0.28	0.16	0.16	0.29	—	1.00	1.00	0.24	0.24
Finance	22.15	22.15	22.15	16.15	17.41	18.29	15.00	14.38	—	—
Human Resources	6.75	6.75	6.75	5.00	5.00	5.00	4.00	6.00	—	—
Public Safety										
Police - General Fund	296.91	296.91	295.91	281.26	294.36	318.96	292.36	288.08	289.90	292.20
Police - Grant Fund	7.00	7.00	6.00	7.00	7.00	—	—	6.25	4.43	4.43
Police - Use Tax Fund	—	—	—	—	—	—	6.00	30.00	30.00	31.00
Fire - General Fund	169.75	173.75	173.75	172.75	175.50	172.50	176.00	176.50	174.50	173.00
Fire - Grant Fund	5.25	1.25	1.25	1.25	1.25	1.00	1.50	—	—	—
Fire - Sales Tax Fund	—	—	—	—	1.50	1.50	2.00	2.00	24.00	31.00
Municipal Services										
General Fund	80.27	80.27	80.27	64.00	66.50	63.00	50.45	44.14	42.28	43.83
Street Sales Tax Fund	3.00	3.00	3.00	3.00	3.00	3.00	3.00	8.40	7.55	7.55
Health and Welfare										
General Fund	28.56	28.56	29.52	15.10	—	—	—	—	—	—
Grant Fund	6.86	7.13	8.15	8.40	—	—	—	5.00	4.70	9.98
Health Property Tax Levy	—	—	—	—	—	—	9.00	13.90	12.90	10.38
Animal Shelter Use Tax Fund	—	—	—	—	—	—	15.35	13.85	14.00	14.28
Culture and Recreation										
General Fund	27.10	27.10	26.52	22.69	27.43	19.45	—	—	3.00	3.00
Tourism Fund	8.18	14.18	13.00	14.25	14.42	16.82	14.96	11.62	14.75	18.66
Park Improvement Sales Tax Fund	26.61	26.61	28.22	29.06	34.31	31.93	31.80	33.46	40.16	43.26
Parks & Recreation Property Tax Levy	—	—	—	—	—	—	24.83	26.40	16.40	9.24
Community Development										
General Fund	28.68	28.68	28.18	28.50	33.82	31.96	34.25	35.65	35.70	35.80
Community Dev Block Grant Fund	2.00	2.00	2.00	2.00	1.40	1.50	1.30	1.30	1.35	1.30
HOME Program Fund	1.00	1.00	1.00	1.00	0.50	0.42	0.55	0.45	0.35	0.30
Storm Water										
Water Poll Control - General Fund	—	—	—	—	—	—	—	—	—	—
Storm Water Sales Tax Fund	13.00	13.00	13.00	13.00	15.05	13.95	13.80	16.93	21.00	18.25
Power and Light										
Finance & Administration - General Fund	1.50	1.50	1.50	1.50	1.50	—	3.00	—	—	—
Power and Light	239.00	239.00	239.00	228.00	225.00	212.00	173.80	184.22	175.58	178.45
Water										
Finance - General fund	0.85	0.85	0.85	0.85	0.85	—	—	—	—	—
Water	93.42	93.42	93.42	93.40	92.90	90.80	95.74	98.57	98.57	97.70
Sewer										
Public Works - General fund	1.00	1.00	1.00	—	—	—	—	—	—	—
Water Pollution Control	70.00	73.20	73.20	73.90	69.45	72.70	63.64	69.83	74.20	71.90
Central Garage Fund	9.75	9.75	9.75	8.00	8.50	8.50	8.50	9.30	9.30	9.30
Finance & Support Services										
Finance	—	—	—	—	—	—	—	—	18.63	17.00
Technology Services	—	—	—	—	—	—	—	—	21.50	22.25
Human Resources	—	—	—	—	—	—	—	—	8.00	8.00
Law	—	—	—	—	—	—	—	—	—	—
Communications	—	—	—	—	—	—	—	—	3.00	3.40
Worker' Compensation Fund	2.00	2.00	2.00	2.00	2.00	—	—	0.12	—	—
Total	<u>1,223.75</u>	<u>1,229.22</u>	<u>1,228.41</u>	<u>1,152.57</u>	<u>1,152.32</u>	<u>1,131.75</u>	<u>1,087.80</u>	<u>1,149.04</u>	<u>1,178.99</u>	<u>1,189.95</u>

Source: City of Independence Budget

Note: During 2015-16 the National Frontiers Trails Museum moved from the General Fund to the Tourism Fund.

Note: During 2018-19 the Health Department was restructured and remaining employees were moved to other departments.

Note: During 2020-2021, the Health Department was re-established.

Note: Fiscal Year 2020-2021 was the first full fiscal year that the Animal Shelter Use Tax Fund and the Police Use Tax Fund were budgeted and operational for a full fiscal year.

Note: With the start of Fiscal Year 2022-2023, Finance and Support Services, including Human Resources and Technology Services, moved from General Fund to an internal service fund.

Note: Residents voted to repeal the existing Fire Protection Sales Tax of 1/8 of a cent and instead imposed a Sales Tax of 1/2 of a cent effective April 1, 2022. The increase allowed additional funding for personnel.

Table 24

City of Independence, Missouri
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Public Safety										
Police										
Police Incident Calls	105,840	99,355	147,127	46,024	100,073	91,870	94,609	88,470	85,340	86,346
Fire										
Total Alarms	18,737	20,175	20,790	21,603	22,214	21,500	23,412	26,744	26,685	27,788
Public Education Audience	14,787	6,692	13,066	34,800	7,895	9,200	1,000	1,638	2,198	4,220
Municipal Services										
Street Overlay (lane miles)	49	69	110	57	68	61	47	38	29	17
Street Patching Jobs	7,561	4,319	6,067	6,610	11,938	8,556	7,666	7,270	9,562	10,273
Health and Welfare										
Food Handlers Trained	5,712	4,845	4,407	4,715	3,856	3,017	2,544	3,022	3,244	2,763
Flu Shots Given	3,200	2,434	1,741	500	352	304	—	—	—	—
Animal Control Service Calls	5,452	5,008	4,221	4,105	442	3,811	4,076	4,701	5,041	4,902
Culture and Recreation										
Park Shelter Reservations	698	652	640	535	581	310	424	1,098	427	448
Number of Sermon Center Memberships	1,618	2,065	1,840	1,441	1,246	865	517	2,390	454	961
Community Development										
Permits Issued	3,155	3,002	3,656	2,509	979	619	718	732	709	728
Tourism										
Site Attendance	409,320	299,457	292,603	285,823	256,209	214,644	1,758	15,102	8,316	9,720
National Frontiers Trails Museum										
Number of visitors to museum	13,532	14,645	17,934	18,176	16,418	7,990	—	3,875	4,857	3,257
Power and Light										
Average number of monthly customers	56,709	56,908	57,123	57,413	57,897	57,832	57,557	58,586	58,534	59,096
Water										
Number of customers	48,384	48,615	48,863	48,799	48,841	50,489	49,432	49,476	49,690	49,641
Water main breaks	227	184	199	256	322	208	240	206	307	279
Sewer										
Number of customers	44,793	44,559	44,755	45,115	44,642	45,316	45,484	45,317	45,533	45,527
Wastewater Treated (Million Gallons)	2,558	3,229	2,603	2,228	3,400	3,290	3,030	2,433	2,322	2,520

Source: City of Independence

Note: During 2015-16 the National Frontiers Trails Museum moved from the General Fund to the Tourism Fund.

Note: Police incident calls on the above schedule are lower during 2017-18, due to a computer software upgrade and relocation of the Communications Division. Reporting for this statistic is expected to return to a normal range during 2018-19.

Note: During 2020-2021 the number of public education audience for Fire declined to less than 1,000 due to COVID-19 pandemic restrictions. The audience remained low during 2021-2022 due to COVID-19 pandemic restrictions.

Note: During 2020-2021 the number of memberships for the Sermon Center declined due to the COVID-19 pandemic and facility closures.

Note: Attendance to tourist sites and the National Frontier Trails Museum declined during 2020-2021 due to facility closures and restraints as a result of the COVID-19 pandemic.

Table 25

City of Independence, Missouri
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years

Function/Program	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Public Safety										
Police										
Police stations	5	3	4	5	7	7	7	7	7	7
Vehicles	194	185	200	209	216	208	224	221	253	255
K - 9 Facility	1	1	1	1	1	1	1	1	1	1
Fire										
Fire Stations	10	10	10	10	10	10	10	10	10	10
Fire Training Facilities	1	1	1	1	1	1	1	1	1	1
Vehicles	46	45	48	48	48	48	46	48	51	49
Municipal Services										
Total area (square miles)	78	78	78	78	78	78	78	78	79	79
Paved miles	560	578	592	592	592	599	616	616	616	616
Culture and Recreation										
Park acreage	887	843	827	788	798	798	798	793	798	798
Parks	43	46	44	41	41	41	41	43	43	43
Community Centers	3	3	3	3	3	3	3	3	3	3
Fitness Centers	3	2	2	2	2	2	2	2	2	2
Ball Fields	44	44	41	38	43	43	43	43	43	43
Power and Light										
Power stations	6	6	5	5	5	3	3	3	3	3
Transmission/Distribution Circuits (miles)	870	888	888	889	889	890	868	869	878	880
Maximum daily use (Mwh)	4,754	4,983	5,166	5,166	5,094	5,042	4,694	4,952	4,973	5,160
Water										
Water mains (miles)	760	760	761	763	764	764	764	766	768	768
Fire hydrants	4,933	4,950	4,967	5,016	5,042	5,053	5,057	5,093	5,149	5,093
Maximum daily pumpage (millions of gallons)	37	39	36	37	36	34	38	35	37	34
Sewer										
Number of treatment plants	1	1	1	1	1	1	1	1	1	1
Sewers mains (miles)	614	616	619	619	618	614	614	618	615	615
Maximum daily capacity of treatment (MGD)	32	32	27	32	32	32	32	32	32	32

Source: City of Independence

Note: Number of parks increased as a result of adding Cassell Park, which was not previously included, as well as separating Crackerneck Park from Van Hook Park.



111 East Maple Street
P.O. Box 1019
Independence, Missouri 64051-0519
816-325-7000

APPENDIX C

THE CITY'S FISCAL YEAR 2024-25 ADOPTED BUDGET

Adopted Budget

FY2024-25



INDEPENDENCE
★ MISSOURI ★



This page intentionally left blank.

Contents

Contents	3
2023 GFOA Distinguished Budget Presentation Award	5
Introduction	6
City Manager's Transmittal Letter.....	7
Mayor & City Council	22
City Organizational Chart.....	23
Reader's Guide to the 2024-25 Budget Document	24
Budget Process and Calendar	25
About the City	27
Statistical Information	29
Strategic Action Plan	32
2024 City of Independence Action Plan.....	32
Budget Overview.....	41
Economic Outlook and Condition	41
Nationwide Unemployment.....	41
Kansas City Metro Unemployment	41
Inflation	42
Local Impact	42
Missouri's Economic Outlook	43
General Fund – Five-Year Forecast Update	43
General Fund Summary	44
Major Sources of General Fund Revenues	44
Property Tax	45
Breakdown of Resident Property Bill	46
Sales Tax.....	46
Use Tax.....	47
PILOT Revenue in the General Fund	48
Utility Franchise Fees	48
Fines and Forfeitures and Charges for Services	49
General Fund Expenditures Summary	50
General Fund Assumptions	50
Budget Impacts and Considerations.....	50
Enterprise Funds.....	51
Enterprise Funds Overview	51
Grant Funds.....	52
Use Tax Overview	52
Fund Summaries and Schedules	53
Fund Descriptions.....	53
Fund and Department Relationships	57
All Funds by Expense Category	58
Expenditures by Department.....	60
Expenditures by Fund and Fund Type	62
Revenue by Fund and Fund Type	64
All Funds by Revenue Category Group.....	65
General Fund Summary	67

Special Revenue Funds.....	69
Enterprise Funds	83
Internal Service Funds.....	89
Personnel – Total Full-Time Equivalent Employees.....	101
Personnel – Citywide Salary and Benefits.....	101
Department Summaries.....	103
Community Services.....	103
Internal Service Funds.....	149
Municipal Services.....	171
Policy and Leadership	207
Public Safety	219
Utilities	257
Non-Departmental	281
Appendix	285
Capital Outlay Exhibit	285
Capital Improvement Planning	299
Capital Improvement Program.....	303
Budget Packages	471
Long-Term Debt Information	473
Budget Procedures and Policies	479
Financial Policies	484
Glossary.....	496

2023 GFOA Distinguished Budget Presentation Award



GOVERNMENT FINANCE OFFICERS ASSOCIATION

Distinguished Budget Presentation Award

PRESENTED TO

**City of Independence
Missouri**

For the Fiscal Year Beginning

July 01, 2023

A handwritten signature in black ink that reads "Christopher P. Morrell".

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of Independence for the annual budget beginning July 2023. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, an operations guide, a financial plan, and a communication device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



This page intentionally left blank.



May 13, 2024

Honorable Mayor and Members of the City Council:

In February 2023, the City Council adopted the Independence Action Plan, setting forth a bold vision for Independence as a safe community with a thriving economy and a high quality of life through six strategic imperatives:

Purpose Statements

- **An Engaged Community.** We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.
- **An Innovative Economy.** We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.
- **A Safe, Welcoming Community.** We embrace a safe, healthy, welcoming, and inclusive community.
- **A Well-Planned City.** We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.
- **A Financially Sustainable Organization.** We create long-term financial stability by using equitable and sustainable sources of funding for City services, and we deliver them in a lean and efficient manner.
- **A High-Performance Organization.** We operate as an ethical, high-performance organization anticipating future needs, utilizing best practices, and striving for continuous improvement.

One year later, I am pleased to share that the strategies behind the Independence Action Plan are effective. The completion of the City's first Tourism Master Plan, the development of the Fire Department's Community Risk Assessment to guide the remodeling or reconstructing our fire stations, and a \$12 million investment in police technologies-including the long-desired implementation of body worn cameras-demonstrate the kind of progress that can be made when our governing body establishes a clear vision, our highly-skilled staff is empowered to implement this vision, and our community rallies to support these initiatives. Case in point:

- The City supported Community Services League and Good Shepard Community of Christ in creating a drop-in center. A drop-in center welcomes persons living without a permanent home. Services include laundry, meals, and showering capabilities along with mental and physical health services, dental and vision programs, and a variety of other opportunities.
- The City continues to partner with Comprehensive Mental Health Services to embed mental health clinicians within the police department to respond with law enforcement on calls for service. The Mid-America Regional Council administers federal grants to sustain this program. In the most recent quarter, 127 people were assessed by a mental health co-responder. A third of those encounters were resolved on scene, and all assessments resulted in referrals for behavioral health services. Only 8 encounters (6%) supported by a co-responder resulted in arrest. Our CIT Coordinator also responded on 97 follow up visits with the Community Behavior Health Liaison, ensuring ongoing care is provided.
- The City's Alternative Response for Community Health (ARCH) places staff alongside 911 services to provide focused and immediate resources to those dealing with challenges such as houselessness, chronic medical/financial/and substance use issues, and other quality of life concerns. Most recently, the City executed a Memorandum of Understanding with the Heartland Center for Behavioral Care, adding Community Health Specialists to the ARCH team for emergency mental health services regarding all manner of quality-of-life concerns. On average, ARCH is responding or involved with a community member at least once every 90 minutes while on-duty.
- The City continues to demonstrate sound financial management. The total number of TIF projects has been reduced by 44%, dropping from 18 to 10, including 8 in the last 5 years alone. TIF Debt has been reduced by over \$82 million, a 33% decrease. All General Fund subsidies for TIF projects have also been eliminated. Citywide, debt service as a percentage of spending has been reduced by over 50%.
- General Fund reserves continue to grow. Ten years ago, the City had \$3.7 million in General Fund reserves, or about 5%. For Fiscal Year 2023-24, we're on track to finish with \$11.7 million in General Fund Unreserved Fund Balance, or about 14.3%.
- The City has seen an annual growth rate of 3.1% in the economy through December 2023. The use tax continues to experience significant growth, with a year-to-date increase of 48.4% over this time last year. It is estimated that in the first full 12 months of collections, the City will receive approximately \$1 million annually in the Marijuana Sales Tax Fund.
- We are growing our revenues through meaningful economic development. Applications for new business licenses as well as renewals of existing business licenses increased in 2023.
- The City realized a 66% increase in permits for new single family home construction in 2023. Two new multi-family housing projects gained City Council approval in 2023. There are now 1,243 Class A, market-rate apartments either newly finished or set for construction in Independence. This growth isn't just limited to market-rate housing, though. In June 2022, the City implemented a temporary building permit fee waiver program with the goal of encouraging infill single family residential construction and substantial rehabilitation of single family homes. Since the launch of this program, 13 new infill single family homes have been constructed. Additionally, private reinvestment has included \$30 million in improvements to the Hawthorne Place apartments, and \$4.4 million for improvements to the Cimmaron

apartments. Both apartment complexes offer affordable housing to residents, demonstrating that all housing types and income levels are welcome in Independence.

- The first two facilities have opened in Eastgate Commerce Center, providing nearly 600,000 in industrial space. Cargo Largo opened its 500,000 sq. ft. facility and now employs 500 people. This is a \$65 million capital investment in our community.
- The Hub Shopping Center located at the southwest corner of 23rd Street and Hub Drive near 291 Hwy was approved for a \$36 million redevelopment project aimed at modernizing the grocery-anchored shopping center for continued use for retail and other commercial purposes.
- Nearly two-thirds of the City's dangerous building cases are in the process of being resolved. I commend our staff for the improvements they have implemented to expedite the amount of time a case remains open.
- In 2023, the total number of property maintenance complaints initiated by citizens declined by nearly 25%, demonstrating a higher degree of proactive code enforcement by the City. Moreover, the City ordered more abatements in 2023 (779) than 2022 (625), allowing us to enhance the quality of life our community members desire.
- The Rock Creek Wastewater Treatment Plant was selected as the MWEA Wastewater Treatment Plant of the Year.
- 50.83 miles of roadway were addressed through the preventive street maintenance program.
- The Police Department completed acquisition of critical technology and equipment assets, including the purchase of the Mobile Command Post and body-worn cameras.
- The Fire Department completed development of a new strategic plan that includes both short and long-term goals for the department based off of analyzed data.

As a result of steadfast and disciplined leadership by the City Council and the dedicated service of City staff, we find ourselves in an improved position from years past. We stand at the crossroads of a monumental moment in our city's history as the City Council and community members contemplate generational issues such as proposed amendments to the City Charter, a General Obligation bond issue to begin addressing the City's \$1 billion deferred maintenance backlog, and the future ownership and governance of Independence Power & Light. Each of these issues fall flat, however, if the City is financially unstable and unable to provide superior basic service delivery. The Submitted Budget for Fiscal Year 2024-2025 builds on the corrective actions taken in previous fiscal years and continues to stabilize services and operations following years of budgetary delay and deferral.

Through thoughtful and deliberate decision-making, the critical input of my Leadership Team, and with the City Council's priorities as the guiding light, I am pleased to present the submitted budget for Fiscal Year 2024-2025 in accordance with Section 8.2 of the City Charter. The proposed budget totals \$413,201,019, or an increase of \$18,068,291, or approximately 4.6%.

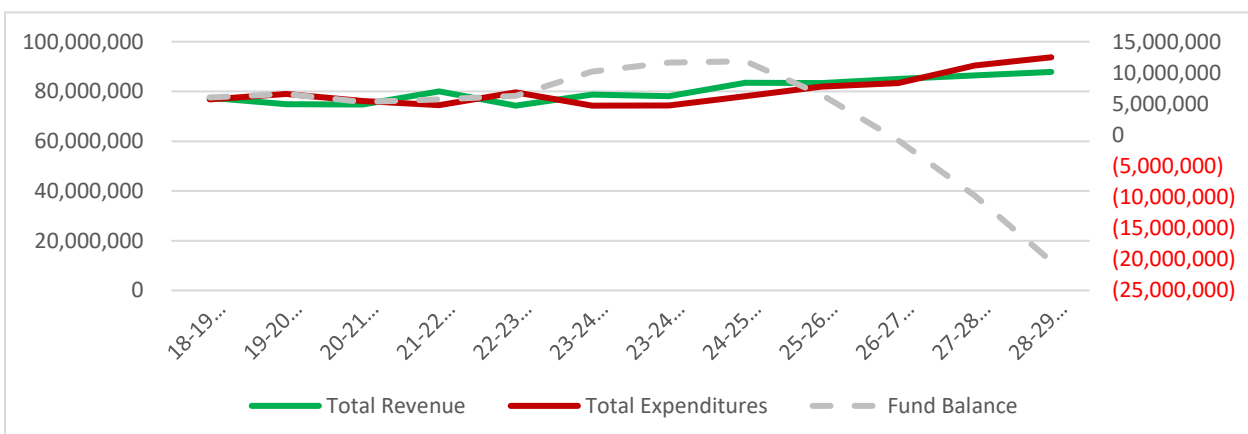
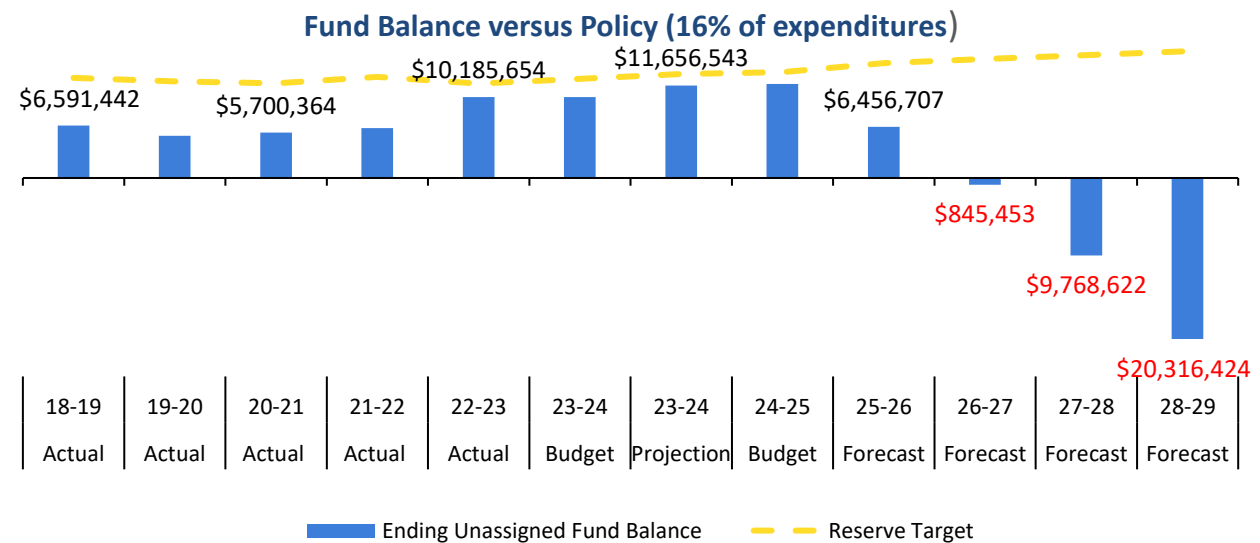
GENERAL FUND 5-YEAR FINANCIAL FORECAST

In March 2024, City Council was presented with the General Fund Five-Year Forecast, followed by a presentation outlining the fiscal pressures the City is facing both near- and long-term. Both presentations provided the same outlook – revenue growth is outpaced by various areas of

expenditure growth, including salaries and benefits and inflationary costs to materials and operating supplies. Additionally, federal subsidies that have aided in funding of the City's transit program since the beginning of the pandemic have now expired. As a result, the FY2024-25 budget included a gap of approximately \$1.2 million for this program.

One of the most adverse impacts this shortfall will have is on the City's General Fund reserve balance. City Council Resolution 17-729 established a policy that the City will endeavor to maintain a minimum Unrestricted and Unassigned Fund Balance in the General Fund equal to 16% of annual operating expenditures, or approximately \$12.9 million. The 2023-24 fiscal year is projected to end at a 14.3% reserve and although this is a significant improvement to the City's overall financial position, the increase is not structural in nature as it reflects savings primarily from personnel vacancies and other one-time revenues.

As the charts below indicate, expenditure growth is outpacing revenue growth. This structural imbalance leaves a projected ending fund balance of (\$20M) by FY 28-29. This is not a sustainable trend as it does not provide the City with sufficient resources to navigate any further economic disruptions or the flexibility to capitalize on opportunities, invest strategically, or provide service enhancements within the financial plan period.



For the past seven years, my focus has been prioritizing services, managing expenditures, driving efficiency, and executing objectives that address the ongoing structural imbalance that has negatively impacted the City's financial position and service delivery for many years. This required the collaboration and support of the City Council, City leaders, bargaining units, and other stakeholders. This year, the City began utilizing Priority Based Budgeting to address the structural issues through the reallocation of existing resources in the absence of new revenue streams. Through this process, departments identified the programs and services they are providing to the citizens of Independence, developed a cost for each program and then rated it against the Action Plan identified by City Council.

Continued stabilization of the City's fiscal condition will require additional efforts to critically examine and prioritize services, evaluate revenue options, as well as focus on attracting capital investment and other initiatives that contribute to the economic expansion of Independence.

The Assessed Value chart below shows a history of slow growth in the assessed valuation of real estate and railroads/utilities within the city. However, there was significant growth projected in the 2022 valuations of about 7%. The marked increase in assessed value is largely driven by a strong housing market plus delayed increases due to the pandemic.

GENERAL FUND OVERVIEW

Total revenues for the General Fund in the Fiscal Year 2024-25 Budget are \$83,318,302 which is a year-over-year increase of \$5.2M from 2023-24 Budgeted Revenues and a 5.7% increase from FY 2022-23 Actuals. The increase over FY 2023-24 is primarily due to growth in property tax, use tax receipts, retail sales tax receipts (including voter authorized sale tax increases). Revenue sources and performance over the previous two years is outlined in the table below:

	Actual 2021-22	Forecast 2022-23	Budget 2023-24	% Difference (Actual FY 22-23 to FY 23-24)
Taxes	28,394,924	29,903,000	30,337,000	1.5%
Franchise Fees	9,228,632	8,815,000	8,967,000	1.7%
PILOTS	21,760,119	22,365,000	22,855,000	2.2%
Licenses and Permits	4,515,591	4,369,750	4,567,150	4.5%
Intergovernmental Revenue	7,044,053	7,159,000	6,907,000	-3.5%
Charges for Services	2,519,199	2,479,679	2,099,150	-15.3%
Fines and Court Fees	2,125,275	2,156,000	2,086,000	-3.2%
Interfund Charges	2,354,600	4,469,287	4,604,802	3.0%
Other Revenue	840,279	1,770,274	895,200	-49.4%
Revenue Total	78,782,672	83,486,990	83,318,302	5.8%

Total expenditures for the General Fund are \$83,318,302, including a contingency of \$603,626. This represents an increase of 1.6% from 2023-24 forecasted expenditures. As I developed this year's budget, I was met with the following objectives:

- Address a structural imbalance in the General Fund of approximately \$4.3 million. This reflects the shortfall between forecasted revenues for Fiscal Year 2024-25 and projected expenditures for the same period to simply sustain current service delivery levels. Given our meager staffing levels and operating budgets for these basic services, it was imperative that I address this structural imbalance in a manner that did not further reduce current operations.
- Allocate funding to provide a 2% across-the-board wage increase for all non-represented employees in the General Fund and adequately budget for all contractually obligated wage increases for represented employees. Of particular importance was identifying funding capacity to negotiate fair, sustainable wages with the Fraternal Order of Police Lodge 1 and the International Brotherhood of Electrical Workers (Maintenance & Clerical) Local 53, both of which have collective bargaining agreements that expire in 2024.
- Accurately budget for Fire Department overtime and other pays (including Fire Standby pay). Last year's budget allocated \$826,800 toward this expenditure, of which \$400,000 was budgeted for overtime. Instead, the Fire Department is projected to exceed budgeted overtime expenses by over double (\$883,000) and other pays by \$2 million for Fiscal Year 2023-24. In recent years, additional personnel were added with the intention of minimizing overtime expenses. That has not proven to be an effective strategy. As such, I am recommending a budget that accurately reflects the true cost of this service by allocating \$2.4 million for these expenses.
- Account for the loss of federal funds subsidizing public transportation. Fiscal Year 2023-24 represented the final year of American Rescue Plan Act (ARPA) revenue supporting the operating budget, which totaled approximately \$1.3 million. The Fiscal Year 2023-24 budget allocated \$1,328,690 in the General Fund for transit while the Fiscal Year 2024-25 budget contains a proposed allocation of \$1,334,460. Given the loss of the federal funds and the inability to increase General Fund appropriations for this service, City staff are working closely with the Kansas City Area Transportation Authority to evaluate options for revising fixed route services to match available resources.

	Actual 2022-23	Forecast 2023-24	Budget 2023-24	% Difference FY 23-24 to FY 24-25
Salary & Benefits	63,263,975	67,512,076	64,395,889	-4.6%
Operating Expenses	8,317,611	9,441,934	10,297,148	9.1%
Equipment	199,665	283,760	182,371	-35.7%
Interfund Charges	2,217,168	4,252,932	5,797,520	36.3%
Debt Service	180,739	165,400	1,771,749	971.2%
Transfers Out	212,275	360,000	270,000	-25.0%
Contingency	-	-	603,626	
Expenditure Total	74,391,433	82,016,102	83,318,303	1.6%

The graph below is a visual representation of how each dollar is spent between city departments in the General Fund:



While the Proposed Budget is balanced as required by State Law, I must reiterate that there is no built-in capacity for expansion. As such, any enhancements by the City Council during your budgetary deliberations will require corresponding reductions in expenditures as an offset. Better than forecasted revenue growth in some areas has relieved some of the financial issues at the initial planning stages of the budget, however long-term fiscal sustainability is still an area of primary concern.

As I cautioned in the previous two years' budget messages, without further structural reductions in operating expenses or an infusion of new revenues, the financial constraints experienced each year will continue to manifest and limit service delivery. Such options include:

- Make strategic changes to legacy expenditures that are growing at unsustainable rates, such as health benefits and overtime practices.
- Attract and retain industry that meets market demand and provides employment opportunities for Independence residents.
- Reallocate current resources (both people and dollars) to higher performing programs that align more closely to the strategic plan and community needs.
- Capitalize on opportunities to enhance revenue:
 - Economic development and capital investment
 - Regional events (one-time)
 - New revenue sources

Well over a dozen different strategies were contemplated for balancing the General Fund budget for Fiscal Year 2024-25. After careful consideration, I recommend the following changes of note:

- A Reduction in Force of one filled position and two vacant positions in the Finance Department and three filled positions in the City Communications Division of the City Manager's Office. Several additional positions in both departments will be backfilled at a lower annual expense. Cumulatively, this represents a savings of \$330,584 in the General Fund and \$512,500 across all funds. These changes have been implemented.
- A Reduction in Force of two filled, non-represented positions in the Fire Department, resulting in a savings of \$138,585.
- Increased revenue totaling \$341,55 through adjustments to the City's Fee Schedule, including updates to business license fees, building permit fees, and various Health and Animal Services Department fees. The submitted budget also recommends the elimination of the waiver for inspecting cafeterias at schools in the Independence School District, valued at \$25,000.
- Redirected cost allocations from the General Fund totaling \$3,245,791. This includes continuing to manage Fire Department personnel costs through the support of the expanded Fire Sales Tax in the amount of \$2,746,271. This also includes allocating \$499,520 in General Fund personnel expenses in the Municipal Services Department to various sales tax and enterprise funds consistent with the allocation of an employee's time and nature of their work. Both measures represent a short-term savings and not structural in nature.
- Elimination of Open-Access Plan 1 for all active employees from the City's self-funded health insurance plan. As the City's health insurance plan year begins January 1, this recommendation will only yield six months of savings for Fiscal Year 2024-25. Therefore, the submitted budget anticipates a savings of \$685,000 in the General Fund and another \$600,000 citywide. In future years, it is expected that this recommendation will save \$1.37 million in the General Fund and \$1.2 million citywide. It should be noted that the City will continue to offer three different health insurance options. It should also be noted that as public servants, we serve a community where 16% of our residents under age 65 do not have any health insurance.
- Streamlining and/or eliminating redundant software platforms saving \$110,000, of which \$20,200 is from the General Fund.
- Hiring "chill" on vacant positions in the General Fund total \$3,325,344. I have instructed my Leadership Team that positions may be filled with a budget analysis and City Manager approval.

The net savings from these recommendations is \$601,741 including my recommendation to fund just \$64,400 of the \$1,258,478 in new spending requests:

- \$25,400 for salary increases for four Municipal Court Clerks;
- \$25,000 for the General Fund portion of the City's lobbying services contract;
- \$10,000 for document shredding in compliance with Missouri State law; and,
- \$4,000 for a new computer in the Emergency Preparedness Division.

As I've previously noted, there is tremendous economic progress occurring in our community that will provide much needed revenue growth for our City. However, it will take time for these projects to fully bear fruit, and even then, these projects alone will not eradicate the intergenerational poverty that plagues far too many in our community. U.S. Census Data estimates for Independence between 2018 and 2022 show that per capita income is less than \$32,000 and that 15% of our residents live in poverty.



As I've stated many times prior, we cannot cut our way to prosperity, but we also cannot expect a population with our socioeconomic demographics to sustain our level of expenditures without corresponding revenue growth. As employees of the City of Independence, we must realize that we are fortunate to have a salary and benefit package that far exceeds the total household income of more than one-third of our citizens. We must remain cognizant of our need to provide a competitive salary and benefit plan while maximizing the value of services our citizens underwrite. Reducing City services at the expense of propping up an extraordinary benefits plan is not a model I can recommend as your City Manager, particularly given the threadbare margin by which we already operate.

HEALTH & ANIMAL SERVICES



Following the reorganization and restructuring of the Independence Health Department in 2018, the City Council directed City staff in late 2020 to pursue recognition from the State of Missouri as a Local Public Health Agency (LPHA). Recognition was received from the State in early 2021, and this budget provides continued funding to provide baseline public health services. The department provides a variety of services, including the following major accomplishments from Fiscal Year 2023-24:

- Conducted 1,088 permitted health inspections.
- Responded to 4,807 animal control calls.
- Took in 1,948 animals at the Regional Animal Shelter, with a live release rate of 95.1%.
- Administered over 120 COVID vaccine doses.
- Supported the Alternative Response to Community Health (ARCH) program in providing 176 transports, saving citizens \$166,000 and releasing/canceling 703 emergency units from service.

Revenues for the department remain flat while expenditures (especially personnel costs) continue to rise. The department relies heavily on federal and state grants as well as support of animal shelter functions from the community. The department received over \$1 million in grant funding in FY 2023-24.

	FY 2021-22 Actual	FY 2022-23 Projected	FY 2023-24 Proposed Budget
Revenues			
Taxes	1,632,488	1,770,147	1,826,450
Charges for Services	595,857	596,209	758,764
Investment Income	29,468	38,705	37,155
Other	172,440	62,003	18,000
Total - All Other	2,430,253	2,467,064	2,640,369
Transfers in from Other Funds	300,000	260,000	-
Total Revenue	2,730,253	2,727,064	2,640,369
Expenditures			
Salary & Benefits	\$1,732,737	\$1,687,920	\$1,778,813
Retiree Health Insurance	66,638	62,300	73,000
Operating Expenses	484,730	734,557	712,696
Equipment	3,532	6,885	6,885
Operating Expenses	\$2,287,637	\$2,491,661	\$2,571,394
Capital Improvements	-	-	-
Debt Service	-	-	-
Contingency	-	-	81,299
Transfers Out	-	-	-
Total Expenditures	2,287,637	2,491,661	2,652,693

PARKS, RECREATION & TOURISM FUND

In addition to the General Fund, the Independence Parks, Recreation and Tourism Department (PRT) is supported by several revenue streams.



- Tourism Fund – collected on the charges for transient guests of hotels, motels, bed and breakfast inns, campgrounds, and short-term rentals.

The department achieved several notable achievements in FY 2023-24, including:

- Completing the Tourism and Museum Master Plan.
- Initiating the centralization of facilities and grounds maintenance for to achieve greater operating efficiencies and improved service delivery.
- Coordinated with various City departments and community partners to address 21 homeless camps located on Park property.

As the parks funds are special revenues, the City's policy is for each fund to meet a reserve requirement between 5-16% of revenues. As of the 2024-25 budget, the Tourism, Parks Improvement Sales Tax and Parks & Recreation Levy are projected to meet a 16% reserve. Like the General Fund, PRT funds are facing a structural imbalance that impedes the long-term fiscal sustainability of current levels of operation and service.

Current operating costs are not sustainable given increasing internal service costs, higher personnel service costs, and inflationary expenditure costs. To compensate for these increasing costs, the department is implementing a Reduction in Force impacting 8.7 full-time equivalent positions, or 10.3% of the total PRT staff. Current capital project costs for the Park Improvement Sales Tax Fund and the Tourism Fund are also not sustainable for the long term. Additional revenue streams are needed.

Despite these challenges, the submitted budget contemplates several program enhancements for the department to meet the needs and expectations of the community. These include:

- Restructuring the Recreation Division to emphasize programming rather than facilities.
- Addition of 1.3 FTE Seasonal Recreation Worker and 2 FTE Seasonal Maintenance Worker positions from April through October to address park maintenance needs.
- Structured the submitted budget to reflect the option of Tourism being separated from the Parks & Recreation Department. Tourism includes the operation and maintenance of historic sites, museum, Truman Memorial Building, Main Street 1849, marketing, and visitor's guide production. As this was our first year utilizing Priority Based Budgeting, I will note that historic sites rated as the most expensive and least aligned operation with the Parks & Recreation Department.

Over the next three years, I will be working with the City Council and the Parks/Recreation/Tourism Department to develop and implement a new vision for this department. Such items may include:

- Reviewing Park property to determine underutilized locations for surplus.
- Implementing revised hours and programming for Recreation to focus on youth activities and more weekend events, activities, and programs.
- Investigate new recreation software programs for enhanced customer service.

Pursue accreditation as a Park and Recreation Agency through the National Recreation and Parks Association.

USE TAX FUNDS OVERVIEW

Estimated revenues in the Fiscal Year 2024-25 Proposed Budget from the Use Tax are outlined in the table below. Voters approved amended Use-Tax ballot language in November 2021 to support expanded applications of the Use Tax. FY 2024-25 Budgeted amounts are based on a 2% growth over FY 2023-24 projected amounts. Per the ordinance language, both the Animal Shelter and Police will see a growth rate of 4.4% based on the Consumer Price Index.

	2022-23 Actuals	2023-24 Projected	2024-25 Proposed Budget
Animal Shelter Use Tax (010)	\$782,000	\$855,000	\$893,000
Police (018)	4,100,000	4,483,000	4,683,000
Waterfall			
General Fund (002)	\$1,023,612	\$2,000,000	\$2,040,000
Street Improv Sales Tax (011)	511,806	800,000	877,000
Park Improv Sales Tax (012)	255,895	500,000	438,000
Storm Water Sales Tax (013)	255,895	500,000	438,000
Police Public Safety Sales Tax (01)	127,948	275,000	219,000
Fire Public Safety Sales Tax (017)	511,806	1,000,000	877,000
Total Revenue (All funds)	\$7,568,962	\$10,413,000	\$10,465,000

SALES TAX FUNDS OVERVIEW

In addition to the Use Tax, the City of Independence administers five additional voter-approved sales taxes. Like all City funds, these continue to experience pressure of increasing costs to support their intended uses against limited growth. The only exception to this is the Fire Public Safety Sales Tax which received voter approved expansion in November 2021.

- Fire Public Sales Tax Changes: \$5,450,000 for Capital Projects
 - \$2,750,000 for Architectural Design Fees for new station construction
 - \$300,000 for Parking Area Addition
 - \$1,050,000 for a new pumper
 - \$1,350,000 for new aerial ladder truck
- Police Public Safety Sales Tax Changes and Use Tax Changes:
 - \$550,000 in Capital Projects for the purchase of a new Bearcat vehicle
 - \$1.2M for Axon contract for body cameras and other equipment and software



	FY 2022-23 Actuals	FY 2023-24 Projected	FY 2024-25 Budget
Street Improv Sales Tax (011)	7,379,549	15,214,633	14,014,693
Park Improv Sales Tax (012)	5,491,502	6,300,004	6,474,551
Storm Water Sales Tax (013)	7,407,461	4,322,070	11,529,403
Police Public Safety Sales Tax (016)	2,177,571	6,797,372	6,276,670
Fire Public Safety Sales Tax (017)	4,023,811	8,454,098	15,234,937
Marijuana Sales Tax Fund (065)	0	620,000	900,000
Total Expenditures	\$26,479,893	\$40,503,334	\$52,259,037

ENTERPRISE FUNDS OVERVIEW

The submitted budget does not forecast significant revenue growth in the enterprise funds which is a result of limited economic expansion, flat consumption, and fixed utility rates.

		FY 2022-23 Actual	FY 2023-24 Projected	FY 2024-25 Budget
Power & Light (020)	Revenue	158,559,523	151,027,379	159,106,500
	Expenditure	149,438,432	157,091,586	169,873,760
	Net	\$9,121,091	(\$6,064,208)	(\$10,767,260)
Water (040)	Revenue	39,213,190	40,986,510	36,940,800
	Expenditure	29,637,029	42,116,520	48,542,960
	Net	\$9,576,160	(\$1,130,010)	(\$11,602,160)
Sanitary Sewer (030)	Revenue	36,727,547	37,820,609	36,309,112
	Expenditure	32,289,890	34,739,795	40,894,298
	Net	\$4,437,657	\$3,080,814	(\$4,585,186)

Highlights in the Budget for the Enterprise Funds include:

- Municipal Services:
 - Incorporation of Water operations into Municipal Services.
 - Transition of Facilities Maintenance to the Parks/Recreation/Tourism Department.
 - \$33,473,103 in Capital Improvements, including:
 - \$260,000 for the General Fund portion of the Spring Branch Garage Complex.
 - \$7,380,915 in Street Improvements Sales Tax projects.
 - \$3,364,171 in grant-funded projects.
 - \$7,583,017 in Stormwater Sales Tax projects.
 - \$5,505,000 in Sewer projects.
 - \$9,380,000 in Water projects.
 - Personnel Additions:
 - Pipe Worker (Water Fund), 2.0
- Power & Light
 - Elimination of the 6% Rate Reduction as recommended by the Public Utilities Advisory Board was approved in FY 2023, FY 2024-25 will be the first full year of the elimination of the reduction.
 - Expanding transmission and distribution capabilities to support growth on the east side of town.

- Personnel Additions:
 - Engineering Supervisor, 1.0
 - System Operator Trainee, 1.0

CONCLUSION

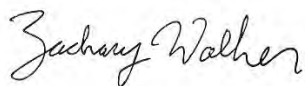
As this budget is being submitted for City Council consideration, our City is in the midst of some of the most decisive years it has faced in its long history. After 50 years of planned growth, the Little Blue Valley is finally realizing the development that has been long anticipated. New and varied housing stock is being added to our community while underutilized spaces are being primed for redevelopment. Pending decisions on transformational issues like amending the City Charter, seeking a multi-million-dollar General Obligation Bond, and future governance of Independence Power & Light have the capacity to further enhance the delivery of basic services and enhance the quality of life for our community members.

Yet, the City of Independence has a series of underlying issues that threaten our financial stability, and these promising developments will not deliver on their potential without solidifying our financial position. The City has had many hard conversations and taken equally hard steps each of the last eight years to bolster our fiscal health, but more work remains to be done. Deliberate and thoughtful dialogue must continue to be had about what programs and services our community values most. A budget is, after all, a statement of values.

I want to thank you, the City Council, and the City departments for the assistance provided in preparing this budget. I also wish to thank all our City staff who serve our community. They do so with the utmost professionalism and commitment in a highly challenging environment.

The options presented as a part of this budget are not easy choices; my staff and I are ready to address any questions regarding the information presented.

Respectfully,



Zachary C. Walker

City Manager

Mayor & City Council

Form of Government

In 1961, Independence voters selected a council-manager form of government. Under Charter Article 2.1, this form of government calls for one mayor and two council members elected by the city, and four council members elected by districts. The mayor and all city council members are elected to staggered four-year terms. The governing body is generally referred to as the “City Council.” As the policy makers, the City Council passes resolutions and ordinances, adopts the city budget, appoints citizens to advisory boards and hires the city manager.

City Officials



Rory Rowland
Mayor



Brice Stewart
Councilmember
District 2



Jennie Vaught
Councilmember
District 4



Dr. Bridget McCandless
Councilmember
At Large



John Perkins
Councilmember
District 1



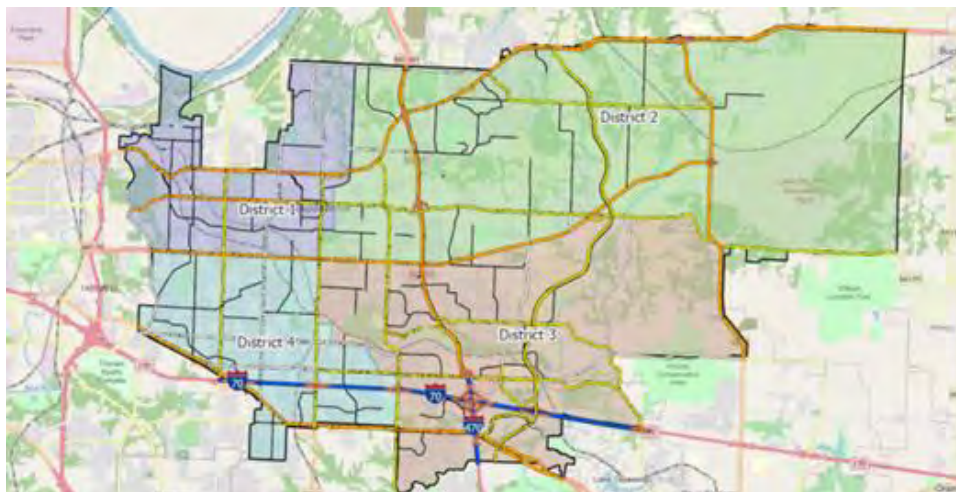
Michael Steinmeyer
Councilmember
District 3

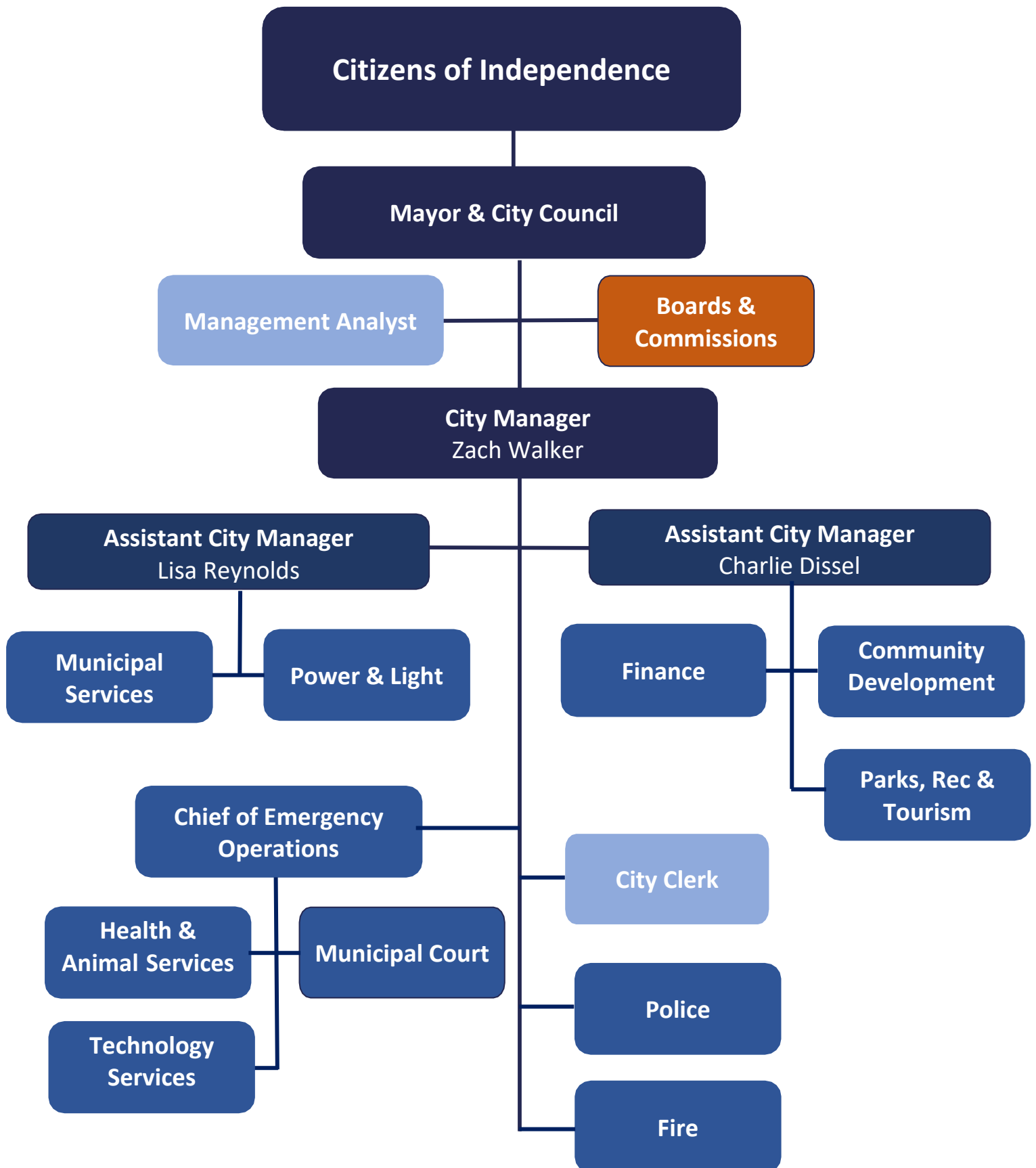


Jared Fears
Councilmember
At Large



Zachary Walker
City Manager





Reader's Guide to the 2024-25 Budget Document

The purpose of this budget document is to provide a comprehensive view of the operating budget. The budget is a tool for management to plan services, but it is also a communication to the public on the overall financial and policy direction of the city. Use this guide to navigate the document.

Budget Transmittal letter

The City Manager's Budget Message provides the framework for how the budget was developed, including contextual information on the city's finances, economic trends, and changes to the budget.

Introduction

This section provides general information about the city:

- Names and photos of Mayor and City Council
- City of Independence overview and history

Fund Summaries

This section of the book gives the highest-level overview of the fund structure of the city.

- The breakdown of expenditure types across all funds
- The breakdown of revenue types across all funds
- Fund summaries for each fund, which show how the expenditures relate to the revenues.

Department Summaries

This section contains summary and detail information about each city department:

- Organizational chart shows the director and divisions of each department.
- Department summary page highlights the mission of the department, the budgetary funds that make up the budget, a summary of expenditures, and total budgets and FTE counts.
- The department is then broken down further into divisions (for instance, the Patrol Division of the Police department). The top half of the page will show summary information about the types of expenditures in that division, as well as the funding source and FTE counts.

Appendix

The appendix includes miscellaneous information that may help further understanding of the budget, including:

- Approved packages included in the budget.
- Capital Outlay details by department.
- ARPA summary
- Glossary of budget and finance terms

Budget Process and Calendar

Development of the annual City budget is a year-long process that culminates in June, with the formal adoption of the budget.

October - December: Planning

1. Finance develops the 2025 budget manual.
2. Finance meets to resolve issues and prepare budget outlook.

January - February: Operating Budget Kickoff & CIP Presentation

1. Finance meets with departments to kickoff budget process.
2. Updated Five Year Forecast presented to City Council.
3. Finance prepares the base budget, chargebacks, and preliminary personnel budgets.
4. Revenue projections and estimated actual expenses for prior year are prepared.
5. Capital Improvement Program budget presented by Economic Development to the Planning Commission.

March - April: Department Preparation

1. City Council adopts annual Strategic Plan update.
2. In conjunction with the Finance, departments and divisions prepare budget proposals.
3. Capital Improvement Program memo with recommendations issued from Planning Commission.
4. Departments Directors present budgets and package requests to the City Manager.
5. Final adjustments in revenue and expenditure estimates are complete.
6. City Manager reviews recommended budget and gives preliminary approval on budget changes to be included in Proposed Budget.
7. Finance prepares Proposed Budget document.

May: Preliminary Review and Public Input

1. City Manager Proposed Budget submitted to the City Council.
2. City Council makes policy decisions and budgetary amendments to the Proposed Budget.

June - July: Final Review and Adoption

1. First reading of appropriation ordinances held adopting budget.
2. City Council proposes / amends budget per policy decisions.
3. Second reading of appropriation ordinances held adopting budget.
4. Finance begins production of final budget document.

August - September: Property Tax Levy and Final Budget Book

1. Assessed valuation received from Jackson and Clay Counties to set Property Tax Levy Rates.
2. Public hearing to set Property Tax Levy held.
3. Second reading of appropriation ordinances held adopting the annual tax levy.
4. Tax levy rates submitted to Jackson and Clay Counties.
5. Adopted budget book printed and published online.
6. First quarter budget amendment prepared for City Council approval.

FY 2024-25 Budget Calendar	
Item	Due Date
Personnel Allocations and Overtime Budgets sent to departments	Friday, December 15, 2023
CIP Kickoff Meetings	December 18-26, 2023
CIP updates and new projects entered	Friday, January 12, 2024
Budget Kickoff Meeting	Wednesday, January 10, 2024
Personnel Allocation Changes Due	Tuesday, January 09, 2024
Overtime Budget Changes Due	Wednesday, January 17, 2024
Mid-Year Financial Status / 5 Year Forecast Update at Study Session	Monday, February 12, 2024
Internal Service Charges due (Central Garage, Tech Services, WC, Risk)	Wednesday, February 1, 2024
Personnel Posted to Munis for department review	Wednesday, February 1, 2024
Finance set items and internal charges are loaded	Monday, February 12, 2024
Munis is open for budget entry	
Due from departments: <ul style="list-style-type: none"> - Proposed department budgets and package requests - CIP for the fiscal year - Revenues - Estimated Actual Expenditures - Personnel corrections / adjustments - Capital Outlay List 	Wednesday, March 06, 2024
Review of department budget submissions	March 8 - March 31, 2024
City Manager meets with departments to review proposed budgets	March 9 - March 29, 2024
CIP Presented to Planning Commission	Tuesday, March 12, 2024
CIP Report Presentation at Study Session	Monday, April 8, 2024
Financial Update at Study Session	Monday, April 8, 2024
City Manager approves recommended changes for proposed budget, packages posted, and departments notified	Monday, April 8, 2024
Department summary pages and org charts due	Friday, April 12, 2024
Fee Changes are due from departments	Wednesday, May 1, 2024
City Manager Proposed Budget submitted to the City Council	Monday, May 13, 2024
Public Hearing held for Proposed Budget	Monday, May 20, 2024
First Reading of Proposed Budget	Monday, June 3, 2024
Second Reading of Proposed Budget	Monday, June 17, 2024

About the City

About the City of Independence

Independence is the fifth largest city in Missouri, located within Jackson County. It is the largest suburb of the Kansas City metropolitan area on the Missouri side. Located ten miles east of Kansas City, Missouri in the geographical center of the United States. Independence has a Mayor/City Council/City Manager form of government. The Independence City Council is made up of six members, four are elected to represent one of the city districts, the other two are elected by the city. The mayor also sits on the City Council and serves as the "Head of Government" for the city. Members serve a four-year term, beginning January 1 following the election.

History

Many towns and cities have stories that have been passed down from generation to generation. The rare few have stories of such historic proportions that they become the stuff of legends. Rarer still are the cities whose "Once upon a time" is tied to the opening chapters of so many American lives. Independence, Missouri is a city unlike any other. It is where 400,000 fearless souls set off on a new venture that would not only alter the course of their lives, but the trajectory of an entire country. It is a city so visionary, self-determined and free-spirited, that it became the jumping off point to a whole new world.



Independence was originally inhabited by the Missouri and Osage Indians and became part of the United States with the Louisiana Purchase in 1803. It was the farthest point westward on the Missouri River where steamboats or cargo vessels could travel. The city quickly became the hub of the California Trail, Santa Fe Trail, and the Oregon Trail. Independence was soon known as the Queen of the Trails, due to its unique location where all three trails converged. It wasn't until the 19th century that Independence was defined by The United States Congress as the "Start of the Oregon Trail." In 1826, Independence was named the county seat of Jackson County. During the years of 1862 and 1864 the First and Second battles of Independence were fought.

It's not surprising then that 100 years later, the 33rd President of the United States should also find his roots and jumping off point in Independence. In his own pioneering way, Harry S. Truman helped write a big part of our country's history. And as a great American himself, shape its ideals and role in the world. After his two terms, President Truman returned to Independence, where the Presidential Library was built in 1957. For another two decades, he and his wife Bess remained Independence



residents. The Harry S. Truman National Historic Site and the Harry S. Truman Presidential Library and Museum are both located in Independence.

From the strength and fortitude of its earliest trailblazers to the straight-talking, pragmatism of Harry S. Truman, Independence has provided the country just what it needed at the time. And the city continues its role as a launching pad for brave new ideas and future growth. Nowhere is that more evident than in places like the Ennovation Center, an entrepreneurial incubator where

CITY OF INDEPENDENCE, MO

a fiercely independent and creative work ethic is blazing new trails in industries from business technology and healthcare to food services and bringing a whole new generation of innovators to the area.

Community Profile

Independence is positioned strategically at the crossroads of I-70 and I-470, where approximately 150,000 cars pass each day. The Kansas City metropolitan area has more lane miles of freeway per capita than any other metro area in the United States. Two rail lines, three interstates and five state highways serve Independence. The city is located just 25 minutes from Kansas City International Airport.

Population: 120,931

Square Miles: 78.00

Number of Households: 51,311

Average Household Size: 2.3

Median value of owner-occupied units: \$180,700

School Enrollment: 23,928

Miles of highways: 46.38

Sister City: Higashimurayama, Tokyo, Japan

Source: City of Independence and Censusreporter.org

Independence has seven police stations, ten fire stations, and the city provides Water, Sanitary Sewer, and Power and Light utilities, with three power stations.

The development of the Little Blue Parkway, a new thoroughfare connecting the eastern portion of the City from I-70 to 24 Highway will open 38 miles of land for development. It is estimated that by the year 2020, the Little Blue Valley will be home to an additional 20,000 people and 5,000 new office, industrial and retail jobs.

In the heart of the city, Historic Independence Square is undergoing a renaissance with substantial increase in private investment and a planned restoration of the Historic Jackson County Courthouse. The traditional town square offers unique shops, restaurants, loft-style apartments and a newly renovated cinema and bowling alley.

Creating the educated workforce of the future is a priority for the Independence Community. The city is supported by four award-winning public-school districts: Independence, Blue Springs, Fort Osage, and Raytown school districts. Independence is home to four colleges to support the higher education needs of our citizens, including Metropolitan Community College, Graceland University, Park University, and National American University.

Independence has a history of a pro-business attitude. Its low-cost environment is a natural incentive to companies looking to expand or relocate. Independence has the third lowest property tax rate in the Kansas City Metropolitan Area. Additionally, the City does not tax on personal property, including machinery and equipment. The city tax structure coupled with the many affordable housing options makes it the best value in the Metro for working and living.



Statistical Information

Income

Per capita personal income, Missouri Adjusted Gross Income per return data for the city, County, and State are presented in the following table:

	2021	2020	2019	2018	2017
City of Independence	\$30,273	\$28,197	\$25,341	\$29,468	\$25,668
Jackson County	52,436	49,572	46,214	45,319	43,893
State of Missouri	55,159	49,589	46,635	43,661	49,926

AGE

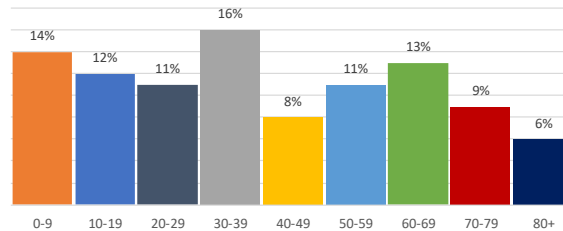
38

Median Age

about the same as the figure
in the Kansas City, MO-KS
Metro Area: 38.4

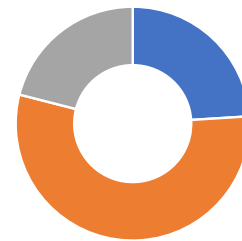
a little less than the figure in
Missouri: 39.3

POPULATION BY AGE RANGE

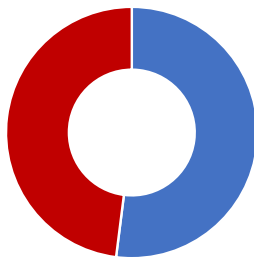


POPULATION BY AGE CATEGORY

■ under 18 ■ 18 to 64 ■ 65 and over

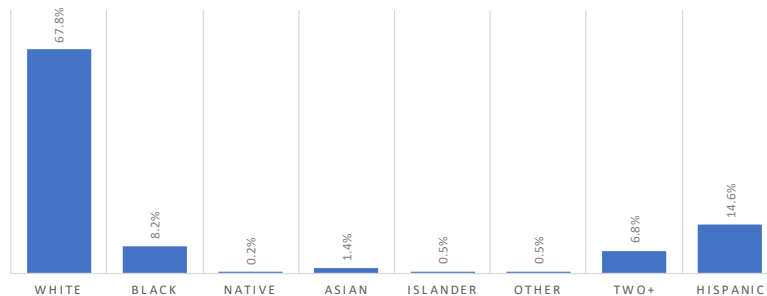


SEX



■ Female ■ Male

RACE & ETHNICITY



Population

The population trends for the city, county, and state are shown in the table below:

	2023	2022	2021	2020	2019
City of Independence	120,931	122,218	122,083	123,011	116,673
Jackson County	718,560		713,229	717,204	703,011
State of Missouri	6,196,156		6,140,000	6,154,913	6,137,000

Source for income and population data: City of Independence, Jackson County, State of Missouri.

CITY OF INDEPENDENCE, MO

INCOME

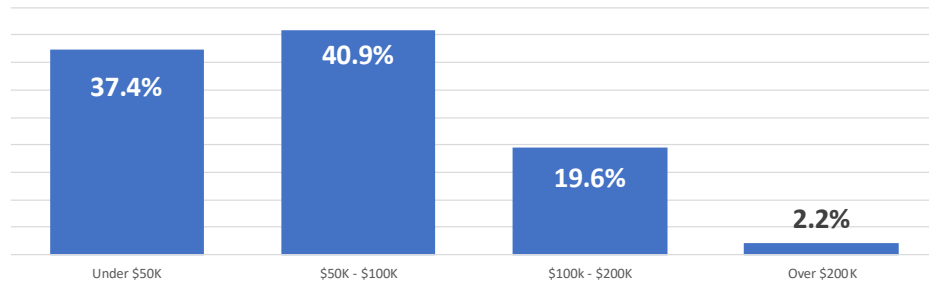
\$61,432

Median household income

about three-quarters of the amount in the Kansas City, MO-KS Metro Area

About 90 percent of the amount in Missouri

Household Income



Poverty

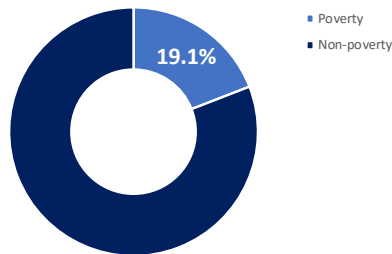
12.4%

Persons below poverty line

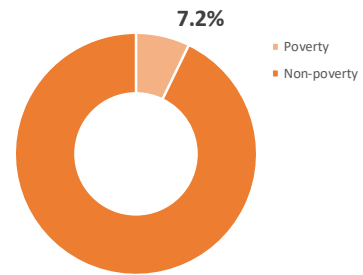
about 1.4 times the rate in the Kansas City, MO-KS Metro Area

a little higher than the rate in Missouri

Children (Under 18)



Seniors (65 and over)



Major Employers

The major employers in the city by number of employees (full and part time) for 2022.

Employer	Employees	Percent of Total City Employment
Independence School District	2153	4.00%
Centerpoint Medical Center	1850	3.44%
Winchester	1545	2.87%
City of Independence	1073	1.99%
GEHA	770	1.43%
Phoenix Home Health	550	1.02%
The Groves	430	0.80%
Unilever	385	0.72%
Cable Dahmer Automotive	340	0.63%
Burd & Fletcher	334	0.62%
Total	9,430	16.61%

LARGEST TAXPAYERS

The table below shows the city's ten largest taxpayers for 2023, the total assessed valuation for the city was \$1,788,344,428

Taxpayer	2023		
	Total Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Southern Union Company	\$ 18,174,080	1	1.02%
RCP-N LLC	12,132,935	2	0.68%
DT Independence Commons LLC	9,876,480	3	0.55%
Mansion Apartments	9,161,377	4	0.51%
Grace Holdings Independence LLC	7,449,660	5	0.42%
Unilever Best Foods	6,247,796	6	0.35%
BRE Space Center of Kansas City	6,147,862	7	0.34%
Centerpoint Medical Center	5,818,209	8	0.33%
Seven65 Cornerstone LLC	5,387,450	9	0.30%
Burd & Fletcher Co	4,920,361	10	0.28%
Total	85,316,210		4.77%

Source: Jackson County Collection Department

Additional Operating Indicators

	2023	2022	2021	2020	2019
Public Safety					
Police incident calls	85,340	88,470	94,609	91,870	100,073
Traffic Unit citations issued	22,000	17,242	8,530	8,194	13,906
Total Alarms	26,685	26,744	23,412	21,500	22,214
Public education audience	2,198	1,638	1,000	9,200	7,895
Municipal Services					
Street overlay (lane miles)	29	38	47	61	68
Street patching jobs	9,562	7,270	7,666	8,556	11,938
Health & Welfare					
Food handlers trained	3,244	3,022	2,544	3,017	3,856
Flu shots given	-	-	-	304	352
Animal Control service calls	5,041	4,701	4,076	3,811	442
Culture & Recreation					
Park shelter reservations	427	1,098	424	310	581
Number of Sermon Center Memberships	454	2,390	517	865	1,246
Community Development					
Permits Issued	709	732	718	619	979
Tourism					
Site Attendance	8,316	15,102	1,758	214,644	256,209
National Frontiers Trails Museum					
Number of visitors to museum	4,857	3,875	-	7,990	16,418
Power and Light					
Average number of monthly customers	58,534	58,586	57,557	57,832	57,897
Water					
Number of Customers	49,690	49,476	49,432	50,489	48,841
Water main breaks	307	206	240	208	322
Sewer					
Number of Customers	45,533	45,317	45,484	45,316	44,642
Wastewater Treated (Million Gallons)	2,322	2,433	3,030	3,290	3,400

Strategic Action Plan

2024 City of Independence Action Plan

Summary

Each year, Independence City Council holds a strategic planning session to identify the main areas of focus for the City Council over the next year. Following the strategic planning session, each member of the City Council completed a survey to confirm the primary issues identified by the Council at the strategic planning session.

Background

The Charter of the City of Independence, Section 1.2, empowers the City Council to determine the policies of the City of Independence. The Council established a vision statement and strategic goals by the passage of Resolution No. 4017 on June 6, 1994, amended the strategic goals by Resolution No. 4937 on October 31, 2002; amended the strategic goals by Resolution No. 5879 on January 6, 2014; adopted a new strategic plan, Independence for All 2017-2021, by Resolution NO. 6186 on February 6, 2017; and amended the strategic plan, Independence for All 2022-2026, by Resolution No., 6647 on March 1st, 2022.

The Independence City Council wished to develop the newest set of strategic priorities to guide future policy and funding decisions. Considerable effort has been made to develop a strategic plan that includes a purpose, purpose statements, and action items that are based on input from a wide cross-section of the community. The Council adopted the newest plan by Resolution No. 6902 on February 20, 2023.

Purpose and Purpose Statements

Independence is a safe, inclusive community fostering civic engagement and creativity, with a thriving and diversified economy, a strong and proud history, and a high quality of life as our community grows and adapts.

Purpose Statements

- 1. An Engaged Community.** We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.
- 2. An Innovative Economy.** We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.
- 3. A Safe, Welcoming Community.** We embrace a safe, healthy, welcoming, and inclusive community.
- 4. A Well-Planned City.** We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.
- 5. A Financially Sustainable Organization.** We create long-term financial stability by using equitable and sustainable sources of funding for City services, and we deliver them in a

lean and efficient manner.

- 6. A High-Performance Organization.** We operate as an ethical, high performance organization anticipating future needs, utilizing best practices, and striving for continuous improvement.
-

1. An Engaged Community

We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.

1.1 Outreach - Continue to strengthen and innovate in how we deliver information to the community and our partners.

- a.) City Communication Plan and Protocol. Update, implement, and train for a City-wide communications protocol and outreach plan.
- b.) Communicate more effectively internally and externally. Continue to enhance the City's primary public information tools: City 7, website, newsletters, social media.
- c.) Complete an Audio/Visual Needs Assessment for City Facilities and Implement Upgrades to Meet Current and Future Needs.
- d.) Automate Systems for Fulfillment of Records Requests.

1.2 Community Engagement - Broaden and deepen engagement of the community in city government, innovating methods for inviting input from the community and stakeholders.

- a.) Enhance City Committees and Advisory Boards. Restructure or combine City boards and committees to more effectively advise the city and engage the public.
- b.) Community Engagement Plan. Develop a plan to increase community engagement in city decision-making processes.
- c.) Create a Standard City Council, Boards, and Commissions Onboarding and Education Process. Increase education for City Council, commissions, boards, and advisory boards.
- d.) City Charter Review. Complete the review of the City Charter by the Charter Review Commission and seek voter approval of proposed changes to reflect best practices.

1.3 Public Agencies Collaboration - Foster successful collaboration with other public agencies and build on these successes.

- a.) Quarterly City/County Meetings. Establish regularly scheduled meetings between the City of Independence and the Jackson County Legislature to discuss issues of mutual interest.
- b.) Continue the City's Participation in the Eastern Jackson County Shared Services Initiative and Other Regional Collaborations through the Mid-America Regional Council.

- c.) Enhance the City's relationship with the Independence, Fort Osage, Blue Springs, and Raytown School Districts.
- d.) Enhance the City's relationship with Blue River Community College.
- e.) Enhance the City's relationship with the Mid-Continent Public Library.
- f.) Enhance the City's relationship with State and Federal Agencies.
- g.) Develop and support a legislative agenda.

1.4 Business and Institutional Partnerships – Explore opportunities for partnerships with key business groups and non-profit organizations.

- a.) Enhance the City's relationship with the Independence Square Association, Community Services League, Hotel and Lodging Alliance, Truman Habitat for Humanity.

2. An Innovative Economy

We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.

2.1 Business Growth – Support retention and growth of both the traded and local business sectors while welcoming and encouraging new and existing businesses, in coordination with the Independence Economic Development Partnership.

- a.) Update the Business License Code.
- b.) Establish a small business support center to facilitate and guide the City's licensing and permitting process.
- c.) Support the continued development of the Eastgate Commerce Center.

2.2 Infrastructure Investments – Strategically invest in infrastructure as a mechanism to encourage economic development and economic redevelopment.

- a.) Identify Residential/Commercial/Industrial Infrastructure Needs. Identify sites for new or redevelopment in areas that lack adequate infrastructure and develop new financing strategies to fund these investments.
- b.) Complete the Tourism Master Plan to Attract and Retain Visitors to the City's Historic Sites, Amenities, and Events.
- c.) Complete the Deployment of High-Speed, Broadband Internet Service Throughout the City.

2.3 Workforce Development – Support education and workforce development initiatives to improve the skills of our citizens.

- a.) Develop partnerships with Independence, Fort Osage, Blue Springs, and Raytown School Districts for apprenticeship, internship, and job shadow opportunities to promote career options for high school graduates.

3. A Safe, Welcoming Community

We embrace a safe, healthy, welcoming, and inclusive community.

3.1 Public Safety – Support high-quality public safety programs, emergency preparedness, facilities, and leadership.

- a.) Improve Emergency Preparedness Programs. Improve our community's emergency preparedness by implementing outreach programs to include information and planning to assist residents in self-preparedness.
- b.) Implement the Independence Fire Department Community Risk Assessment and Standard of Cover Analysis Master Plan.
- c.) Complete Fire Service Strategic Plan.
- d.) Enhance the City's Relationship with the Jackson County Prosecutor's Office to Improve the Prosecution System.
- e.) Develop and implement a comprehensive recruitment strategy for Independence Police Department, including both sworn and civilian positions.
- f.) Review and Update All Police Department Policies and Procedures.
- g.) Update Public Safety Technology Systems. Fund and implement necessary new technology systems for Police and Fire Departments.
- h.) Analyze Current and Future Staffing Needs Across the Police and Fire Departments and Shift Alignment of Personnel for Operational Efficiency and Optimal Service to the Public.
- i.) Develop a Comprehensive Professional Development and Training Program within the Police and Fire Departments to Address Succession Planning Needs.
- j.) Reduce Crime and Disorder. Balance proactive policing efforts with community engagement-including neighborhood watch program and business crime prevention program-within allotted resources.
- k.) Increase Park Patrol to enhance Park Safety.

3.2 Health & Safety Action – Work with our partners to improve education, public awareness, and to coordinate programs concerning public health, animal welfare, emergency services, criminal justice, and important social services.

- a.) Strengthen Community Services Networks. Identify strategies to improve and expand resources for those with mental health, substance abuse and addiction, and housing challenges, including behavioral crisis and intervention centers.
- b.) Enhance the Mental Health Co-Responder and ARCH Programs. Continue to adapt the strategies and services used by public safety to approach mental health crises.
- c.) Facilitate the Development of a Drop-In Center and Single Persons Shelter in Eastern Jackson County.

- d.) Maintain Status as a No-Kill Animal Shelter.

3.3 Friendly Community – Ensure Independence continues to welcome diversity through policies, public awareness, and community engagement.

- a.) Anticipate, Celebrate, and Incorporate an Increasingly Diverse Population into the Community, City Boards and Commissions, and City Staff.

4. A Well-Planned City

We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.

4.1 Improve public infrastructure and the condition of public facilities.

- a.) Develop a Criminal Justice Facility Plan.
- b.) Complete the National Frontier Trails Museum Master Plan to Focus Emphasis on Museum Exhibits and Visitor Experience.
- c.) Identify Permanent Facility Solution for Animal Shelter.
- d.) Evaluate Space and Maintenance Needs for City Buildings, Recreation Centers, and Site Amenities and Determine Priorities and Strategies for Needed Improvements.
- e.) Increase the Rate at which Problematic Water Distribution and Transmission Mains are Replaced in Order to Replace 1% of the City's Distribution Mains Annually.
- f.) Establish and Maintain a Database of the Material of all Water Service Lines in our Distribution System Pursuant to Revisions to the Lead and Copper Rule.
- g.) Complete the Best Professional Judgement Study for Water Plant Sludge Discharge Pursuant to the Missouri Department of Natural Resource's Water Protection Program.
- h.) Refine the Pavement Management Program.
- i.) Target Street and Sidewalk Maintenance Along Major Corridors and Historic Sites.
- j.) Determine Long-Term Plan for Independence Power & Light, Including Additional Generation Resources, Long-Term Plan for Maintaining Capacity, and Facilitating the Retirement of Existing Combustion Turbines.
- k.) Explore Sustainable Technology. Explore technologies to advance environmental sustainability and efficient service delivery. Examples include Advanced Metering Infrastructure, performance management systems also known as community "dashboards, electric vehicle charging infrastructure, and data analytics.

4.2 High Quality Urban Approach – Continue to support high-quality planning, ranging from building design to neighborhood layouts, while pursuing urban approaches to issues such as multimodal transportation, infill, density, connected trails and parks, and walkable neighborhoods.

- a.) Develop and Adopt Design and Construction Manual.
- b.) Modernize Our Development Engineering Codes.
- c.) Develop Access Management Plan and Storm and Sanitary Master Plan to Guide Development.
- d.) Adopt a Unified Development Ordinance Amendment to Regulate Short-Term Rentals.
- e.) Adopt a Unified Development Ordinance Amendment to Regulate the Number of Used Car Dealerships that May Operate Within the City.
- f.) Leverage and Maximize the Historic district Designation for the Square and Explore Establishing Additional Historic Districts.
- g.) Research and Implement Strategies in the Historic Preservation Master Plan to Protect Community Historical Resources.

4.3 Stabilize and Revitalize Neighborhoods – Partner with citizens and businesses to promote and maintain a safe, healthy, and desirable living and working environment through the administration of property maintenance, zoning, and right-of-way codes.

- a.) Target Incentive Programs (Including Tax Abatement), CDBG, and HOME Resources in neighborhoods, Activity Centers, and Along Corridors to Support Revitalization and Stabilization.
- b.) Continue Enforcement of the Vacant Building Registry Program.
- c.) Research and Incorporate Best Practices into the UDO to Encourage Infill Housing Units in Neighborhoods, Public Transit Nodes, and Activity Centers.
- d.) Support and Engage the Land Clearance Redevelopment Authority to Facilitate Redevelopment Projects.
- e.) Collaborate with Community Partners on Various Methods to Stabilize Neighborhoods.
- f.) Develop and Implement Strategies to Reduce Chronic Issues of Litter, debris, and illegal dumping within the Community. Increase the resources dedicated to responding to these problems while also curtailing the proliferation of the issue by adopting a mandatory trash service requirement.
- g.) Explore Land Acquisition Along Truman Road to Enable Beautification Along Major Entryways into the City.
- h.) Continue Project Design and Construction for the 24 Highway Complete Streets Project.

4.4 Vibrant Commercial Districts and Neighborhood Centers – Promote and support healthy, vibrant commercial districts and neighborhood centers – including higher densities and intensification of use in these key areas.

- a.) Continue Implementation of the Recommendations in the Adopted Downtown Redevelopment Coordinating Committee Master Plan.

- b.) Implement the Recommendations of the Fairmount Planning Sustainable Places Report.

4.5 Housing and Transportation Choices – Vigorously encourage, through a wide variety of actions, the development of sustainable and lasting housing options for all individuals and families and improve mobility options that accommodate all travel modes.

- a.) Implement the strategies of the 2022 Master Housing Study to Address Various Community Housing Needs.
- b.) Coordinate with RideKC partners to ensure that public transportation connects the Independence workforce to quality jobs.
- c.) Advance Design Work on the Noland Road Complete Streets Project.

5. A Financially Sustainable Organization.

We create long-term financial stability by using equitable and sustainable sources of funding for City services, and we deliver them in a lean and efficient manner.

5.1 Control Long-Term Costs – Ensure City finances are stable and sustainable.

- a.) Pursue plan design changes to the Stay Well Employee Insurance Program to Control Long-Term Expenditures.
- b.) Conduct a Market Salary Study and Implement Recommendations in the Employee Pay Plan Focused on Recruitment and Retention.
- c.) Promote Standardization of Technology and Centralization of IT Functions to Make City Operations More Efficient and Cost-Effective.
- d.) Mature the City's Cyber-Security Practices to Improve Management of Cyber-Security Risks while Protecting Sensitive Information.
- e.) Develop Cost of Service Studies for the Electric, Water, and Sanitary Sewer Utilities and Ensure Appropriate Customer Rates.
- f.) Research and Evaluate the Governance and Operation of Independence Power & Light.

5.2 Capture Sustainable Sources of Funding – Obtain permanent, viable funding for City services.

- a.) Identify and Capture Additional Funding to Stabilize the Health Department.
- b.) Identify and Capture Funding for the Parks/Recreation/Tourism Department to Continue and Expand Services and Programs.
- c.) Identify and Capture Funding for Cemetery Maintenance and Support.
- d.) Identify and Capture Funding for Public Transit.
- e.) Identify and Capture Funding for Dangerous Building Demolitions and Code Enforcement Abatements.

- f.) Research Additional Long-Term Revenue Streams and Funding Sources to Support Delivery of Basic Services.
- g.) Seek Voter Approval of the Recreational Marijuana 3% Local Sales Tax.
- h.) Seek Voter Approval of General Obligation Bonds for Infrastructure and Facilities Projects.
- i.) Pursue the Museum and Tourism-Related Activities Tax to Support Tourism Needs.

5.3 Financial Planning and Reporting – Identify and update policies, procedures, and systems to ensure transparent and efficient financial information.

- a.) Implement a Budgeting Module to Include Priority-Based Budgeting, Capital Improvements Programming, and Capital Outlay/Asset Replacement Program.
- b.) Update the City's Purchasing Policy and Procedures.
- c.) Revise the City's Travel Policy.
- d.) Implement Uniform Standard Operating Procedures for Grant Reporting.
- e.) Revise the Monthly Financial Reports for Improved Transparency and Ease of Understanding

6. A High-Performance Organization

We operate as an ethical high-performance organization, anticipating future needs, utilizing best practices, and striving for continuous improvement.

6.1 Values-Driven Culture – Promote a values-driven organizational culture that reinforces ethical behavior, exercises transparency, and maintains the community's trust.

- a.) Develop a Cross-Functional Team Culture. Use cross-functional teams to meet Independence's future opportunities and challenges.
- b.) Create a Culture of Innovation. Empower employees at all levels of the organization to exercise judgement and discretion within the framework of City codes, policies, and procedures.

6.2 Employee Excellence – Recruit, retain, and value a diverse, well-trained, qualified, and motivated team capable of delivering superior performance. Be accountable and expect accountability from others. Make demonstrated use of good judgement a part of the evaluation process for promotions.

- a.) Be a "Best in Class" Employer. Enhance the attractiveness of the City as a place to work through salary and benefit packages, workplace amenities and facilities, and professional development opportunities. Negotiate Fair, Sustainable Compensation and Benefit Agreements with Labor Unions.
- b.) Continue New Employee Orientation Program. Provide assistance to new employees so they feel welcomed and prepared to succeed.

- c.) Adopt Organizational Values and Align with the Employee Recognition Program to Celebrate the Demonstration of Values in Action.
- d.) Develop and Administer Annual Performance Evaluation Process for All City Employees.
- e.) Set Employee Diversity Goals. Define the Type of Diversity the City Seeks to Achieve as an Organization (e.g. Reflecting the Community At-Large) and Develop a Program to Achieve These Goals.

6.3 Best Practices, Creativity, and Foresight – Utilize best practices, innovative approaches, and constantly anticipate new directions and changes relevant to the governance of the City. Be adaptable and flexible with an outward focus on the customer and an external understanding of the issues as others may see them.

- a.) Implement Department Staffing Plans. Compile departmental staffing plans and create a system to implement the plans to address current and future workload.
- b.) System Integration. Identify key systems that if integrated would improve efficiency and effectiveness.
- c.) Improve Departmental Collaboration. Identify opportunities to improve collaboration between City departments and create subgroups on communications, community interactions, long-range planning, and other matters of common concern.

6.4 Performance Metrics – Utilize key performance and cost measures to monitor, track, and improve the planning and delivery of City programs and services and to promote greater accountability, effectiveness, and efficiency.

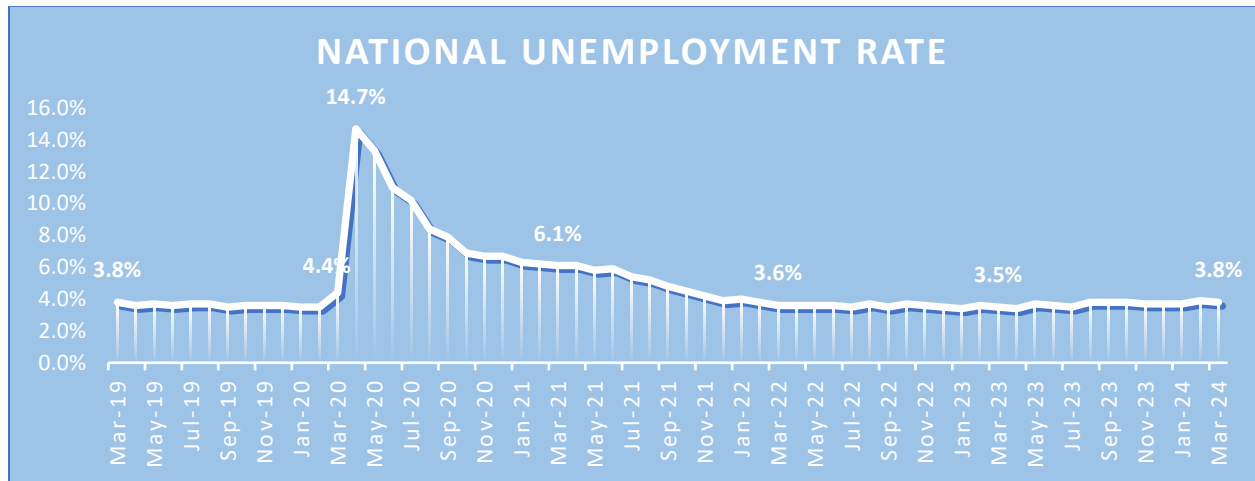
- a.) Develop Data Analysis Tools. Develop more sophisticated analytical tools to access, monitor, measure, and analyze data to inform decision making.
- b.) Set Performance Measures. Set performance measures that align with the strategic plan.
- c.) Analyze and Collect Data from Performance Measures. Analyze and collect data from performance measures to ensure implementation of the Action Plan, and redesign measures as needed.
- d.) Strategic Municipal Service Delivery Expectations. Strategically manage community and employee expectations about the City's capacity to deliver services.

Budget Overview

Economic Outlook and Condition

The following considerations were made in building the budget for FY 2024-25.

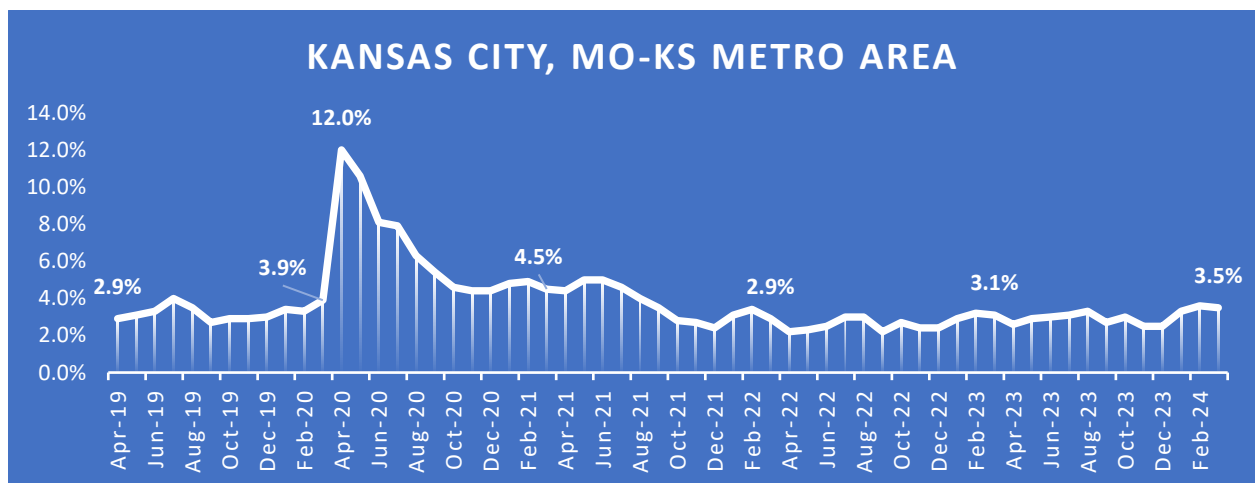
Nationwide Unemployment



Over the past two years, the U.S. unemployment rate has experienced significant fluctuations influenced by various economic factors, including the ongoing recovery from the COVID-19 pandemic, inflationary pressures, and changes in labor market dynamics.

As 2023 unfolded, the unemployment rate remained relatively stable, hovering around 3.5% to 3.7%. Despite ongoing concerns about inflation and potential economic slowdowns, the labor market showed resilience, with job openings remaining high and wage growth continuing. The overall employment landscape indicated a shift towards a tighter labor market, leading to increased competition for workers.

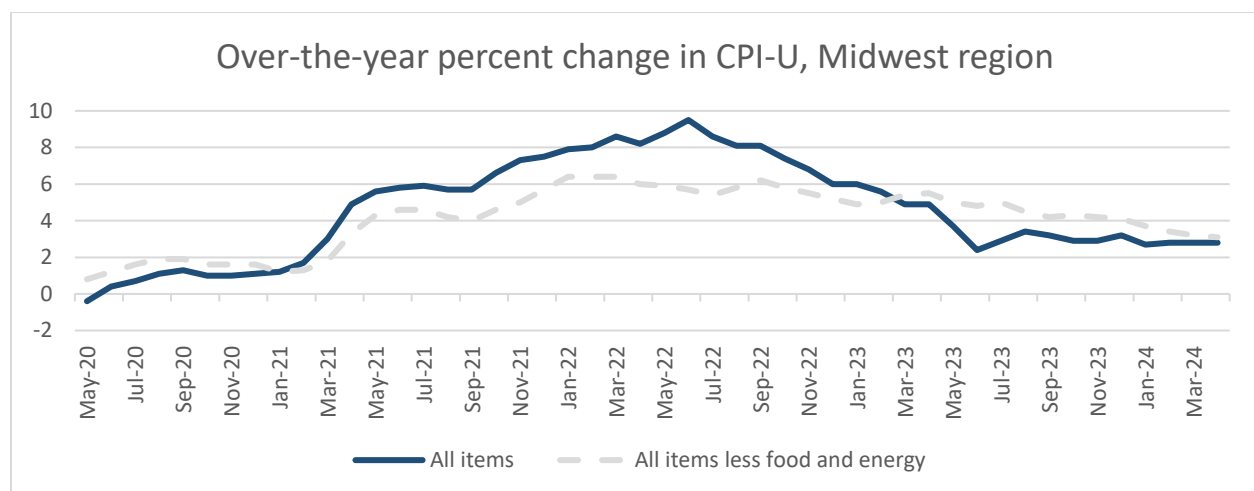
Kansas City Metro Unemployment



Much like national unemployment levels, the Kansas City metro area have experienced notable fluctuations influenced by various economic factors over the past few years. In 2022, the region saw a gradual recovery from the impacts of the COVID-19 pandemic, with unemployment rates declining as businesses reopened and hiring resumed. By mid-2022, the unemployment rate had stabilized around 3.5%, reflecting a strong labor market driven by growth in sectors such as healthcare, technology and manufacturing.

However, in 2023, the Kansas City metro faced challenges due to rising inflation and economic uncertainties. As businesses adjusted to higher operational costs, some sectors experienced layoffs, leading to a slight uptick in unemployment rates, which hovered around 4% by late 2023. Despite this, the job market remained relatively robust, with many employers still seeking workers, particularly in service-oriented industries.

Inflation



Over the past 12 months, inflationary costs of the Midwest region of the U.S. have been a significant concern for consumers and businesses alike. Following the broader national trends, the Midwest has experienced rising prices across various sectors, driven by factors such as supply chain disruptions, increased labor costs and elevated energy prices.

For households, food prices have seen notable increases, impacting both grocery bills and restaurant costs. Agriculture, a key industry in the Midwest, has faced challenges due to weather conditions and supply chain issue, further contributing to rising food costs. Housing costs have also surged, with rents and home prices climbing due to high demand and limited inventory. This trend has put additional pressure on households.

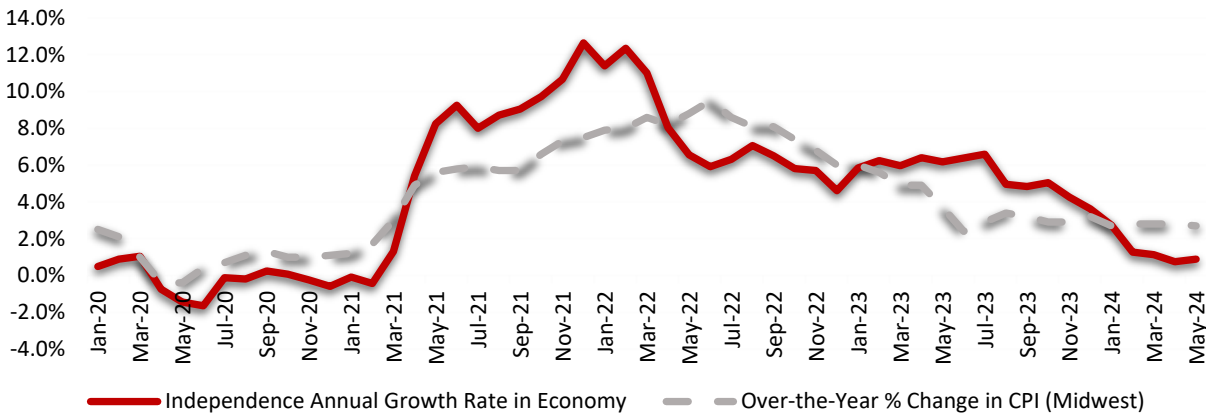
Overall, while there have been some signs of stabilization, inflationary pressures remain a critical issue in the Midwest, affecting both spending power and economic growth in the region.

Local Impact

All the above-mentioned economic factors have had a significant impact on the Independence economy. While enjoying low unemployment numbers, many factors including inflation in housing expenses, food expenses and energy have all resulted to a reduction in consumer spending in the City

of Independence. In addition to slowing revenue growth, the city also faces growing costs that impact various city departments, as well as staffing issues due to the low unemployment rates.

Growth in Retail Sales Compared to CPI



Missouri's Economic Outlook

From Missouri's 2024 Budget Document:

Missouri's economy also saw strong growth during 2023. In November, employment had increased by 1.4 percent for the year. Missouri employment has now fully recovered from the COVID-19 recession, growing 2.4 percent higher than the pre-COVID employment peak in December 2019. The peak unemployment rate was 11.2 percent in April 2020. Through November 2023, the unemployment rate had inched up to 3.2 percent as higher wages enticed more people to enter the labor force. A slowdown in labor market growth is expected to occur during 2024 and 2025.

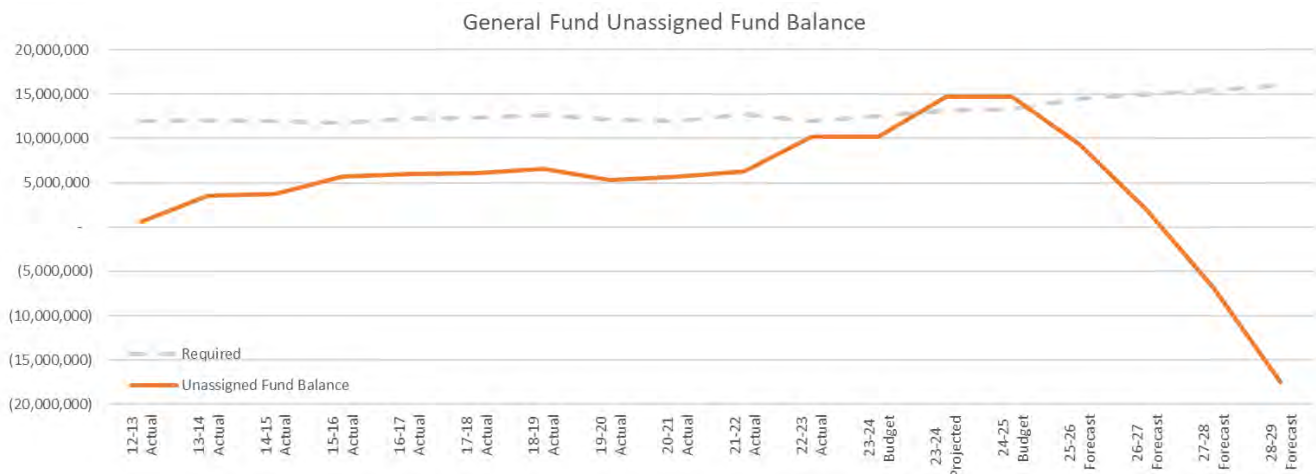
Personal income remained strong during 2023, with average growth of 6.6 percent during the first three quarters. During the same period, wages and salaries grew by 6.8 percent.

Missouri's economy is expected to follow the national economy trend through 2025. However, economic growth over the next year will depend on inflation, commodity price fluctuations, as well as consumer and business confidence.

General Fund – Five-Year Forecast Update

The city's General Fund faces critical funding shortfalls if current levels of services are expected to be maintained after the current fiscal year. At the onset of the budget process, focus on financial sustainability was made a priority in order to meet the City Council's objective of improving long-range financial planning and decision-making. A key component of this strategy in past years was updating and developing the City's financial policies, including establishing a plan to grow the General Fund unrestricted fund balance to a target of 16%. The City is expected to achieve the required unrestricted fund balance at the end of the FY 2023-24 FY, a considerable achievement that indicates current leadership's dedication to stabilizing the General Fund.

Despite these improvements and the anticipation of revenue growth in several areas, expenditures are still outpacing revenue growth. Inflation is causing cost of materials and supplies to increase, protecting public assets through cyber security, health insurance increases, and necessary market adjustments and contracted raises to retain existing employees – PLUS losing funding for transit. The chart below shows that the city can build and maintain the General Fund reserve in the short-term, but future year structural imbalances present the city with some difficult funding shortages in the next five years. Please see the chart below for future year General Fund reserve projections:



Particularly of concern is funding of the city's transit system as the federal funding in response to the pandemic is set to sunset after this budget year. The conundrum here is that we simply do not have enough riders to cover the cost of operating this service, but we recognize the vital role this service plays for some of the most vulnerable members of our community. The City will seek alternative options to maintain options available to citizens.

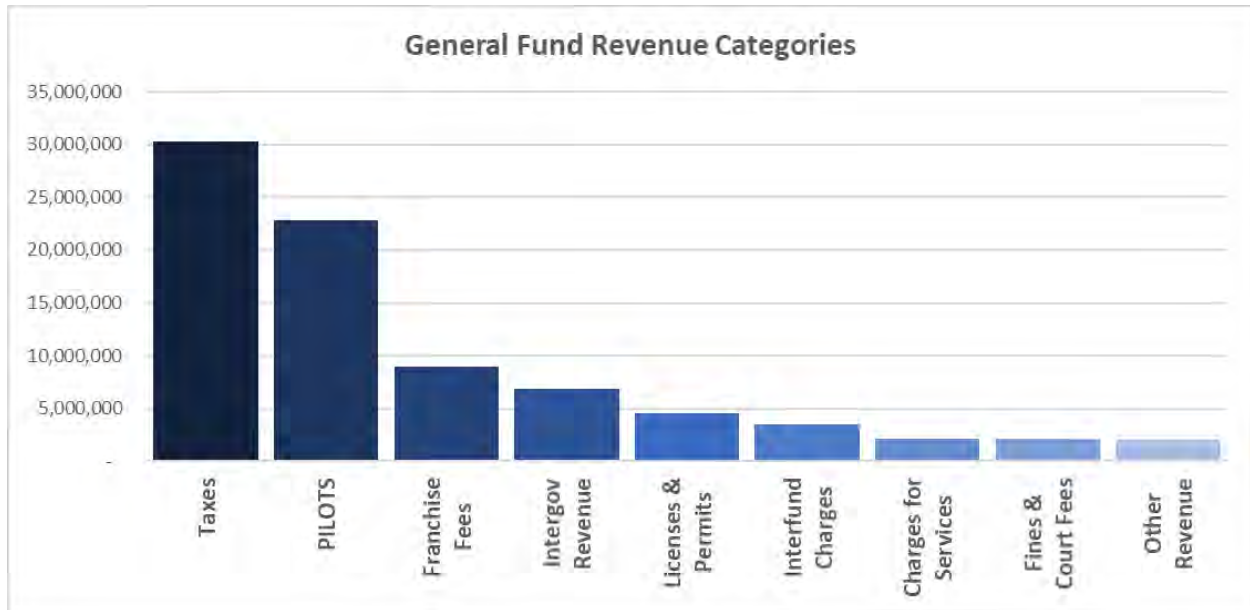
With the current FY budget projecting a deficit in future years, it is unclear how this will be funded without additional revenue or offsetting cost reductions. Below is a graph that shows the shift in funding levels from federal to General Fund:

General Fund Summary

Major Sources of General Fund Revenues

- Top 3 revenue categories represent 74.6% of general fund revenue
 - Taxes incl. sales, use and property tax – 36.4%
 - Franchise fees – 10.8%
 - PILOTS – 27.4%
- Sales tax susceptible to economic cycles
- The city saw exponential growth in Use Tax receipts over the past 18 months due to changes in how the Missouri Department of Revenue can identify businesses subject to the tax. These revenues are expected to level off in FY24-25. While the City will maintain current revenues, significant growth is unlikely in the short term.
- Franchise fees
 - Uncertain long-term outlook – experiencing decreases in cable and telephone franchise fees

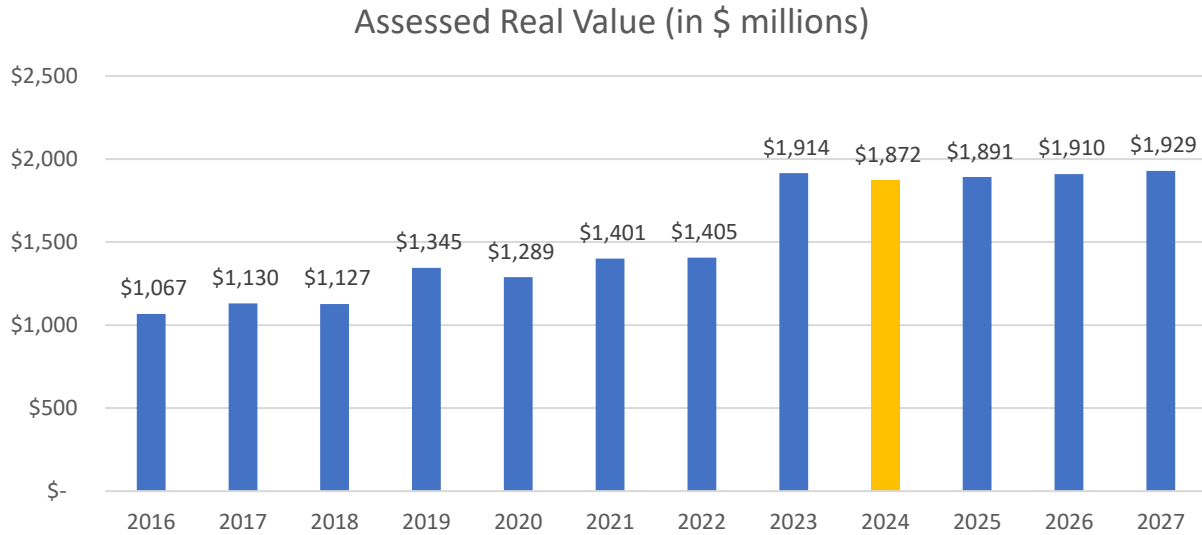
- Energy efficiency (gas, electric)
- Technological change and customer trends (telephone and cable)



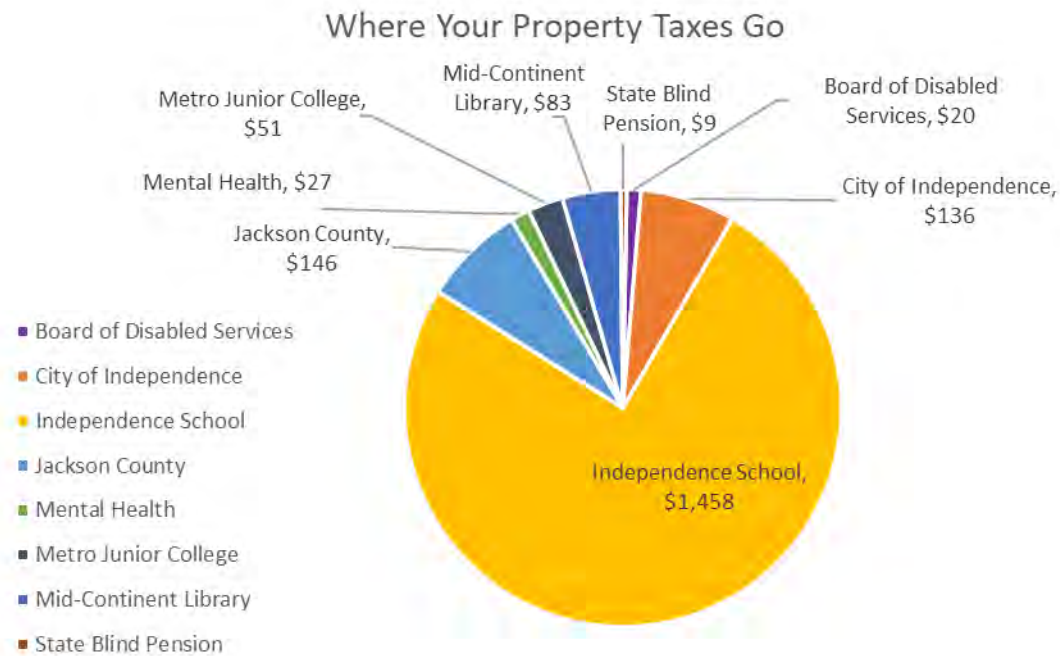
Additional detail on each revenue category can be found below.

Property Tax

- Like many communities across the country, the city is saw exponential growth in assessed value in 2023.
 - The local housing market experienced significant increases in property values leading up to 2023 driven by several factors:
 - Demand outpacing supply
 - Low interest rates
 - Strong housing market
 - Delays in reassessment during COVID
 - Most significant revenue growth will occur as a result new construction values.
- For 2024, the city saw a slight claw back in assessed value after continued protests from some property owners regarding the 2023 assessed values.
 - 2020 AV Decrease primarily a result of BOE property tax appeals from 2019 reappraisal
- Model assumes a 1% growth in out-years, exclusive of major new construction
- Revenue upside is limited by Hancock Amendment, if more aggressive AV projection were to be assumed.



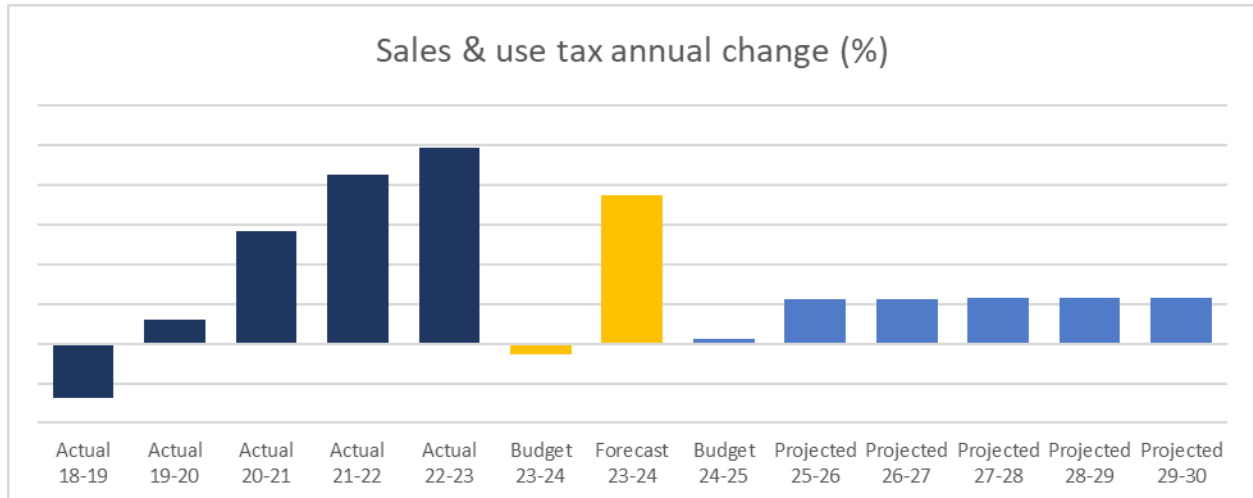
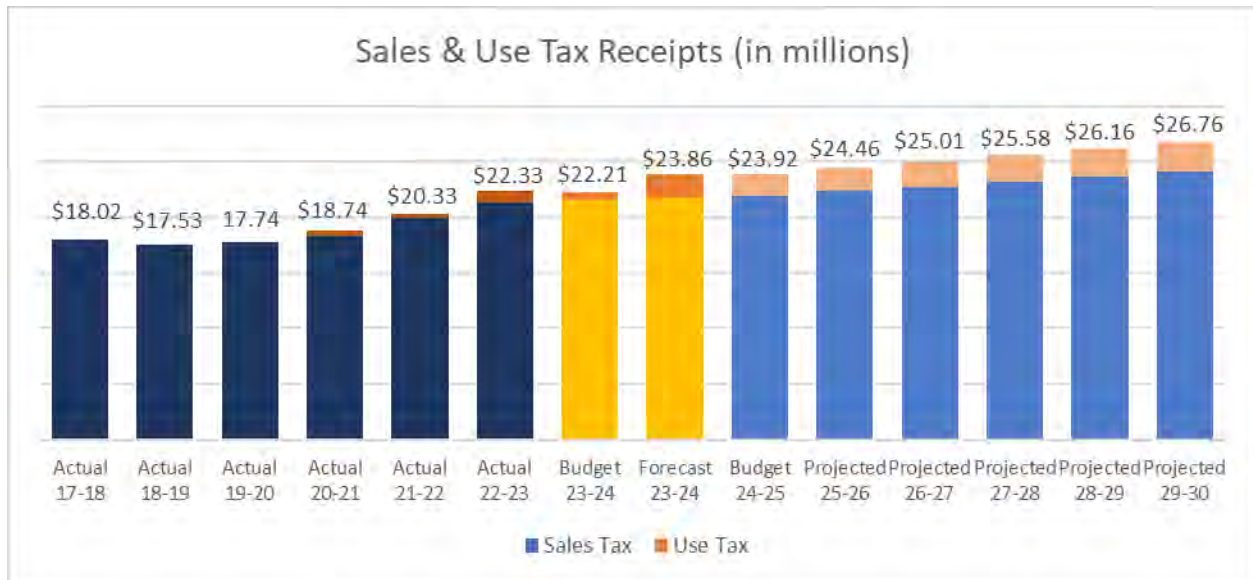
Breakdown of Resident Property Bill



Calculation based on residential home market value of \$150,000

Sales Tax

- 2.0% increase in sales tax revenue
- State Department of Revenue remits data to Finance with approximately a two-month lag between sales activity and receipt of tax payment to the City
- Updated projections to incorporate actual receipts YTD
- Outyears project an annual 2% growth rate.



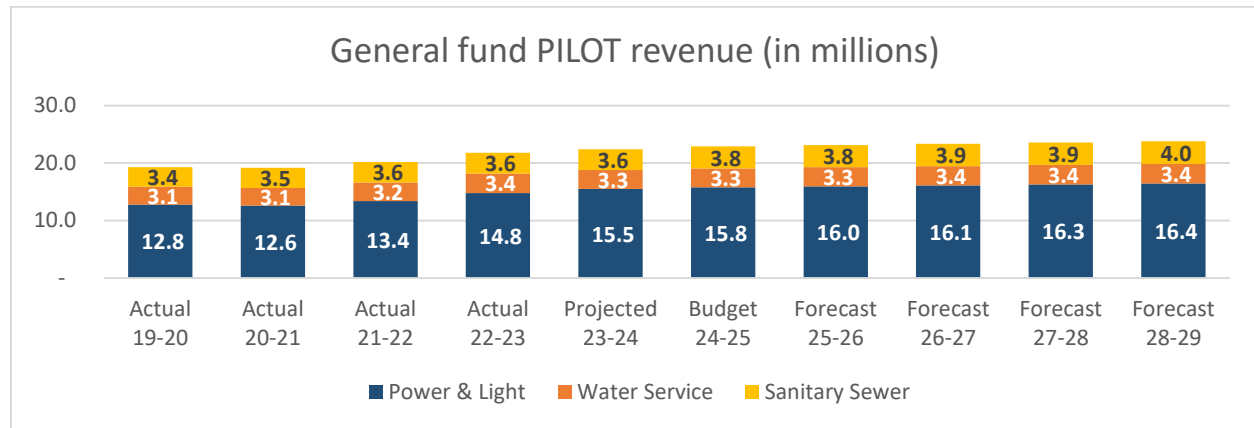
Use Tax

The use tax was passed by voters on a provision that receipts from the tax would be paid first to the Animal Shelter and Police Department. After that provision is met each year, the remainder of the funds will waterfall to the other departments and funds within the city. The use tax is growing at a faster rate than the retail sales tax and is collected at the same rates for each tax type.

- Amounts dedicated to the Animal Shelter and Police Department will increase by 4.4% next year.
 - The Animal Shelter will receive \$893,000 (up from \$855,000 in FY2023-24)
 - The Police Department will receive \$4.683 million (up from \$4.5 million in FY2023-24)
- The budgeted waterfall amount is \$4,889,000 in FY2024-25
 - The General fund is budgeted to receive \$2,040,000

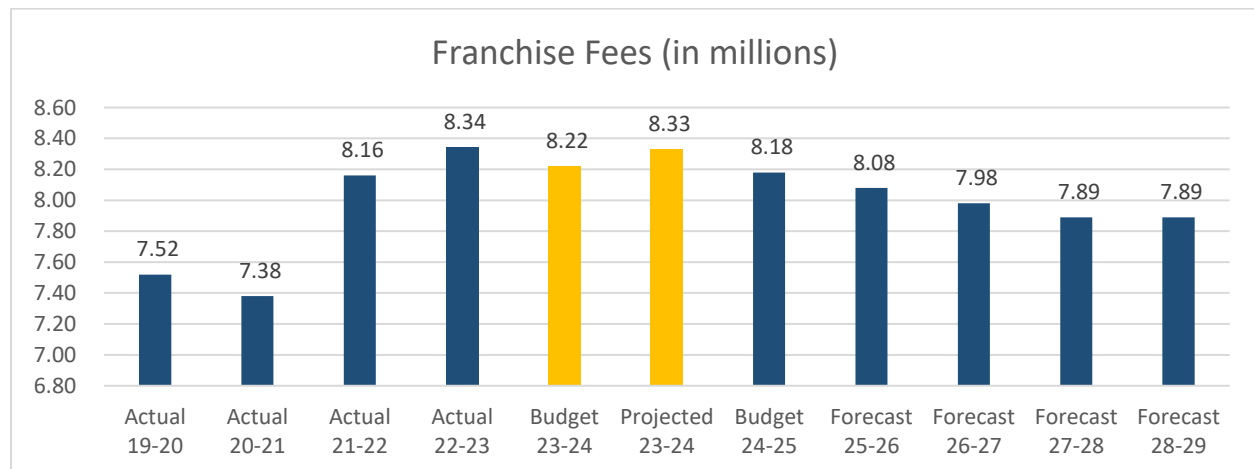
PILOT Revenue in the General Fund

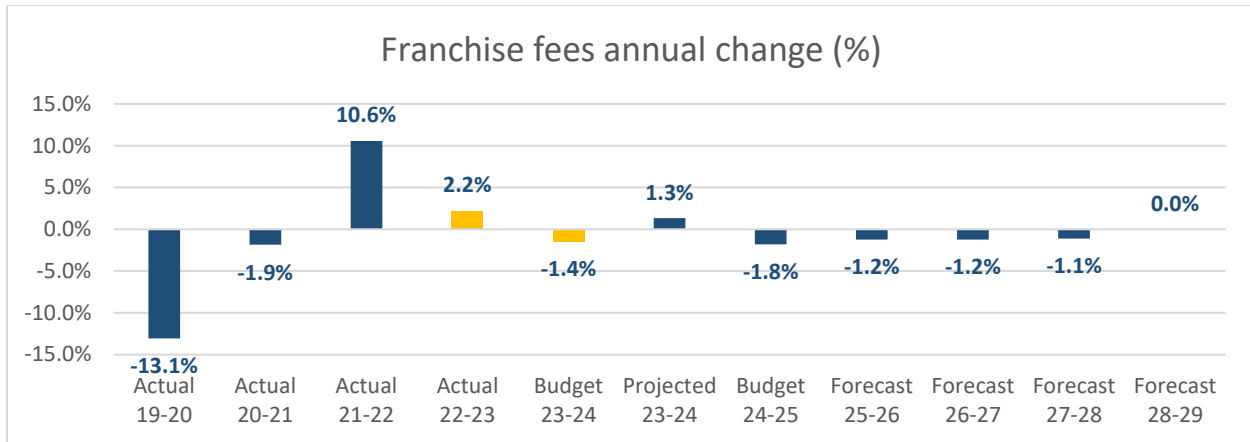
- Based on gross revenue
- Expected trend is to continue increase, particularly for Power & Light
- The growth between 22-23 and 23-24 is due to the elimination of a discount on all electric bills. This particular PILOT is subject to greater fluctuation in receipts due to weather patterns.
- Without increases to utility rates, growth will be limited in out-years.



Utility Franchise Fees

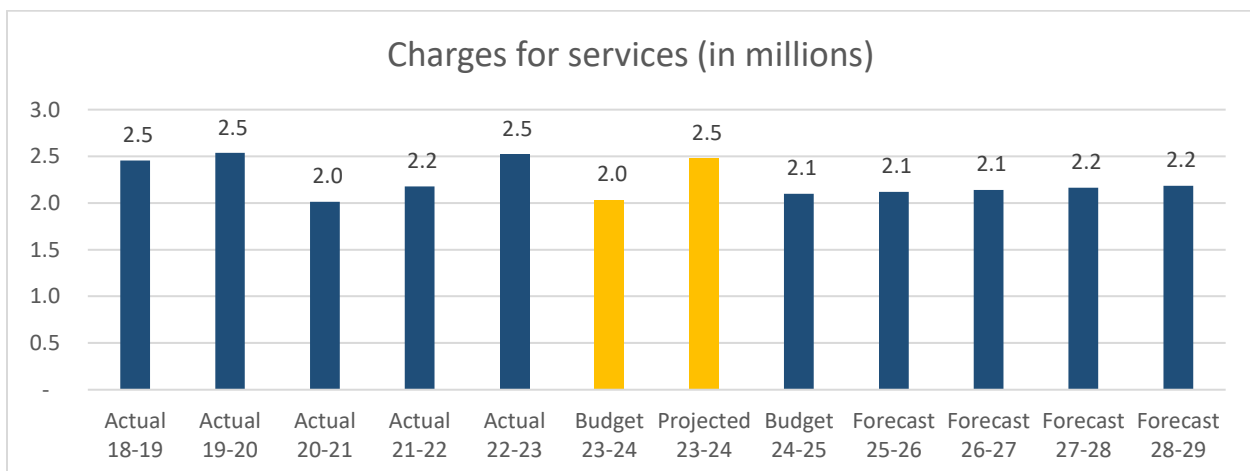
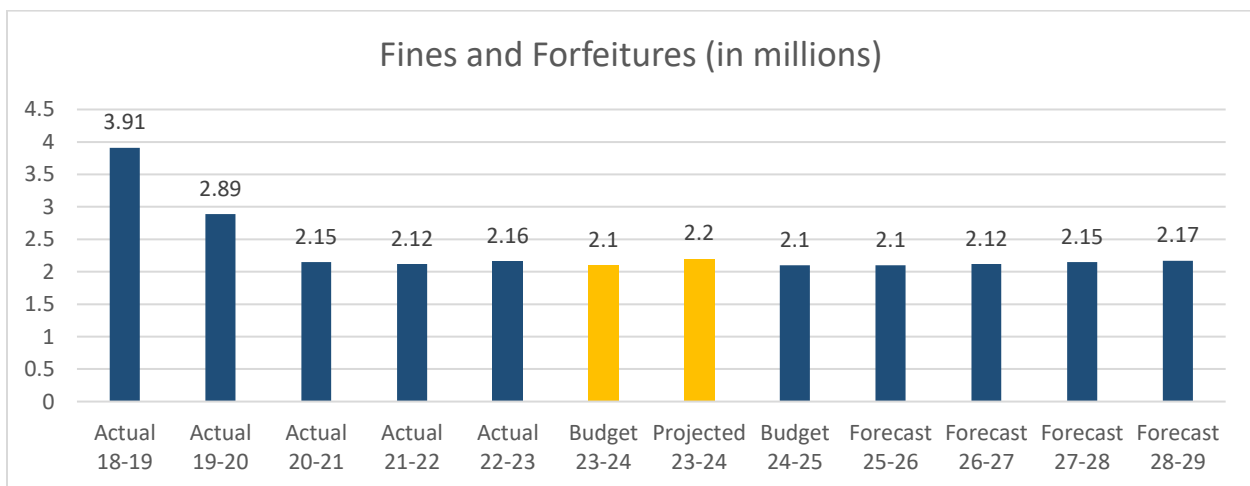
- Water: Historically volatile revenue source but very small component of total.
- Gas: Performance dependent on weather. Change in State Statute will lead to a decrease in revenue on cable franchise fees but an in
- Telephone: Projected structural decline as citizens cut cord.
- Electricity: Performance dependent on weather; energy efficiency efforts.
- Cable: Projected structural decline as citizens cut cord.





Fines and Forfeitures and Charges for Services

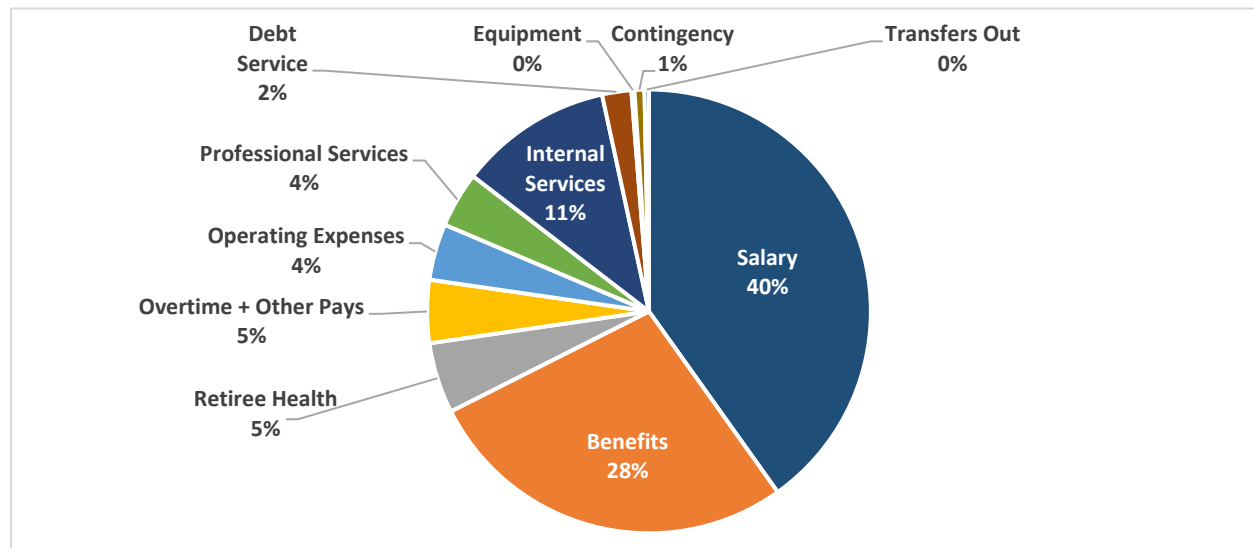
- Fines and forfeitures have trended down significantly since the passage of Senate Bill 5 which limits how much revenue may be generated in a city from court fines and fees.
- With the exception of impacts of the COVID-19 Pandemic, revenues raised from charges for services in the city's General Fund have remained relatively stable since FY2018-19. There are no upcoming changes expected to make major disruptions to this revenue source.



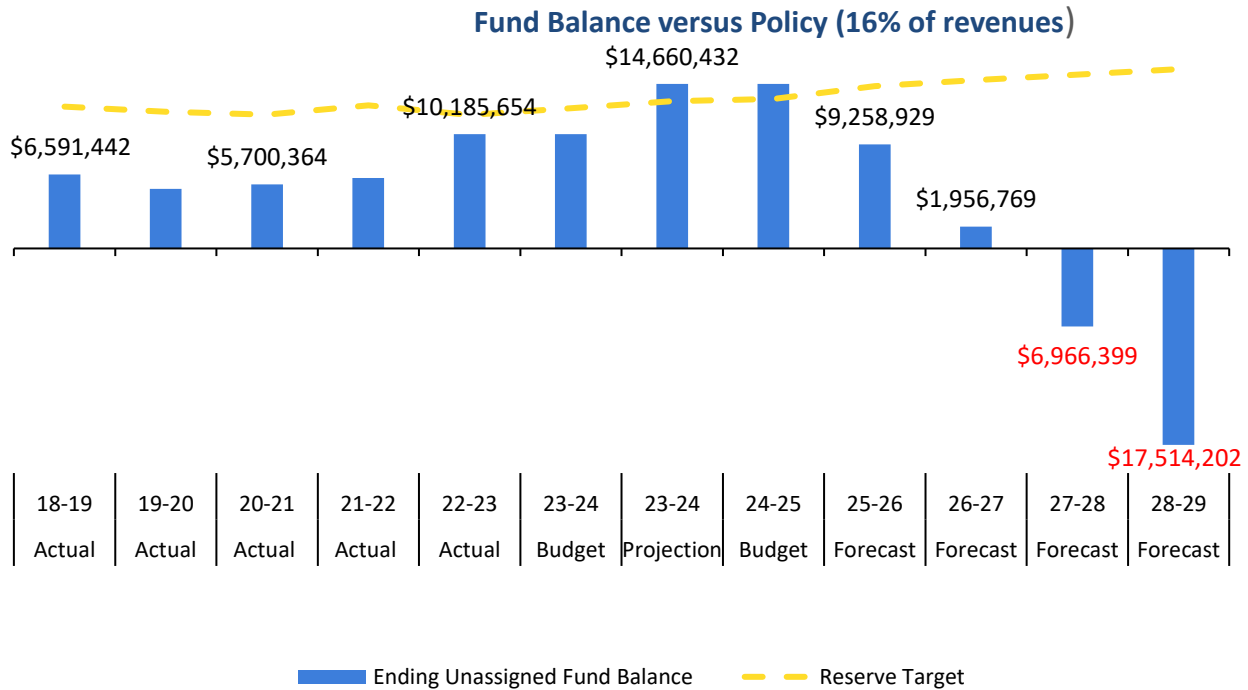
General Fund Expenditures Summary

General Fund Assumptions

- General Fund is expected to achieve the required minimum, fund balance at the end of FY2024/25.
- Revenues:
 - Sales & Use Taxes projected to grow by 2%
 - Franchise fees projected to remain relatively flat
 - Elimination of 6% discount on IPL rates will increase projected electric utility PILOT that went into effect of October 2023 will positively impact receipts from July 1 – October 31, 2024.
 - Fines & Court Fees remain relatively flat
- Expenditures
 - Personnel:
 - No new GF personnel
 - 2% COLA for unrepresented employees
 - Wage increases for represented employees as outlined in each contract
 - No federal funding for transit provided this year



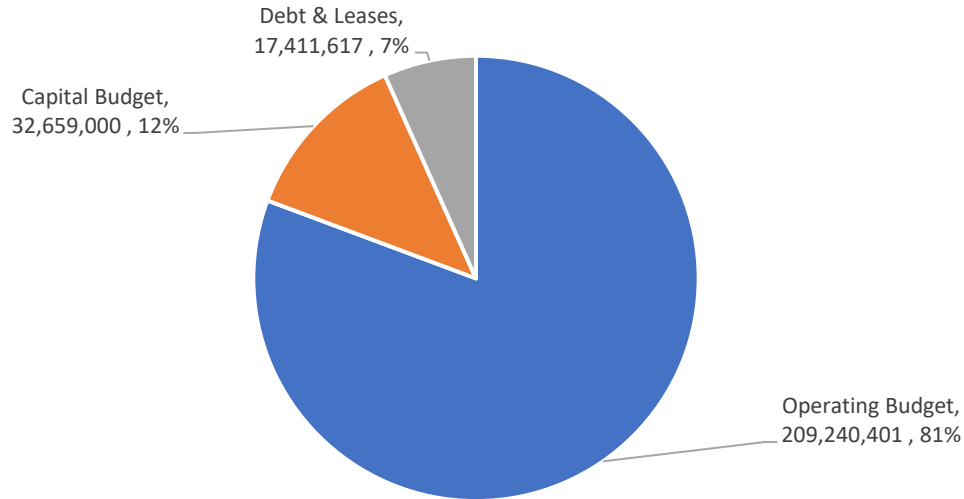
- Future budget impact that will need to be monitored:
 - Increasing healthcare costs
 - Transit program studies & loss of federal funding
 - Union negotiations – contractually obligated public safety pay adjustments
- General Fund unassigned fund balance:
 - Projected to begin FY 2024/25 at \$14 million (17%)
 - The city's reserve balance policy is 16% of revenues
 - \$260,000 in capital projects approved for General Fund for FY 2024/25
 - The city must make additional adjustments over 5-year horizon to not fall into an annual operating deficit.



Enterprise Funds

Enterprise Funds Overview

- The three enterprise funds are Sanitary Sewer (formerly Water Pollution control), Water and Power & Light (also referred to as IPL/Independence Power and Light)
- Enterprise funds support the operation of these departments, separate from the General Fund
- Revenues are based primarily on utility rates
- These funds are established to account for services financed and operated in a manner like private businesses
- Total budget (including capital – see on chart below):
 - Sanitary Sewer - \$40,894,298
 - Water - \$48,542,960
 - Power & Light - \$169,873,760.38



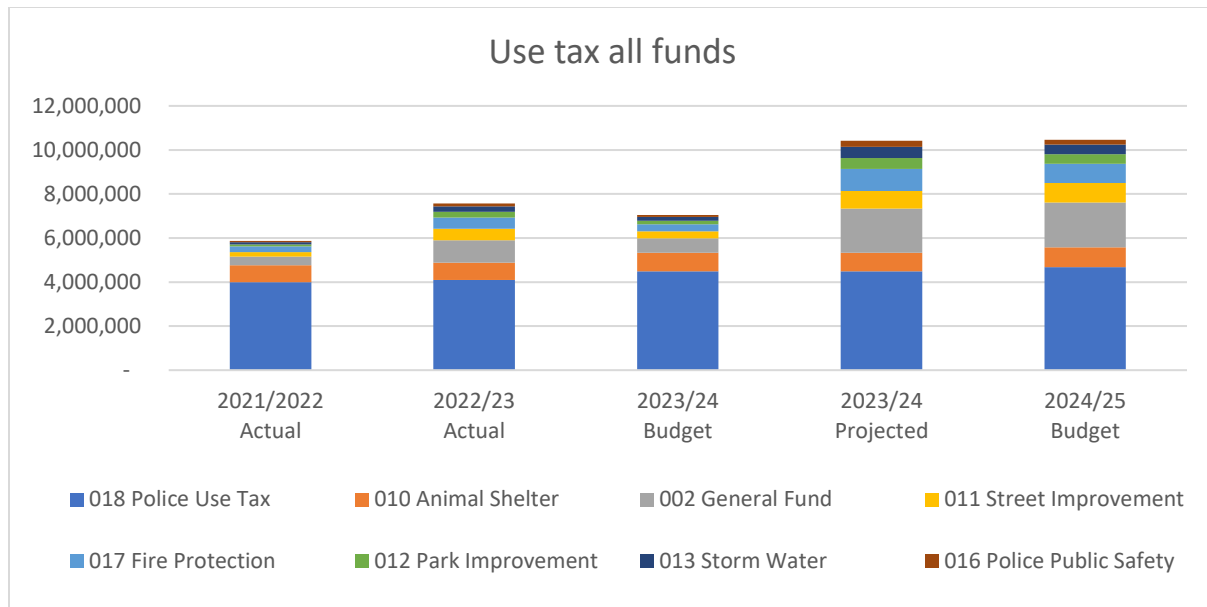
Grant Funds

- These are only known or expected grants that were included in the budget.
- There may be other grants, particularly in Health and Safety, that the city is able to obtain, at which time a budget amendment will be done.
- Amounts do not include grants that may be received by Enterprise Funds.

	23/24 Original	23/24 Revised	24/25 Budget
Community Development Block Grant (CDBG)	\$850,703	\$850,703	\$845,000
HOME Grant	542,266	542,266	2,181,405
Transportation Grant	1,510,774	1,223,113	835,000
Health & Animal Services	1,490,122	2,819,369	651,385
Law	100,880	51,886	34,313
Parks, Recreation & Tourism	82,434	167,251	26,728
Police	719,282	3,251,267	753,185
	\$5,296,461	\$8,905,855	\$5,327,016

Use Tax Overview

- The Use Tax is previously explained in the General fund revenues.
- Total Use Tax rate is 2.625%.
- This shows the waterfall impact on special revenue funds set up for the use tax.
- Budget estimated that the sales subject to use tax are \$398,000,000
 - Ballot language requires these two funds to be allocated first:
 - Animal Shelter Use Tax Fund - \$893,000
 - Police Use Tax Fund - \$4,683,000
 - Remainder estimated to waterfall is \$4,889,000



Fund Summaries and Schedules

Fund Descriptions

For accounting purposes, a local unit of government is not treated as a single, integrated entity. Instead, a government is viewed as a collection of smaller, separate entities known as “funds”. The Government Accounting Standards Board (GASB) Codification of Governmental and Accounting and Financial Reporting Standard, Section 1300, defines a fund as:

A fiscal and accountability entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, or limitations.

All the funds used by a government must be classified into one of seven fund types. Four of these fund types are used to account for a local government’s “governmental-type” activities and are known as “governmental funds”. Two of these fund types are used to account for a government’s “business-type” activities and are known as “proprietary funds”. Finally, the seventh fund type is reserved for a government’s “fiduciary activities”.

Below is a more detailed explanation of the city’s funds:

General Fund (002)

is used to account for all financial resources necessary to carry out basic governmental activities of the city that are not accounted for in another fund. The General Fund supports essential city services, including police, fire, municipal services, and administration.

Special Revenue Funds

are used to account for specific revenues that are legally restricted to expenditures for specified purposes.

Street Improvements Sales Tax (011) - Voters approved a one-half of one cent sales tax for streets, bridges and safety improvements. Additional revenues from the Proposition "P" waterfall provision are accounted for here.

Park Improvements Sales Tax (012) - The Park Improvements Sales Tax Fund has been setup to account for the one-quarter cent sales tax identified for parks and recreation. Additional revenues from the Proposition "P" waterfall provision are accounted for here.

Storm Water Sales Tax (013) - The Storm Water Sales Tax Fund has been set up to account for the one-quarter cent sales tax identified for storm water system improvements. Additional revenues from the Proposition "P" waterfall provision are accounted for here.

Police Public Safety Sales Tax (016) - The voters approved a Capital Improvements for Police Sales Tax in April 2016 at the rate of one-eighth cent of the receipts from the sale at retail of all tangible personal property or taxable services at retail for a period of January 2017 through December 31, 2028. The Police (Capital) Sales Tax Fund has been set-up to account for the one-eighth cent capital improvements sales tax identified for police equipment. Additional revenues from the Proposition "P" waterfall provision are accounted for here.

Fire Public Safety Sales Tax (017) - The voters approved a one-half cent Fire Sales Tax in November 2021 until repealed by voters to replace the current rate of one-eighth cent of the receipts from the sale at retail of all tangible personal property or taxable services at retail for a period of January 2017 through December 31, 2028. The Fire Public Safety Sales Tax Fund has been set-up to account for the one-half cent for improvements including replacing and maintaining fire stations, apparatus, and lifesaving equipment. Sales tax funds can also be used to hire additional firefighters, administration, and personnel to improve department training needs. Additional revenues from the Proposition "P" waterfall provision are accounted for here.

Animal Shelter Use Tax (010) - Voters approved Proposition "P", a use tax on goods delivered to Independence addresses in 2019. The rate of the use is the same rate as the total City's retail sales. The first \$1.5 million (adjusted for inflation annually) will be split equally between a fund for Animal Services and a fund for hiring up to 30 new police officers. The next \$1.5 million of use taxes in the fiscal year are applied 100% towards hiring of police officers (\$3 million total before inflation increase). Use taxes collected over the amounts identified in the special use taxes will then be receipted into any fund that has a sales tax prorated on its share of sales taxes.

Police Use Tax (018) - Voters approved in November 2021 to increase the Proposition "P" use tax to expand the use of funds for new and current Police Department personnel and equipment and to increase the total before inflation increase from \$3 million to \$4 million and does not change the first \$1.5 million split between Animal Services and Police Department. Originally, Voters approved Proposition "P", a use tax on goods delivered to Independence addresses in 2019. The rate of the use is the same rate as the total City's retail sales. The first \$1.5 million (adjusted for inflation annually) will be split equally between a fund for Animal Services and a fund for hiring up to 30 new police officers. The next \$1.5 million of use taxes in the fiscal year are applied 100% towards hiring of police officers (\$3 million total before inflation increase).

Use taxes collected over the amounts identified in the special use taxes will then be receipted into any fund that has a sales tax prorated on its share of sales taxes.

Health & Animal Levy (005) - Funded by the Health & Recreation tax levy collected against real estate within the city of Independence. The purpose of the levy is for Health and Parks and Recreation purposes. This levy is split between the Health & Animal Levy Special Fund and a Parks Health & Recreation Levy Fund.

Parks Health & Recreation Levy (007) - Funded by the Health & Recreation tax levy collected against real estate within the city of Independence. The purpose of the levy is for Health and Parks and Recreation purposes. This levy is split between the Health & Animal Levy Special Fund and a Parks Health & Recreation Levy Fund.

Tourism (004) - The Tourism Sales Tax Fund is supported by both admission fees to the National Frontier Trails Museum and a 6.5% Transient Guest Tax. The 6.5% Transient Guest Tax is to be paid on the gross daily rent due from or paid by transient guests of all hotels and motels, bed and breakfast inns and campgrounds.

Com. Dev. Block Grant (008) - accounts for the federally funded Community Development Block Grant Act program.

HOME (009) - accounts for the federally funded home program.

Grants (015) - accounts for other grants, including Police, Fire, and Health department grants.

Marijuana Sales Tax Fund (065) - accounts for sales on recreational marijuana. Proceeds are limited to use for public safety department expenditures including Police, Fire and Emergency Preparedness.

Enterprise / Utility Funds

are used to account for operations that are financed and operated similar to a private business where the intent is that the cost of providing services to the public is financed primarily through user charges.

Power & Light (020) - operations of the city's power and light utilities.

Water (040) - operations of the city's potable water utility.

Sanitary Sewer (030) - operations of the city's sanitary sewer utility.

Internal Service Funds

are used to account for operations internal to the city where the intent is that the cost of providing services to the city department is financed primarily through department user charges.

Central Garage (090) - Vehicle maintenance and operations of citywide fleet, including gas and oil charges.

Staywell Health Care (091) - Activities related to the city's self-insured health care plan.

Workers' Compensation (092) - Management of workers' compensation insurance and claims.

CITY OF INDEPENDENCE, MO

Risk Management (093) - Management of city liability insurance and claims.

Enterprise Resource Planning (ERP) changed to Finance Internal Service (095) - Management of Finance and Administration for the costs associated with providing services citywide including budget, accounting, human resources and technology services.

All funds in the operating budget book are appropriated by City Council via budget adoption.

Fund and Department Relationships												
Fund	City Manager	Community Development	Finance & Admin.	Fire	Health & Animal Services	Mayor & City Council	Municipal Court	Parks Rec. Tourism	Police	Power and Light	Municipal Services	Water
General Fund (002)	x	x		x		x	x	x	x		x	
Street Improvements Sales Tax (011)											x	
Park Improvements Sales Tax (012)								x				
Storm Water Sales Tax (013)											x	
Police Public Safety Sales Tax (016)									x			
Fire Public Safety Sales Tax (017)				x								
Marijuana Sales Tax (065)				x					x			
Animal Shelter Use Tax (010)					x							
Police Use Tax (018)									x			
Health & Animal Levy (005)					x							
Parks Health & Recreation Levy (007)								x				
Tourism (004)								x				
Com. Dev. Block Grant (008)		x										
HOME (009)		x										
Grants (015)		x	x	x	x			x	x			
Central Garage (090) *											x	
Staywell Health Care (091) *			x									
Workers' Compensation (092) *			x									
Risk Management (093) *			x									
Enterprise Resource Planning (095) *			x									
Power & Light (020)										x		
Water (040)												x
Sanitary Sewer (030)											x	

Schedule 1
All Funds by Expense Category

All Funds⁽¹⁾				
Category	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Salaries	\$117,429,659	\$125,922,617	\$125,367,172	\$128,919,969
Retiree Health Insurance	5,911,430	5,744,940	6,291,500	6,935,237
Operating Expenses	163,175,805	175,217,507	176,240,448	190,027,746
Equipment	4,784,254	11,356,716	8,891,052	6,745,177
Total - Operating	\$291,301,149	\$318,241,781	\$316,790,171	\$332,628,128
Capital Improvements	16,467,763	56,595,746	34,121,804	57,802,103
Debt Service	19,460,262	19,471,197	19,645,530	21,025,863
Transfers Out	599,390	360,000	5,999,024	910,000
Contingency	-	364,005	155,700	834,925
Total	\$327,828,564	\$395,032,728	\$376,712,231	\$413,201,019

General Fund⁽⁴⁾				
Category	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Salaries	\$59,714,925	59,846,703	\$63,700,443	\$60,109,189
Retiree Health Insurance	3,549,049	3,405,903	3,894,600	4,286,700
Operating Expenses	10,534,779	13,702,931	13,882,332	16,094,668
Equipment	199,665	217,271	295,345	182,371
Total - Operating	\$73,998,419	\$77,172,808	\$81,772,720	\$80,672,928
Capital Improvements	-	-	-	260,000
Debt Service	180,739	165,400	165,400	1,771,749
Transfers Out	217,275	360,000	26,000	10,000
Contingency	-	364,005	-	603,626
Total	\$74,396,433	\$78,062,213	\$81,964,120	\$83,318,302

Special Revenue Funds⁽⁴⁾				
Category	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Salaries	\$15,647,774	\$18,637,424	\$17,820,691	\$20,579,337
Retiree Health Insurance	201,553	165,000	191,900	226,500
Operating Expenses	9,978,779	14,129,145	13,609,953	16,784,257
Equipment	\$3,582,623	\$8,335,605	\$6,714,599	\$5,274,706
Total - Operating	\$29,410,729	\$41,267,174	\$38,337,143	\$42,864,799
Capital Improvements	10,397,420	27,468,746	16,586,210	24,883,103
Debt Service	1,925,445	1,883,781	2,028,130	1,842,497
Contingencies	-	-	5,700	81,299
Transfers Out	333,186	-	3,843,024	\$900,000
Total	\$42,066,779	\$70,619,701	\$60,800,207	\$70,571,698

Enterprise Funds

Category	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Salaries	\$42,066,960	\$47,438,490	\$43,846,038	\$48,231,443
Retiree Health Insurance	\$2,160,828	\$2,174,037	\$2,205,000	\$2,422,037
Operating Expenses	\$142,662,248	\$147,385,431	\$148,748,163	\$157,48,821
Equipment	\$1,001,966	\$2,803,840	\$1,881,108	\$1,288,100
Total - Operating	\$187,892,002	\$199,801,798	\$196,680,309	\$209,090,401
Capital Improvements	6,070,343	29,127,000	17,535,594	32,659,000
Debt Service	17,354,077	17,422,016	17,452,000	17,411,617
Contingencies	-	-	150,000	150,000
Transfers Out	48,929	-	2,130,000	-
Total	\$211,365,351	\$246,350,812	\$233,947,903	\$259,311,018

Internal Service Funds^{(2) (3) (4)}

Category	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Salaries	\$6,066,380	\$7,537,542	\$7,546,570	\$7,633,165
Retiree Health Insurance	273,157	222,000	247,000	288,200
Operating Expenses	\$35,984,808	\$39,310,436	\$39,844,093	\$40,931,360
Equipment	311,780	1,259,834	1,095,919	83,050
Total - Operating	\$42,636,125	\$48,329,812	\$48,733,582	\$48,935,775
Capital Improvements	-	-	-	1,018,334
Debt Service	-	-	-	-
Transfers Out	-	-	-	-
Total	\$42,636,125	\$48,329,812	\$48,733,582	\$49,954,109

Notes:

(1) In the All Funds Summary, the totals for Internal Service Funds expense have already been included in the operating expenses for GF, Special Revenues, and Enterprise Funds as they are charged out during course of the year for internal services provided to other departments/funds.

(2) The Internal Service Funds Summary is shown for informational purposes, the total amount is in the operating expenses for each fund. The All Funds Summary is the total of the General Fund, Special Revenue Funds, and Enterprise Funds.

(3) Finance and Administration was moved to an Internal Service Fund in FY 2022-23.

(4) The transfers out to capital project funds have been removed from the charts above as budgeted capital project amounts for individual capital project funds have also been included.

Schedule 2
Expenditures by Department

All Funds ^{(1) (2)}				
Department	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
City Manager	\$1,163,428	\$1,292,479	\$1,600,714	\$1,672,525
Community Development	7,449,651	8,884,539	9,077,608	10,117,941
Debt Service	-	-	-	1,771,749
Finance & Administration	833,063	1,006,523	1,154,005	1,018,607
Fire	29,607,335	34,743,729	36,647,637	40,021,986
Health & Animal Services	2,927,708	4,179,642	3,449,845	3,304,078
Mayor & City Council	1,191,339	1,196,482	742,573	817,002
Municipal Court	1,531,231	1,579,595	1,610,265	1,733,769
Non-Departmental	217,275	\$724,005	\$74,144	\$792,942
Parks Recreation Tourism	9,886,822	11,781,774	12,401,313	12,116,360
Police	41,527,856	45,165,159	51,639,117	49,482,425
Power and Light	149,438,432	\$161,700,582	\$157,091,586	\$169,873,760
Municipal Services	52,417,396	79,442,847	59,106,902	120,477,876
Water	29,637,029	43,335,373	42,116,520	-
Total	\$327,828,564	\$395,032,727	\$376,712,231	\$413,201,019

General Fund				
Category	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
City Manager	\$1,163,428	\$1,292,479	\$1,600,714	\$1,672,525
Community Development	\$4,863,730	\$5,980,795	\$5,975,126	\$6,256,536
Debt Service	-	-	-	1,771,749
Finance & Administration	\$798,750	\$905,643	\$1,113,485	\$984,294
Fire	\$25,373,694	\$24,404,130	\$28,077,339	\$24,787,049
Health & Animal Services	-	-	-	-
Mayor & City Council	1,191,339	1,196,482	742,573	817,002
Municipal Court	1,531,231	1,579,595	1,610,265	1,733,769
Non-Departmental	\$217,275	\$724,005	\$74,144	\$792,942
Parks Recreation Tourism	\$212,419	\$231,407	\$1,545,988	\$1,558,798
Police	\$33,704,070	\$35,397,004	\$36,394,081	\$37,447,117
Municipal Services	\$5,340,497	\$6,350,672	\$4,830,404	\$5,496,522
Total	\$74,396,434	\$78,062,213	\$81,964,120	\$83,318,302

Special Revenue Funds

Category	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Community Development	2,585,921	2,903,743	3,102,481	3,861,405
Finance & Administration	34,313	100,880	40,520	34,313
Fire	4,233,640	10,339,599	8,570,298	15,234,937
Health & Animal Services	2,927,708	\$4,179,642	\$3,449,845	\$3,304,078
Parks Recreation Tourism	9,674,402	11,550,367	\$10,855,325	10,557,562
Police	7,823,786	9,768,155	15,245,036	12,035,307
Municipal Services	14,787,009	31,777,315	19,536,703	25,544,096
Total	\$42,066,779	\$70,619,701	\$60,800,207	70,571,698

Enterprise Funds

Category	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Power & Light	\$149,438,432	\$161,700,582	\$157,091,586	\$169,873,760
Water	29,637,029	43,335,373	42,116,520	48,542,960
Sanitary Sewer	32,289,890	41,314,860	34,739,795	40,894,298
Total	\$211,365,351	\$246,350,814	\$233,947,902	\$259,311,018

(1) Finance and Administration was moved to an Internal Service Fund in FY 2022-23, therefore most expenses are spread in the operating expenditures of all other departments.

(2) The Water Department was combined with Municipal Services in FY 23-24; Fund remains separate.

Schedule 3
Expenditures by Fund and Fund Type

All Funds				
Fund Type	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Governmental Funds	\$116,463,212	\$148,681,913	\$142,764,328	\$153,890,000
Enterprise Funds	\$211,365,351	\$246,350,814	233,947,902	259,311,018
Total	\$327,828,564	\$395,032,727	\$376,712,231	\$413,201,019

Governmental Funds				
Fund	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
General Fund (002)	\$74,396,433	\$78,062,213	\$81,964,120	\$83,318,302
Street Improvements Sales Tax (011)	7,379,549	\$24,928,365	\$15,214,633	\$14,014,693
Park Improvements Sales Tax (012)	5,491,502	7,140,818	6,300,004	6,474,551
Storm Water Sales Tax (013)	7,407,461	6,848,950	4,322,070	11,529,403
Police Public Safety Sales Tax (016)	2,177,571	4,817,622	5,592,529	4,105,453
Fire Protection Sales Tax (017)	4,023,811	10,264,971	8,454,098	15,234,937
Animal Shelter Use Tax (010)	679,131	886,000	649,750	933,324
Police Use Tax (018)	3,810,070	4,231,251	6,797,372	6,276,670
Health & Animal Levy (005)	1,608,506	1,803,518	1,841,911	1,719,369
Parks Health & Recreation Levy (007)	2,494,812	1,583,850	1,535,149	1,914,757
Tourism (004)	\$1,590,312	\$2,743,265	\$2,919,638	\$2,141,526
Com. Dev. Block Grant (008)	1,153,266	850,703	982,011	845,000
HOME (009)	326,480	542,266	523,323	2,181,405
Grants (015)	3,924,310	3,963,121	5,047,720	2,300,611
Marijuana Sales Tax (065)	-	15,000	620,000	900,000
Total	\$116,463,212	\$148,681,913	\$142,764,328	\$153,890,000

Enterprise Funds				
Fund	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Power & Light (020)	\$149,438,432	\$161,700,582	\$157,091,586	\$169,873,760
Water (040)	29,637,029	43,335,373	42,116,520	48,542,960
Sanitary Sewer (030)	32,289,890	41,314,860	34,739,795	40,894,298
Total	\$211,365,351	\$246,350,814	\$233,947,902	\$259,311,018

Capital Projects Funds ⁽¹⁾				
Fund	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Street Improvements Fund (051)	-	-	-	10,745,086
Police Improvements Fund (052)	-	-	4,026,594	550,000
Fire Improvements Fund (053)	-	-	-	5,450,000
Buildings & Other Improv Fund (057)	-	-	-	260,000
Storm Drainage Improv Fund (058)	-	-	-	7,583,017
Park Improvements Fund (059)	-	-	-	555,000
Total			\$4,026,594	\$25,143,103

(1) Transfers out in the Governmental Funds tab have not been removed, Capital Projects Funds table have not been included in the All Funds Table to not duplicate expenditures for these projects.

Schedule 4
Revenue by Fund and Fund Type

All Funds				
Fund Type	FY 2022-23 Actual Revenue	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Revenue	FY 2024-25 Adopted Budget
Governmental Funds	\$137,134,015	\$133,277,046	\$145,234,339	\$139,714,545
Enterprise Funds	234,500,261	\$221,090,538	229,834,498	232,356,412
Total	\$371,634,276	\$354,367,584	\$375,068,837	\$372,070,957

Governmental Funds				
Fund	FY 2022-23 Actual Revenue	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Revenue	FY 2024-25 Adopted Budget
General (002)	\$78,804,711	\$78,062,213	\$83,486,990	\$83,318,302
Street Improvements Sales Tax (011)	14,606,748	10,980,000	13,191,700	11,239,000
Park Improvements Sales Tax (012)	6,107,837	6,095,080	6,533,697	6,018,405
Storm Water Sales Tax (013)	5,507,099	5,608,900	5,948,900	5,665,900
Police Public Safety Sales Tax (016)	2,989,258	2,958,600	3,367,308	3,187,600
Fire Protection Sales Tax (017)	11,997,538	11,769,000	12,344,000	12,178,000
Animal Shelter Use Tax (010)	794,196	886,000	883,150	921,000
Police Use Tax (018)	4,209,000	4,542,000	4,684,000	4,822,000
Health & Animal Levy (005)	1,936,057	1,803,520	1,843,914	1,719,369
Parks Health & Recreation Levy (007)	1,973,181	1,943,140	2,058,294	2,043,736
Tourism (004)	\$2,404,659	\$2,328,050	\$2,442,090	\$2,372,550
Com. Dev. Block Grant (008)	1,181,709	851,251	851,251	845,000
HOME (009)	577,092	570,305	570,305	2,183,072
Grants (015)	4,044,931	4,728,987	6,408,739	2,300,611
Marijuana Sales Tax (065)	-	150,000	620,000	900,000
Total	\$137,134,015	\$133,277,046	\$145,234,339	\$139,714,545

Enterprise Funds				
Fund	FY 2022-23 Actual Revenue	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Revenue	FY 2024-25 Adopted Budget
Power & Light (020)	\$158,559,523	\$148,013,370	\$151,027,379	\$159,106,500
Sanitary Sewer (030)	36,727,547	36,090,330	37,820,609	36,309,112
Water (040)	39,213,190	36,986,838	40,986,510	36,940,800
Total	\$234,500,261	\$221,090,538	\$229,834,498	\$232,356,412

Schedule 5
All Funds by Revenue Category Group

All Funds				
Category	FY 2022-23 Actual Revenue	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Revenue	FY 2024-25 Adopted Budget
Taxes	\$73,790,282	\$75,353,400	\$78,247,883	\$79,140,186
Franchise Fees	9,228,632	8,333,000	8,815,000	8,967,000
PILOTS	21,760,119	21,301,000	22,365,000	22,855,000
Licenses and Permits	4,515,591	4,452,950	4,369,750	4,567,150
Intergovernmental	14,077,244	11,893,900	15,139,913	12,159,660
Miscellaneous	920,977	30,700	846,765	365,000
American Rescue Plan (ARP)	-	-	-	-
Charges for Services	4,224,342	3,393,323	4,007,490	3,464,537
Fines and Forfeitures	2,125,275	2,086,000	2,156,000	2,086,000
Utility Service Charges	216,717,650	\$207,488,800	212,196,660	216,176,212
Investment Income	5,528,068	1,789,353	8,544,400	3,230,905
Other Revenue	8,832,723	7,980,571	8,020,350	6,647,905
Sub-Total	\$361,720,902	\$344,102,997	\$364,709,211	\$359,659,555
Interfund Charges	7,873,628	9,904,587	9,893,196	12,401,402
Debt Issuance	-	-	-	-
Special Items	-	-	-	-
Proceeds from Capital Leases	-	-	-	-
Transfers In	2,039,746	360,000	466,430	10,000
Total	\$371,634,276	\$354,367,584	\$375,068,837	\$372,070,957

General Fund				
Category	FY 2022-23 Actual Revenue	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Revenue	FY 2024-25 Adopted Budget
Taxes	\$28,394,924	\$28,495,625	\$29,903,000	\$30,337,000
Franchise Fees	9,228,632	8,333,000	8,815,000	8,967,000
PILOTS	21,760,119	21,301,000	22,365,000	22,855,000
Licenses and Permits	4,515,591	4,452,950	4,369,750	4,567,150
Intergovernmental	7,044,053	5,960,000	7,159,000	6,907,000
American Rescue Plan (ARP)	-	-	-	-
Charges for Services	2,519,199	2,034,900	2,479,679	2,099,150
Fines and Forfeitures	2,125,275	2,086,000	2,156,000	2,086,000
Investment Income	185,979	180,000	1,770,274	895,200
Other Revenue	676,340	749,451	-	-
Sub-Total	\$76,450,111	\$73,592,926	\$79,017,703	\$78,713,500
Interfund Charges	2,354,600	4,469,287	4,469,287	4,604,802
Proceeds from Capital Leases	-	-	-	-
Transfers In	-	-	-	-
Total	\$78,804,711	\$78,062,213	\$83,486,990	\$83,318,302

Special Revenue Funds

Category	FY 2022-23 Actual Revenue	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Revenue	FY 2024-25 Adopted Budget
Taxes	\$45,395,358	\$46,857,775	\$48,344,883	\$48,803,186
Charges for Services	1,705,143	1,358,423	1,527,811	1,365,387
Other Revenue	980,865	206,520	1,363,607	124,305
Investment Income	1,185,001	508,215	2,073,705	850,705
Intergovernmental	7,033,191	5,933,900	7,980,913	5,252,660
American Rescue Plan (ARP)	-	-	-	-
Sub-Total	\$56,299,558	\$54,864,833	\$61,290,918	\$56,396,243
Transfers In	2,029,746	350,000	456,430	-
Debt Issuance	-	-	-	-
Total	\$58,329,304	\$55,214,833	\$61,747,348	\$56,396,243

Enterprise Funds

Category	FY 2022-23 Actual Revenue	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Revenue	FY 2024-25 Adopted Budget
Utility Service Charges	\$216,717,650	\$207,488,800	\$212,196,660	\$216,176,212
Investment Income	4,157,088	1,101,138	4,700,421	1,485,000
Intergovernmental	-	-	-	-
Miscellaneous	920,977	30,700	846,765	365,000
Interfund Charges	5,519,028	5,435,300	5,423,909	7,796,600
Other Revenue	7,175,518	7,024,600	6,656,743	6,523,600
Sub-Total	\$234,490,261	\$221,080,538	\$229,824,498	\$232,346,412
Special Items	-	-	-	-
Transfers In	10,000	10,000	10,000	10,000
Total	\$234,500,261	\$221,090,538	\$229,834,498	\$232,356,412

Schedule 6
Governmental Funds
General Fund Summary
Comparison of Revenues, Expenditures and Change in Fund Balance

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual	Adopted	Estimated	Adopted
	Expenditures	Budget	Expenditures	Budget
Revenues				
Taxes				
Property	\$5,704,350	\$6,003,000	\$6,113,000	\$6,063,000
Sales	21,312,328	21,565,625	21,450,000	21,880,000
Use Tax	1,023,612	642,000	2,000,000	2,040,000
Cigarette	354,634	285,000	340,000	354,000
Total Taxes	28,394,924	28,495,625	29,903,000	30,337,000
Utility Franchise Fees				
Water	31,322	37,000	30,000	32,000
Gas	5,895,686	4,968,000	6,100,000	6,500,000
Telephone	1,462,117	1,480,000	1,200,000	1,050,000
Electricity	616,441	698,000	615,000	610,000
Cable	1,223,066	1,150,000	870,000	775,000
Total Franchise Fees	9,228,632	8,333,000	8,815,000	8,967,000
PILOTS				
Power & Light	14,824,658	14,601,000	15,465,000	15,775,000
Water Service	3,341,507	3,200,000	3,300,000	3,330,000
Sanitary Sewer	3,593,954	3,500,000	3,600,000	3,750,000
Total PILOTS	21,760,119	21,301,000	22,365,000	22,855,000
All Other				
Licenses & Permits	4,515,591	4,452,950	4,369,750	4,567,150
Intergovernmental	7,044,053	5,960,000	7,159,000	6,907,000
American Rescue Plan (ARP)	-	-	-	-
Charges for Services	2,519,199	2,034,900	2,479,679	2,099,150
Fines & Court Costs	2,125,275	2,086,000	2,156,000	2,086,000
Interfund Chrgs Supp Services	2,354,600	4,469,287	4,469,287	4,604,802
Investment Income	185,979	180,000	1,770,274	895,200
Other	676,340	749,451		
Total All Other	\$19,421,036	\$19,932,588	\$22,403,990	\$21,159,302
Proceeds from Capital Leases		-	-	
Transfers In from Other Funds		-	-	
Total Revenues	\$78,804,711	\$78,062,213	\$83,486,990	\$83,318,302

CITY OF INDEPENDENCE, MO

Expenditures

Salary and Benefits	\$59,714,925	\$59,846,703	\$63,700,443	\$60,109,189
Retiree Health Insurance	3,549,049	3,405,903	3,894,600	4,286,700
Operating Expenses	10,534,779	13,702,931	13,882,332	16,094,668
Equipment	199,665	217,271	295,345	182,371
Sub-Total Expenditures	\$73,998,419	\$77,172,808	\$81,772,720	\$80,672,928
Debt Service	180,739	165,400	165,400	1,771,749
Contingency	-	364,005	-	603,626
Transfers Out	217,275	360,000	26,000	270,000
Total Expenditures	\$74,396,433	\$78,062,213	\$81,964,120	\$83,318,302
Excess Revenues Over (Under) Expenditures	\$4,408,278	\$0	\$1,522,870	\$0
Unassigned Fund Balance at Beginning of Year			10,185,653	11,728,071
Cancellation of prior year encumbrances			88,596	-
Change in other fund balance components during the year			(69,048)	-
Year-end investment market value adjustment			-	-
Ending Unassigned Fund Balance ⁽¹⁾			\$11,728,071	11,728,071

Notes:

(1) Unassigned fund balance is per February 2024 financial statements.

Schedule 7
Governmental Funds
Tourism Fund (004)
Comparison of Revenues, Expenditures and Change in Fund Balance

	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Revenues				
Transient Guest Tax	\$2,322,046	\$2,300,000	\$2,340,000	\$2,300,000
American Rescue Plan (ARP)	-	-	-	-
Charges for Services	18,230	-	4,590	8,000
Investment Income	58,907	25,050	95,000	25,050
Other	5,476	3,000	2,500	39,500
Total All Other	\$2,404,659	\$2,328,050	\$2,442,090	\$2,372,550
Transfers In from Other Funds	-	-	-	-
Total Revenues	\$2,404,659	\$2,328,050	\$2,442,090	\$2,372,550
Expenditures				
Salary & Benefits	761,367	1,230,815	1,310,223	681,046
Retiree Health Insurance	13,950	15,000	15,000	16,500
Operating Expenses	780,958	894,563	1,175,735	1,288,980
Equipment	18,291	202,887	222,250	80,000
Operating Expenditures	\$1,574,567	\$2,343,265	\$2,723,208	\$2,066,526
Capital Improvements	\$15,745	\$400,000	\$52,614	\$0
Debt Service	-	-	-	-
Transfers Out for Capital Improvements	\$0	\$0	\$196,430	\$75,000
Total Expenditures	\$1,590,312	\$2,743,265	\$2,972,252	\$2,141,526
Excess Revenues Over (Under)				
Expenditures	\$814,347	(\$415,215)	(\$530,162)	\$231,025
Beginning Unassigned Fund Balance			\$1,938,742	1,413,800
Cancellation of Prior Year Encumbrances			5,220	-
Change in Other Fund Balance Components			-	-
Year-End Investment Market Value Adjustment			-	-
Ending Unassigned Fund Balance			1,413,800	1,644,825

(1) Unassigned fund balance is per February 2024 financial statements.

Schedule 7
Governmental Funds
Health & Animal Levy Fund (005)
Comparison of Revenues, Expenditures and Change in Fund Balance

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual	Adopted	Estimated	Adopted
	Expenditures	Budget	Expenditures	Budget
Revenues				
Real Estate Tax	\$850,488	\$870,620	\$915,147	\$933,450
Charges for Services	595,857	\$582,400	\$596,209	\$758,764
American Rescue Plan (ARP)	-	-	-	-
Investment Income	17,317	11,500	\$10,705	9,155
Other	172,394	14,000	61,853	18,000
Total All Other	\$1,636,057	\$1,478,520	\$1,583,914	\$1,719,369
Transfers In from Other Funds	300,000	325,000	260,000	-
Total Revenues	\$1,936,057	\$1,803,520	\$1,843,914	\$1,719,369
Expenditures				
Salary & Benefits	\$1,061,120	\$911,786	\$1,041,520	\$1,037,212
Retiree Health Insurance	66,638	61,000	62,300	73,000
Operating Expenses	478,176	823,848	731,207	520,973
Equipment	2,572	6,885	6,885	6,885
Operating Expenditures	\$1,608,506	\$1,803,518	\$1,841,911	\$1,638,070
Capital Improvements	-	-	-	-
Debt Service	-	-	-	-
Contingency	-	-	-	81,299
Transfers Out	-	-	-	-
Total Expenditures	\$1,608,506	\$1,803,518	\$1,841,911	\$1,719,369
Excess Revenues Over (Under) Expenditures	\$327,551	\$2	\$2,003	\$0
Beginning Unassigned Fund Balance			348,758	350,761
Cancellation of Prior Year Encumbrances			-	-
Change in Other Fund Balance Components			-	-
Year-End Investment Market Value Adjustment			-	-
Ending Unassigned Fund Balance			350,761	350,761

(1) Unassigned fund balance is per February 2024 financial statements.

Schedule 7
Governmental Funds
Parks Health & Recreation Levy Fund (007)
Comparison of Revenues, Expenditures and Change in Fund Balance

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual	Adopted	Estimated	Adopted
	Expenditures	Budget	Expenditures	Budget
Revenues				
Real Estate Tax	1,807,087	\$1,838,155	\$1,942,736	\$1,942,736
Charges for Services	103,477	88,500	87,520	84,500
Intergovernmental	-	-	-	-
Investment Income	24,610	16,485	28,000	16,500
Other	38,007	-	38	-
Total All Other	\$1,973,181	\$1,943,140	\$2,058,294	\$2,043,736
Transfers In from Other Funds	-	-	-	-
Total Revenues	\$1,973,181	\$1,943,140	\$2,058,294	\$2,043,736
Expenditures				
Salary & Benefits	1,348,623	866,023	842,900	888,247
Retiree Health Insurance	104,556	70,000	94,000	115,000
Operating Expenses	989,193	516,220	534,371	871,510
Equipment	11,036	131,607	30,282	40,000
Operating Expenditures	\$2,453,408	\$1,583,850	\$1,501,553	\$1,914,757
Capital Improvements	41,404	-	-	-
Debt Service	-	-	-	-
Transfers Out	-	-	-	-
Total Expenditures	\$2,494,812	\$1,583,850	\$1,501,553	\$1,914,757
Excess Revenues Over (Under)				
Expenditures	(\$521,631)	\$359,290	\$556,741	\$128,978
Beginning Unassigned Fund Balance			\$23,687	580,458
Cancellation of Prior Year Encumbrances			30	-
Change in Other Fund Balance Components			-	-
Year-End Investment Market Value Adjustment			-	-
Ending Unassigned Fund Balance			580,458	709,436

(1) Unassigned fund balance is per February 2024 financial statements.

Schedule 7
Governmental Funds
Street Improvements Sales Tax Fund (011)
Comparison of Revenues, Expenditures and Change in Fund Balance

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual	Adopted	Estimated	Adopted
	Expenditures	Budget	Expenditures	Budget
Revenues				
Sales Tax	\$9,933,180	\$10,534,000	\$10,200,000	\$10,112,000
Use Tax	511,806	321,000	800,000	877,000
Intergovernmental Revenue	1,422,926	-	444,500	-
Investment Income	555,872	125,000	747,000	250,000
Other	453,218	-	1,000,200	-
Total All Other	\$12,877,002	\$10,980,000	\$13,191,700	\$11,239,000
Issuance of Debt	-	-	-	-
Transfers In from Other Funds	1,729,746	-	-	-
Total Revenues	\$14,606,748	\$10,980,000	\$13,191,700	\$11,239,000
Expenditures				
Salary & Benefits	\$364,808	\$559,913	\$528,200	\$531,000
Retiree Health Insurance	\$3,039	4,000	4,000	4,000
Operating Expenses	\$267,584	632,759	599,987	822,210
Equipment	\$58,892	145,000	34,500	117,000
Total Expenditures	\$694,324	\$1,341,673	\$1,474,210	\$1,474,210
Capital Improvements	\$4,900,650	\$21,798,746	\$12,000,000	\$0
Debt Service	1,784,575	1,787,946	1,787,946	1,795,397
Transfers Out for Capital Projects	-	-	-	10,745,086
Transfers Out	\$0	-	260,000	-
Total Expenditures	\$7,379,549	\$24,928,365	\$15,214,633	\$14,014,693
Excess Revenues Over (Under)				
Expenditures	\$7,227,199	(\$13,948,365)	(\$2,022,933)	(\$2,775,693)
Beginning Unassigned Fund Balance			3,396,368	12,368,849
Cancellation of Prior Year Encumbrances			34,954	-
Change in Other Fund Balance Components			10,960,460	-
Year-End Investment Market Value Adjustment			-	-
Ending Unassigned Fund Balance			\$12,368,849	\$9,593,156

(1) Unassigned fund balance is per February 2024 financial statements.

* Revenue and corresponding Capital Expenditures only approved upon acceptance of grant for FY 2023-24

Schedule 7
Governmental Funds
Park Improvements Sales Tax Fund (012)
Comparison of Revenues, Expenditures and Change in Fund Balance

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual	Adopted	Estimated	Adopted
	Expenditures	Budget	Expenditures	Budget
Revenues				
Sales Tax	\$4,966,640	\$5,268,000	\$5,025,000	\$5,056,000
Use Tax	255,895	169,000	500,000	438,000
Charges for Services	741,987	578,500	633,469	405,100
Intergovernmental	53,328	33,000	33,000	33,000
Investment Income	54,596	19,180	102,000	41,000
Other	35,389	27,400	43,798	45,305
Total All Other	\$6,107,837	\$6,095,080	\$6,337,267	\$6,018,405
Transfers In from Other Funds	-	-	196,430	-
Proceeds from capital lease	-	-	-	-
Total Revenues	\$6,107,837	\$6,095,080	\$6,533,697	\$6,018,405
Expenditures				
Salary & Benefits	2,555,853	2,982,434	2,911,213	3,632,121
Retiree Health Insurance	13,370	15,000	16,600	18,000
Operating Expenses	2,223,003	3,322,920	3,078,657	2,246,930
Equipment	159,556	620,464	293,534	97,500
Total Expenditures	\$4,951,781	\$6,940,818	\$6,300,004	\$5,994,551
Capital Improvements	539,721	200,000	-	-
Debt Service	-	-	-	-
Transfers Out	-	-	-	480,000
Total Expenditures	\$5,491,502	\$7,140,818	\$6,300,004	\$6,474,551
Excess Revenues Over (Under)				
Expenditures	\$616,334	(\$1,045,738)	\$233,693	(\$456,146)
Beginning Unassigned Fund Balance			3,715,082	3,959,101
Cancellation of Prior Year Encumbrances			10,326	-
Change in Other Fund Balance Components			-	-
Year-End Investment Market Value Adjustment			-	-
Ending Unassigned Fund Balance			3,959,101	3,502,955
<i>(1) Unassigned fund balance is per February 2024</i>				

Schedule 7
Governmental Funds
Storm Water Sales Tax Fund (013)
Comparison of Revenues, Expenditures and Change in Fund Balance

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual	Adopted	Estimated	Adopted
	Expenditures	Budget	Expenditures	Budget
Revenues				
Sales Tax	\$4,966,640	\$5,268,000	\$5,025,000	\$5,056,000
Use Tax	255,895	169,000	500,000	438,000
Intergovernmental	-	-	-	-
Investment Income	216,321	164,000	416,000	164,000
Other	26,429	7,900	7,900	7,900
Total All Other	\$5,465,286	\$5,608,900	\$5,948,900	\$5,665,900
Other Financing Sources - leases	(2,223)			
Transfers In from Other Funds	44,036	-	-	-
Total Revenues	\$5,507,099	\$5,608,900	\$5,948,900	\$5,665,900
Expenditures				
Salary & Benefits	1,338,985	1,573,766	1,317,000	1,979,174
Retiree Health Insurance	-	-	-	-
Operating Expenses	1,032,897	1,653,184	1,278,236	1,903,912
Equipment	134,985	152,000	166,834	63,300
Operating Expenditures	\$2,506,867	\$3,378,950	\$2,762,070	\$3,946,386
Capital Improvements	4,899,900	3,470,000	1,300,000	-
Debt Service	694	-	-	-
Contingencies	-	-	-	-
Transfers Out	-	-	260,000	7,583,017
Total Expenditures	\$7,407,461	\$6,848,950	\$4,322,070	\$11,529,403
Excess Revenues Over (Under)				
Expenditures	(\$1,900,362)	(\$1,240,050)	\$1,626,830	(\$5,863,503)
Beginning Unassigned Fund Balance			10,968,275	12,612,008
Cancellation of Prior Year Encumbrances			16,903	-
Change in Other Fund Balance Components			-	-
Year-End Investment Market Value Adjustment			-	-
Ending Unassigned Fund Balance			12,612,008	6,748,505

(1) Unassigned fund balance is per February 2024 financial statements.

Schedule 7
Governmental Funds
Police Public Safety Sales Tax Fund (016)
Comparison of Revenues, Expenditures and Change in Fund Balance

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual	Adopted	Estimated	Adopted
	Expenditures	Budget	Expenditures	Budget
Revenues				
Sales Tax	\$2,689,686	\$2,831,000	\$2,864,000	\$2,918,000
Use Tax	127,948	85,000	275,000	219,000
Investment Income	44,314	35,000	108,000	43,000
Other	127,311	7,600	120,308	7,600
Total All Other	\$2,989,258	\$2,958,600	\$3,367,308	\$3,187,600
Transfers In from Other Funds	-	-	-	-
Total Revenues	\$2,989,258	\$2,958,600	\$3,367,308	\$3,187,600
Expenditures				
Salary & Benefits	-	-	-	-
Retiree Health Insurance	-	-	-	-
Operating Expenses	1,104,906	1,525,322	1,197,176	1,465,280
Equipment	1,046,704	1,869,700	2,115,657	2,067,573
Operating Expenditures	\$2,151,611	\$3,395,022	\$3,312,833	3,532,853
Capital Improvements	-	1,400,000	1,400,000	-
Debt Service	22,520	22,600	22,600	22,600
Transfers Out	3,440	-	857,096	550,000
Total Expenditures	\$2,177,571	\$4,817,622	\$5,592,529	\$4,105,453
Excess Revenues Over (Under)				
Expenditures	\$811,687	(\$1,859,022)	(\$2,225,221)	(\$917,853)
Beginning Unassigned Fund Balance			3,125,485	925,473
Cancellation of Prior Year Encumbrances			25,209	-
Change in Other Fund Balance Components			-	-
Year-End Investment Market Value Adjustment			-	-
Ending Unassigned Fund Balance			925,473	7,620

(1) Unassigned fund balance is per February 2024 financial statements.

Schedule 7
Governmental Funds
Fire Protection Sales Tax Fund (017)
Comparison of Revenues, Expenditures and Change in Fund Balance

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual	Adopted	Estimated	Adopted
	Expenditures	Budget	Expenditures	Budget
Revenues				
Sales Tax	\$11,272,850	\$11,395,000	\$11,000,000	\$11,160,000
Use Tax	511,806	321,000	1,000,000	877,000
Investment Income	91,930	47,000	338,000	135,000
Other	120,952	6,000	6,000	6,000
Total Revenues	\$11,997,538	\$11,769,000	\$12,344,000	\$12,178,000
Expenditures				
Salary & Benefits	1,668,992	3,627,361	2,757,600	5,603,397
Retiree Health Insurance	-	-	-	-
Operating Expenses	736,762	1,698,174	1,618,914	2,633,440
Equipment	1,501,228	3,066,200	2,060,000	1,523,600
Operating Expenditures	\$3,906,982	\$8,391,735	\$6,436,514	\$9,760,437
Capital Improvements	-	1,800,000	1,800,000	-
Debt Service	116,828	73,236	217,584	24,500
Transfers Out to Capital Projects	-	-	-	5,450,000
Total Expenditures	\$4,023,811	\$10,264,971	\$8,454,098	\$15,213,937
Excess Revenues Over (Under)				
Expenditures	\$7,973,727	\$1,504,029	\$3,889,902	(\$3,056,937)
Beginning Unassigned Fund Balance			8,787,693	12,677,595
Cancellation of Prior Year Encumbrances			-	21,960
Change in Other Fund Balance Components			-	-
Year-End Investment Market Value Adjustment			-	-
Ending Unassigned Fund Balance			12,677,595	9,642,618

(1) Unassigned fund balance is per February 2024 financial statements.

(2) Capital Project Fund was established for the FY24-25 Budget

Schedule 7
Governmental Funds
Animal Shelter Use Tax Fund (010)
Comparison of Revenues, Expenditures and Change in Fund Balance

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual	Adopted	Estimated	Adopted
	Expenditures	Budget	Expenditures	Budget
Revenues				
Use Tax	\$782,000	\$855,000	\$855,000	\$893,000
Investment Income	12,150	6,000	28,000	28,000
Other	46	-	150	-
Total All Other	\$794,196	\$861,000	\$883,150	\$921,000
Transfers In from Other Funds	-	25,000	-	-
Total Revenues	\$794,196	\$886,000	\$883,150	\$921,000
Expenditures				
Salary & Benefits	671,617	883,945	646,400	741,601
Retiree Health Insurance	-	-	-	-
Operating Expenses	6,554	2,056	3,350	191,723
Equipment	960	-	-	-
Operating Expenditures	679,131	\$886,000	\$649,750	\$933,324
Capital Improvements	-	-	-	-
Debt Service	-	-	-	-
Transfers Out	-	-	-	-
Total Expenditures	\$679,131	\$886,000	\$649,750	\$933,324
Excess Revenues Over (Under)				
Expenditures	\$115,065	(\$0)	\$233,400	(\$12,324)
Beginning Unassigned Fund Balance			322,768	556,168
Cancellation of Prior Year Encumbrances			-	-
Change in Other Fund Balance Components			-	-
Year-End Investment Market Value Adjustment			-	-
Ending Unassigned Fund Balance			556,168	543,844

(1) Unassigned fund balance is per February 2024 financial statements.

Schedule 7
Governmental Funds
Police Use Tax Fund (018)
Comparison of Revenues, Expenditures and Change in Fund Balance

	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Revenues				
Use Tax	\$4,100,000	\$4,483,000	\$4,483,000	\$4,683,000
Investment Income	108,984	59,000	201,000	139,000
Other	15	-	-	-
Total All Other	\$4,209,000	\$4,542,000	\$4,684,000	\$4,822,000
Transfers In from Other Funds	-	-	-	-
Total Revenues	\$4,209,000	\$4,542,000	\$4,684,000	\$4,822,000
Expenditures				
Salary & Benefits	3,264,827	3,864,424	3,549,974	3,983,172
Retiree Health Insurance	-	-	-	-
Operating Expenses	321,410	366,827	306,827	1,469,400
Equipment	223,833	-	908,798	824,098
Operating Expenditures	\$3,810,070	\$4,231,251	\$4,765,599	\$6,276,670
Capital Improvements	-	-	-	-
Debt Service	-	-	-	-
Transfers Out	-	-	2,031,773	-
Total Expenditures	\$3,810,070	\$4,231,251	\$6,797,372	\$6,276,670
Excess Revenues Over (Under)				
Expenditures	\$398,930	\$310,749	(\$2,113,372)	(\$1,454,670)
Beginning Unassigned Fund Balance			4,952,541	2,846,444
Cancellation of Prior Year Encumbrances			7,275	-
Change in Other Fund Balance Components			-	-
Year-End Investment Market Value Adjustment			-	-
Ending Unassigned Fund Balance			\$2,846,444	1,391,775

(1) Unassigned fund balance is per February 2024 financial statements.

Schedule 7
Governmental Funds
Community Development Block Grant (008)
Comparison of Revenues, Expenditures and Change in Fund Balance

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual	Adopted	Estimated	Adopted
	Expenditures	Budget	Expenditures	Budget
Revenues				
Federal Grant	\$1,181,709	\$851,251	\$851,251	\$845,000
Total Revenues	\$1,181,709	\$851,251	\$851,251	\$845,000
Expenditures				
Salary & Benefits	153,413	137,058	153,363	154,151
Retiree Health Insurance	-	-	-	-
Operating Expenses	670,107	713,645	825,948	690,849
Equipment	-	-	2,700	-
Operating Expenditures	\$823,520	\$850,703	\$982,011	\$845,000
Capital Improvements	-	-	-	-
Debt Service	-	-	-	-
Other financing sources - leases	-	-	-	-
Transfers Out	329,746	-	-	-
Total Expenditures	\$1,153,266	\$850,703	\$982,011	\$845,000
Excess Revenues Over (Under)				
Expenditures	\$28,443	\$548	(\$130,760)	\$0
Beginning Unassigned Fund Balance			(9,437)	(140,197)
Cancellation of Prior Year Encumbrances			-	-
Change in Other Fund Balance Components			-	-
Year-End Investment Market Value Adjustment			-	-
Ending Unassigned Fund Balance			(140,197)	(140,197)

(1) Unassigned fund balance is per February 2024 financial statements.

Schedule 7
Governmental Funds
HOME Grant - Rental Rehabilitation (009)
Comparison of Revenues, Expenditures and Change in Fund Balance

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual	Adopted	Estimated	Adopted
	Expenditures	Budget	Expenditures	Budget
Revenues				
Federal Grant	\$577,092	\$570,305	\$570,305	\$2,183,072
Total Revenues	\$577,092	\$570,305	\$570,305	\$2,183,072
Expenditures				
Salary & Benefits	45,603	54,518	35,575	45,432
Retiree Health Insurance	-	-	-	-
Operating Expenses	60,766	32,262	32,262	1,681,223
Equipment	220,111	455,486	455,486	454,750
Operating Expenditures	\$326,480	\$542,266	\$523,323	\$2,181,405
Capital Improvements	-	-	-	-
Debt Service	-	-	-	-
Transfers Out	-	-	-	-
Total Expenditures	\$326,480	\$542,266	\$523,323	\$2,181,405
Excess Revenues Over (Under)				
Expenditures	\$250,612	\$28,039	\$46,982	\$1,667
Beginning Unassigned Fund Balance			(200,586)	(153,604)
Cancellation of Prior Year Encumbrances			-	-
Change in Other Fund Balance Components			-	-
Year-End Investment Market Value Adjustment			-	-
Ending Unassigned Fund Balance			(153,604)	(151,937)

(1) Unassigned fund balance is per February 2023 financial statements.

Schedule 7
Governmental Funds
Grant Fund (015)

Comparison of Revenues, Expenditures and Change in Fund Balance

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual	Adopted	Estimated	Adopted
	Expenditures	Budget	Expenditures	Budget
Revenues				
Federal & State Grants	\$3,811,375	\$4,479,344	6,081,857	2,191,588
Charges for Services	231,928	109,023	\$206,023	\$109,023
Other	1,628	140,620	120,860	-
Total Revenues	\$4,044,931	\$4,728,987	\$6,408,739	\$2,300,611
Transfers In from Other Funds	-	-	-	-
Total Revenues	\$4,044,931	\$4,728,987	\$6,408,739	\$2,300,611
Expenditures				
Salary & Benefits	\$2,412,566	\$1,930,381	\$2,726,723	\$1,302,785
Retiree Health Insurance	-	-	-	-
Operating Expenses	1,306,461	1,948,044	1,850,710	997,826
Equipment	204,455	84,695	470,287	-
Operating Expenditures	\$3,923,483	\$3,963,121	\$5,047,720	\$2,300,611
Capital Improvements	-	-	-	-
Debt Service	827	-	-	-
Transfers Out	-	-	-	-
Total Expenditures	\$3,924,310	\$3,963,121	\$5,047,720	\$2,300,611
Excess Revenues Over (Under)				
Expenditures	\$120,622	\$765,866	\$1,361,020	\$0
Beginning Unassigned Fund Balance			(131,639)	1,229,381
Cancellation of Prior Year Encumbrances			-	-
Change in Other Fund Balance Components			-	-
Year-End Investment Market Value Adjustment			-	-
Ending Unassigned Fund Balance			1,229,381	1,229,381

(1) Unassigned fund balance is per February 2024 financial statements.

Schedule 7
Governmental Funds
Marijuana Sales Tax Fund
Comparison of Revenues, Expenditures and Change in Fund Balance

	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Revenues				
Sales Tax	\$0	\$150,000	\$620,000	\$900,000
Investment Income	-	-	-	-
Other	-	-	-	-
Total All Other	\$0	\$150,000	\$620,000	\$900,000
Transfers In from Other Funds	-	-	-	-
Total Revenues	\$0	\$150,000	\$620,000	\$900,000
Expenditures				
Salary & Benefits	-	15,000	-	-
Retiree Health Insurance	-	-	-	-
Operating Expenses	-	-	-	-
Equipment	-	-	-	-
Operating Expenditures	\$0	\$15,000	\$0	\$0
Capital Improvements	-	-	382,275	-
Debt Service	-	-	-	-
Transfers Out	-	-	237,725	900,000
Total Expenditures	\$0	\$15,000	\$620,000	\$900,000
Excess Revenues Over (Under)				
Expenditures	\$0	\$135,000	\$0	\$0
Beginning Unassigned Fund Balance			-	\$0
Cancellation of Prior Year Encumbrances			-	-
Change in Other Fund Balance Components			-	-
Year-End Investment Market Value Adjustment			-	-
Ending Unassigned Fund Balance			\$0	-

Schedule 8
Enterprise Funds
Power and Light Fund (020)
Comparison of Revenues, Expenditures and Change in Available Resources

	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Revenues				
Charges for Services	\$145,077,693	\$137,475,870	\$138,012,685	\$146,277,500
Penalties	1,460,015	1,000,000	1,490,000	1,000,000
Connection/Disconnection Charges	6,697	33,000	7,350	13,000
Temporary Service	1,250	1,000	700	1,000
Rental Income	302,514	294,500	494,000	294,500
Miscellaneous	901,158	15,700	824,085	350,000
Interfund Service Charges	2,159,810	2,075,300	2,059,138	4,170,500
Investment Income	1,608,334	118,000	1,522,421	500,000
Intergovernmental	-	-	-	-
Other	7,042,052	7,000,000	6,617,000	6,500,000
Total All Other	\$158,559,523	\$148,013,370	\$151,027,379	\$159,106,500
Transfers In	-	-	-	-
Special Item	-	-	-	-
Resources from closed projects	-	-	-	-
Total Revenues	\$158,559,523	\$148,013,370	\$151,027,379	\$159,106,500
Expenditures				
Salary and Benefits	27,903,640	30,325,842	28,918,232	31,051,309
Retiree Health Insurance	1,454,378	1,462,037	1,460,000	1,602,037
Operating Expenses	107,114,870	105,171,162	110,206,423	110,300,714
Equipment	164,383	1,356,440	903,254	410,300
Operating Expenditures	136,637,271	138,315,482	141,487,909	143,364,360
Capital Improvements	4,174,418	14,747,000	6,835,594	-
Debt Service	8,626,743	8,638,100	8,668,084	8,635,400
Transfers out for Capital Improvements	-	-	-	17,774,000
Contingencies	-	-	100,000	100,000
Total Expenditures	149,438,432	161,700,582	157,091,586	169,873,760
Excess Revenues Over (Under) Expenditures	\$9,121,091	(\$13,687,212)	(\$6,064,208)	(\$10,767,260)
Beginning Available Resources			51,797,305	45,733,097
Cancellation of Prior Year Encumbrances			-	-
Ending Available Resources			45,733,097	34,965,837
Revenue Risk			5,300,000	
Capital Reserve			3,000,000	
Expense Risk			18,700,000	
Working Capital			25,550,000	
Targeted Reserve Level			52,550,000	
Total Non-Restricted Resources Available			(6,816,903)	

(1) Unassigned fund balance is per February 2024 financial statements.

Schedule 8
Enterprise Funds
Power and Light Fund - Capital (021)
Comparison of Revenues, Expenditures and Change in Available Resources

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual	Adopted	Estimated	Adopted
	Expenditures	Budget	Expenditures	Budget
Revenues				
Charges for Services	\$0	\$0	\$0	\$0
Penalties	-	-	-	-
Connection/Disconnection Charges	-	-	-	-
Temporary Service	-	-	-	-
Rental Income	-	-	-	-
Miscellaneous	-	-	-	-
Interfund Service Charges	-	-	-	-
Investment Income	-	-	-	-
Intergovernmental	-	-	-	-
Other	-	-	-	-
Total All Other	\$0	\$0	\$0	\$0
Transfers In	-	-	-	17,774,000
Special Item	-	-	-	-
Resources from closed projects	-	-	-	-
Total Revenues	\$0	\$0	\$0	\$17,774,000
Expenditures				
Salary and Benefits	-	-	-	-
Retiree Health Insurance	-	-	-	-
Operating Expenses	-	-	-	-
Equipment	-	-	-	-
Operating Expenditures	-	-	-	-
Capital Improvements	-	-	-	-
Debt Service	-	-	-	-
Transfers out for Capital Improvements	-	-	-	17,774,000
Contingencies	-	-	-	-
Total Expenditures	-	-	-	17,774,000
Excess Revenues Over (Under) Expenditures	\$0	\$0	\$0	\$0
Beginning Available Resources			-	-
Cancellation of Prior Year Encumbrances			-	-
Ending Available Resources			-	-

Schedule 8

Enterprise Funds
Sanitary Sewer Fund (030)
Comparison of Revenues, Expenditures and Change in Available Resources

	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Revenues				
Charges for Services	\$35,206,857	\$35,546,430	\$36,183,986	\$35,765,212
Penalties	389,862	200,000	360,723	200,000
Intergovernmental	-	-	-	-
Investment Income	1,007,791	326,000	1,258,000	326,000
Other	113,038	7,900	7,900	7,900
Total All Other	36,717,547	36,080,330	37,810,609	\$36,299,112
Transfers In	10,000	10,000	10,000	10,000
Special Item	-	-	-	-
Resources from closed projects	-	-	-	-
Total Revenues	\$36,727,547	\$36,090,330	\$37,820,609	\$36,309,112
Expenditures				
Salary & Benefits	5,680,201	6,988,726	6,104,000	6,894,894
Retiree Health Insurance	357,822	348,000	420,000	460,000
Operating Expenses	18,998,195	20,995,556	18,500,015	21,498,025
Equipment	318,202	409,600	342,803	296,300
Operating Expenditures	25,354,420	28,741,882	25,366,817	29,149,219
Capital Improvements	664,695	6,330,000	1,000,000	\$0
Debt Service	6,221,846	6,242,978	6,242,978	6,240,079
Contingencies	-	-	-	-
Transfers Out	48,929	-	2,130,000	\$5,505,000
Total Expenditures	\$32,289,890	\$41,314,860	\$34,739,795	40,894,298
Excess Revenues Over (Under) Expenditures	4,437,657	(5,224,530)	3,080,814	(4,585,186)
Beginning Available Resources			33,820,216	36,901,030
Cancellation of Prior Year Encumbrances			-	-
Ending Available Resources			36,901,030	32,315,844
Revenue Risk			1,200,000	
Capital Reserve			4,000,000	
Expense Risk			700,000	
Working Capital			6,800,000	
Targeted Reserve Level			12,700,000	
Total Non-Restricted Resources Available			24,201,030	

(1) Unassigned fund balance is per February 2024 financial statements.

Schedule 8
Enterprise Funds
Sanitary Sewer Fund (031)
Comparison of Revenues, Expenditures and Change in Available Resources

	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Revenues				
Charges for Services	\$0	\$0	\$0	\$0
Penalties	-	-	-	-
Intergovernmental	-	-	-	-
Investment Income	-	-	-	-
Other	-	-	-	-
Total All Other	-	-	-	\$0
Transfers In	-	-	-	5,505,000
Special Item	-	-	-	-
Resources from closed projects	-	-	-	-
Total Revenues	\$0	\$0	\$0	\$5,505,000
Expenditures				
Salary & Benefits	-	-	-	-
Retiree Health Insurance	-	-	-	-
Operating Expenses	-	-	-	-
Equipment	-	-	-	-
Operating Expenditures	-	-	-	-
Capital Improvements	-	-	-	5,505,000
Debt Service	-	-	-	-
Contingencies	-	-	-	-
Transfers Out	-	-	-	\$0
Total Expenditures	\$0	\$0	\$0	\$5,505,000
Excess Revenues Over (Under) Expenditures	-	-	-	-
Beginning Available Resources			-	-
Cancellation of Prior Year Encumbrances			-	-
Ending Available Resources			-	-

Schedule 8
Enterprise Funds
Water Fund (040)

Comparison of Revenues, Expenditures and Change in Available Resources

	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Revenues				
Charges for Services	\$33,845,057	\$32,610,000	\$35,241,265	\$32,297,000
Penalties	234,319	200,000	218,650	200,000
Connection/Disconnection Charges	21,179	17,000	24,432	17,000
Returned Check Charges	29,745	26,000	32,160	26,000
Rental Income	142,461	85,000	130,709	85,000
Miscellaneous	19,819	15,000	22,680	15,000
Interfund Service Charges	3,359,219	3,360,000	3,364,771	3,626,100
Investment Income	1,540,963	657,138	1,920,000	659,000
Intergovernmental	-	-	-	-
Other	20,428	16,700	31,843	15,700
Total All Other	\$39,213,190	\$36,986,838	\$40,986,510	\$36,940,800
Transfers In	-	-	-	-
Special Item	-	-	-	-
Total Revenues	\$39,213,190	\$36,986,838	\$40,986,510	\$36,940,800
Expenditures				
Salary & Benefits	8,483,119	10,123,922	8,823,807	10,285,240
Retiree Health Insurance	348,628	364,000	325,000	360,000
Operating Expenses	16,549,182	21,218,713	20,041,725	25,350,082
Equipment	519,382	1,037,800	635,051	581,500
Operating Expenditures	25,900,311	32,744,435	29,825,582	36,576,822
Capital Improvements	1,231,231	8,050,000	9,700,000	-
Debt Service	2,505,487	2,540,938	2,540,938	2,536,138
Contingencies	-	-	50,000	50,000
Transfers Out	-	-	-	9,380,000
Total Expenditures	\$29,637,029	\$43,335,373	42,116,520	\$48,542,960
Excess Revenues Over (Under) Expenditures	\$9,576,160	(\$6,348,535)	(\$1,130,010)	(\$11,602,160)
Beginning Available Resources			51,219,649	50,089,639
Cancellation of Prior Year Encumbrances			-	-
Ending Available Resources			\$50,089,639	38,487,479
Revenue Risk			2,000,000	
Capital Reserve			6,100,000	
Expense Risk			700,000	
Working Capital			5,600,000	
Targeted Reserve Level			14,400,000	
Total Non-Restricted Resources Available			35,689,639	

(1) Unassigned fund balance is per February 2024 financial statements.

Schedule 8
Enterprise Funds
Water Fund - Capital (041)
Comparison of Revenues, Expenditures and Change in Available Resources

	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Revenues				
Charges for Services	\$0	\$0	\$0	\$0
Penalties	-	-	-	-
Connection/Disconnection Charges	-	-	-	-
Returned Check Charges	-	-	-	-
Rental Income	-	-	-	-
Miscellaneous	-	-	-	-
Interfund Service Charges	-	-	-	-
Investment Income	-	-	-	-
Intergovernmental	-	-	-	-
Other	-	-	-	-
Total All Other	\$0	\$0	\$0	\$0
Transfers In	-	-	-	9,380,000
Special Item	-	-	-	-
Total Revenues	\$0	\$0	\$0	\$9,380,000
Expenditures				
Salary & Benefits	-	-	-	-
Retiree Health Insurance	-	-	-	-
Operating Expenses	-	-	-	-
Equipment	-	-	-	-
Operating Expenditures	-	-	-	-
Capital Improvements	-	-	-	9,380,000
Debt Service	-	-	-	-
Contingencies	-	-	-	-
Transfers Out	-	-	-	-
Total Expenditures	\$0	\$0	-	\$9,380,000
Excess Revenues Over (Under) Expenditures	\$0	\$0	\$0	\$0
Beginning Available Resources			-	-
Cancellation of Prior Year Encumbrances			-	-
Ending Available Resources			\$0	-

Schedule 9
Internal Service Funds
Central Garage Fund (090)
Comparison of Revenues, Expenditures and Change in Fund Balance

	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Revenues				
Charges for Services	\$3,063,477	\$2,933,171	\$2,933,171	\$3,762,200
Miscellaneous	7,840	-	10,000	-
Investment Income	15,259	7,500	40,000	7,500
Other	22,784	281,000	19,000	-
Total All Other	\$3,109,360	\$3,221,671	\$3,002,171	\$3,769,700
Transfers In	-	-	-	-
Total Revenues	\$3,109,360	\$3,221,671	\$3,002,171	\$3,769,700
Expenditures				
Salary & Benefits	734,764	857,546	744,400	942,060
Retiree Health Insurance	42,757	52,000	37,000	57,200
Operating Expenses	1,821,696	2,056,523	2,212,557	2,404,400
Equipment	5,619	2,000	-	-
Operating Expenditures	\$2,604,836	\$2,968,069	\$2,993,957	\$3,403,660
Capital Improvements	-	-	-	-
Debt Service	-	-	-	-
Transfers Out	-	-	-	-
Total Expenditures	\$2,604,836	\$2,968,069	\$2,993,957	\$3,403,660
Excess Revenues Over (Under)				
Expenditures	504,525	253,602	8,214	366,040
Beginning Unassigned Fund Balance			(1,008,280)	843,947
Cancellation of Prior Year Encumbrances			45,194	-
Change in Other Fund Balance Components			(7,209)	-
Year-End Investment Market Value Adjustment			-	-
GAAP Components - OPEB and LAGERS			1,806,028	
Ending Unassigned Fund Balance			843,947	1,209,987

(1) Unassigned fund balance is per February 2024 financial statements.

Schedule 9
Internal Service Funds
Staywell Health Care Fund (091)
Comparison of Revenues, Expenditures and Change in Fund Balance

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual	Adopted	Estimated	Adopted
	Expenditures	Budget	Expenditures	Budget
Revenues				
Charges for Services	\$19,211,095	\$20,534,900	\$20,534,900	\$20,534,900
American Rescue Plan (ARP)	-	-	-	-
Investment Income	9,129	120,000	250,000	155,000
Other	2,140,621	1,236,600	1,536,600	1,236,600
Total Revenues	\$21,360,845	\$21,891,500	\$22,321,500	\$21,926,500
Transfers In	2,350,000	-	-	-
Total Revenues	\$23,710,845	\$21,891,500	\$22,321,500	\$21,926,500
Expenditures				
Salary & Benefits	317,225	740,500	747,000	487,600
Retiree Health Insurance	-	-	-	-
Operating Expenses	23,110,195	24,460,900	24,461,200	24,460,900
Equipment	-	-	-	-
Operating Expenditures	\$23,427,420	\$25,201,400	\$25,208,200	\$24,948,500
Capital Improvements	-	-	-	-
Debt Service	-	-	-	-
Transfers Out	-	-	-	-
Total Expenditures	\$23,427,420	\$25,201,400	\$25,208,200	\$24,948,500
Excess Revenues Over (Under)				
Expenditures	\$283,426	(\$3,309,900)	(\$2,886,700)	(\$3,022,000)
Beginning Unassigned Fund Balance			3,747,925	861,225
Cancellation of Prior Year Encumbrances			-	-
Change in Other Fund Balance Components			-	-
Year-End Investment Market Value Adjustment			-	-
Ending Unassigned Fund Balance			861,225	(2,160,775)

(1) Unassigned fund balance is per February 2024 financial statements.

Schedule 9
Internal Service Funds
Workers' Compensation Fund (092)
Comparison of Revenues, Expenditures and Change in Fund Balance

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual	Adopted	Estimated	Adopted
	Expenditures	Budget	Expenditures	Budget
Revenues				
Charges for Services	\$4,450,900	\$4,450,900	\$3,492,667	\$3,918,000
Miscellaneous	6,522	-	-	-
Investment Income	93,076	10,000	212,638	100,000
Other	-	-	-	-
Total Revenues	\$4,550,498	\$4,460,900	\$3,705,304	\$4,018,000
Expenditures				
Salary & Benefits	8,121	-	6,920	10,013
Retiree Health Insurance	-	-	-	-
Operating Expenses	3,914,990	4,748,001	4,421,399	3,952,140
Equipment	-	-	-	-
Operating Expenditures	\$3,923,111	\$4,748,001	\$4,428,319	\$3,962,153
Capital Improvements	-	-	-	-
Debt Service	-	-	-	-
Transfers Out	-	-	-	-
Total Expenditures	\$3,923,111	\$4,748,001	\$4,428,319	\$3,962,153
Excess Revenues Over (Under)				
Expenditures	\$627,387	(\$287,101)	(\$723,015)	\$55,847
Beginning Unassigned Fund Balance			(5,756,320)	(6,479,335)
Cancellation of Prior Year Encumbrances			-	-
Change in Other Fund Balance Components			-	-
Year-End Investment Market Value Adjustment			-	-
Ending Unassigned Fund Balance			(6,479,335)	(6,423,754)
Other Fund Balance Components				
Restricted - Work Comp Escrow			-	-
Assigned - Current Year Encumbrances			63,295	-
Assigned - Prior Year Encumbrances			-	-
Total Ending Fund Balance			(6,416,040)	

(1) Unassigned fund balance is per February 2024 financial statements.

Schedule 9
Internal Service Funds
Risk Management Fund (093)
Comparison of Revenues, Expenditures and Change in Fund Balance

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual	Adopted	Estimated	Adopted
	Expenditures	Budget	Expenditures	Budget
Revenues				
Charges for Services	\$2,943,000	\$3,196,000	\$2,944,300	\$3,193,000
Miscellaneous	0	-	0	0
Investment Income	37,932	23,000	50,000	30,000
Other	-	-	300	-
Total All Other	\$2,980,932	\$3,219,000	\$2,994,600	\$3,223,000
Issuance of Debt	-	-	-	-
Transfers In from Other Funds	-	-	-	-
Total Revenues	\$2,980,932	\$3,219,000	\$2,994,600	\$3,223,000
Expenditures				
Salary & Benefits	8,121	-	7,250	10,035
Retiree Health Insurance	-	-	-	-
Operating Expenses	2,676,409	3,355,559	4,045,059	4,454,701
Equipment	-	-	-	-
Total Expenditures	\$2,684,530	\$3,355,559	\$4,052,309	\$4,464,736
Capital Improvements	-	-	-	-
Debt Service	-	-	-	-
Transfers Out	-	-	-	-
Total Expenditures	\$2,684,530	\$3,355,559	\$4,052,309	\$4,464,736
Excess Revenues Over (Under)				
Expenditures	\$296,402	(\$136,559)	(\$1,057,709)	(\$1,241,736)
Beginning Unassigned Fund Balance			2,049,143	991,434
Cancellation of Prior Year Encumbrances			-	-
Change in Other Fund Balance Components			-	-
Year-End Investment Market Value Adjustment			-	-
Ending Unassigned Fund Balance			991,434	(250,302)

(1) Unassigned fund balance is per February 2024 financial statements.

Schedule 9
Internal Service Funds
Enterprise Resource Planning (ERP) Fund (095)
Comparison of Revenues, Expenditures and Change in Fund Balance

	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Revenues				
Charges for Services	\$10,523,853	\$11,709,004	\$11,709,004	\$13,117,510
Miscellaneous	-	-	-	-
Intergovernmental	-	-	-	-
Investment Income	-	-	-	-
Other	-	-	-	-
Total All Other	\$10,523,853	\$11,709,004	\$11,709,004	\$13,117,510
Transfers In from Other Funds	-	-	-	-
Proceeds from capital lease	-	-	-	-
Total Revenues	\$10,523,853	\$11,709,004	\$11,709,004	\$13,117,510
Expenditures				
Salary & Benefits	\$4,998,150	\$5,939,496	\$6,041,000	\$6,183,457
Retiree Health Insurance	230,401	170,000	210,000	231,000
Operating Expenses	4,461,518	4,689,454	4,703,879	5,659,219
Equipment	306,161	1,257,834	1,095,919	83,050
Total Expenditures	\$9,996,229	\$12,056,784	\$12,050,798	\$12,156,726
Capital Improvements	-	-	-	-
Debt Service	-	-	-	-
Transfers Out	-	-	-	1,681,668
Total Expenditures	\$9,996,229	\$12,056,784	\$12,050,798	\$13,838,394
Excess Revenues Over (Under)				
Expenditures	\$527,624	(\$347,779)	(\$341,794)	(\$720,884)
Beginning Unassigned Fund Balance			(2,040,870)	455,268
Cancellation of Prior Year Encumbrances			1,520	-
Change in Other Fund Balance Components			(1,956)	-
GAAP Components - OPEB and LAGERS			2,838,368	-
Ending Unassigned Fund Balance			\$455,268	(\$265,616)

(1) Unassigned fund balance is per February 2024 financial statements.

(2) Fund 095 was used to establish Finance and Administration as an Internal Service Fund in FY 2022-23.

Schedule 9
Internal Service Funds
Enterprise Resource Planning (ERP) Fund - Capital (096)
Comparison of Revenues, Expenditures and Change in Fund Balance

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual	Adopted	Estimated	Adopted
	Expenditures	Budget	Expenditures	Budget
Revenues				
Charges for Services	\$0	\$0	\$0	\$0
Miscellaneous	-	-	-	-
Intergovernmental	-	-	-	-
Investment Income	-	-	-	-
Other	-	-	-	-
Total All Other	\$0	\$0	\$0	\$0
Transfers In from Other Funds	-	-	-	1,681,668
Proceeds from capital lease	-	-	-	-
Total Revenues	\$0	\$0	\$0	\$1,681,668
Expenditures				
Salary & Benefits	\$0	\$0	\$0	\$0
Retiree Health Insurance	-	-	-	-
Operating Expenses	-	-	-	-
Equipment	-	-	-	-
Total Expenditures	\$0	\$0	\$0	\$0
Capital Improvements	-	-	-	-
Debt Service	-	-	-	-
Transfers Out	-	-	-	1,681,668
Total Expenditures	\$0	\$0	\$0	\$1,681,668
Excess Revenues Over (Under)				
Expenditures	\$0	\$0	\$0	\$0
Beginning Unassigned Fund Balance			-	-
Cancellation of Prior Year Encumbrances			-	-
Change in Other Fund Balance Components			-	-
GAAP Components - OPEB and LAGERS			-	-
Ending Unassigned Fund Balance			\$0	\$0

Schedule 10
Governmental Funds
Street Improvements Capital Fund (051)
Comparison of Revenues, Expenditures and Change in Fund Balance

	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Revenues				
Sales Tax	\$0	\$0	\$0	\$0
Use Tax	-	-	-	-
Intergovernmental Revenue	-	-	-	-
Investment Income	-	-	-	-
Other	-	-	-	-
Total All Other	\$0	\$0	\$0	\$0
Issuance of Debt	-	-	-	-
Transfers In from Street Sales Tax Fund (011)	-	-	-	10,745,086
Total Revenues	\$0	\$0	\$0	\$10,745,086
Expenditures				
Salary & Benefits	\$0	\$0	\$0	\$0
Retiree Health Insurance	-	-	-	-
Operating Expenses	-	-	-	-
Equipment	-	-	-	-
Total Expenditures	\$0	\$0	\$0	\$0
Capital Improvements	-	\$-	-	\$10,745,086
Debt Service	-	-	-	-
Transfers Out	-	-	-	-
Total Expenditures	\$0	\$0	\$0	\$10,745,086
Excess Revenues Over (Under)				
Expenditures	\$0	\$0	\$0	\$0
Beginning Unassigned Fund Balance			-	-
Cancellation of Prior Year Encumbrances			-	-
Change in Other Fund Balance Components			-	-
Year-End Investment Market Value Adjustment			-	-
Ending Unassigned Fund Balance			\$0	\$0

Schedule 7
Governmental Funds
Police Improvement Fund (052)
Comparison of Revenues, Expenditures and Change in Fund Balance

	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Revenues				
Sales Tax	\$0	\$0	\$0	\$0
Use Tax	-	-	-	-
Investment Income	-	-	-	-
Other	-	-	-	-
Total All Other	\$0	\$0	\$0	\$0
Transfers In from Other Funds	-	-	3,126,594	1,450,000
Total Revenues	\$0	\$0	\$3,126,594	\$1,450,000
Expenditures				
Salary & Benefits	-	-	-	-
Retiree Health Insurance	-	-	-	-
Operating Expenses	-	-	-	-
Equipment	-	-	-	-
Operating Expenditures	\$0	\$0	\$0	-
Capital Improvements	-	-	4,026,594	550,000
Debt Service	-	-	-	-
Transfers Out	-	-	-	-
Total Expenditures	\$0	\$0	\$4,026,594	\$550,000
Excess Revenues Over (Under)				
Expenditures	\$0	\$0	(\$900,000)	\$900,000
Beginning Unassigned Fund Balance			-	(900,000)
Cancellation of Prior Year Encumbrances			-	-
Change in Other Fund Balance Components			-	-
Year-End Investment Market Value Adjustment			-	-
Ending Unassigned Fund Balance			(900,000)	-
Other Fund Balance Components			-	
Restricted - Current Year Encumbrances			-	
Restricted - Prior Year Encumbrances			-	
Restricted - Operating Reserve			-	
Total Ending Fund Balance			(900,000)	

Schedule 10
Governmental Funds
Fire Capital Improvements Fund (053)
Comparison of Revenues, Expenditures and Change in Fund Balance

	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Revenues				
Sales Tax	\$0	\$0	\$0	\$0
Use Tax	-	-	-	-
Investment Income	-	-	-	-
Other	-	-	-	-
Total Revenues	\$0	\$0	\$0	\$0
Transfers In from Other Funds	-	-	-	5,450,000
Total Revenues	\$0	\$0	\$0	\$5,450,000
Expenditures				
Salary & Benefits	-	-	-	-
Retiree Health Insurance	-	-	-	-
Operating Expenses	-	-	-	-
Equipment	-	-	-	-
Operating Expenditures	\$0	\$0	\$0	\$0
Capital Improvements	-	-	-	5,450,000
Debt Service	-	-	-	-
Transfers Out	-	-	-	-
Total Expenditures	\$0	\$0	\$0	\$5,450,000
Excess Revenues Over (Under)				
Expenditures	\$0	\$0	\$0	\$0
Beginning Unassigned Fund Balance			-	-
Cancellation of Prior Year Encumbrances			-	-
Change in Other Fund Balance Components			-	-
Year-End Investment Market Value Adjustment			-	-
Ending Unassigned Fund Balance			-	-

Schedule 10
Governmental Funds
Buildings and Other Improvements Fund (057)
Comparison of Revenues, Expenditures and Change in Fund Balance

	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Revenues				
Sales Tax	\$0	\$0	\$0	\$0
Use Tax	-	-	-	-
Intergovernmental	-	-	-	-
Investment Income	-	-	-	-
Other	-	-	-	-
Total All Other	\$0	\$0	\$0	\$0
Other Financing Sources - leases	-			
Transfers In from Other Funds	-	-	-	260,000
Total Revenues	\$0	\$0	\$0	\$260,000
Expenditures				
Salary & Benefits	-	-	-	-
Retiree Health Insurance	-	-	-	-
Operating Expenses	-	-	-	-
Equipment	-	-	-	-
Operating Expenditures	\$0	\$0	\$0	\$0
Capital Improvements	-	-	-	260,000
Debt Service	-	-	-	-
Contingencies	-	-	-	-
Transfers Out	-	-	-	-
Total Expenditures	\$0	\$0	\$0	\$260,000
Excess Revenues Over (Under)				
Expenditures	\$0	\$0	\$0	\$0
Beginning Unassigned Fund Balance			-	-
Cancellation of Prior Year Encumbrances			-	-
Change in Other Fund Balance Components			-	-
Year-End Investment Market Value Adjustment			-	-
Ending Unassigned Fund Balance			-	-

Schedule 10
Governmental Funds
Storm Water Improv Capital Fund (058)
Comparison of Revenues, Expenditures and Change in Fund Balance

	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Revenues				
Sales Tax	\$0	\$0	\$0	\$0
Use Tax	-	-	-	-
Intergovernmental	-	-	-	-
Investment Income	-	-	-	-
Other	-	-	-	-
Total All Other	\$0	\$0	\$0	\$0
Other Financing Sources - leases	-			
Transfers In from Other Funds	-	-	16,155	7,583,017
Total Revenues	\$0	\$0	\$16,155	\$7,583,017
Expenditures				
Salary & Benefits	-	-	-	-
Retiree Health Insurance	-	-	-	-
Operating Expenses	-	-	-	-
Equipment	-	-	-	-
Operating Expenditures	\$0	\$0	\$0	\$0
Capital Improvements	-	-	-	7,583,017
Debt Service	-	-	-	-
Contingencies	-	-	-	-
Transfers Out	-	-	-	-
Total Expenditures	\$0	\$0	\$0	\$7,583,017
Excess Revenues Over (Under)				
Expenditures	\$0	\$0	\$16,155	\$0
Beginning Unassigned Fund Balance			-	16,155
Cancellation of Prior Year Encumbrances			-	-
Change in Other Fund Balance Components			-	-
Year-End Investment Market Value Adjustment			-	-
Ending Unassigned Fund Balance			16,155	16,155

(1) Unassigned fund balance is per February 2023 financial statements.

Schedule 10
Governmental Funds
Park Improvements Fund (059)
Comparison of Revenues, Expenditures and Change in Fund Balance

	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Revenues				
Transient Guest Tax	\$0	\$0	\$0	\$0
American Rescue Plan (ARP)	-	-	-	-
Charges for Services	-	-	-	-
Investment Income	-	-	-	-
Other	-	-	-	-
Total All Other	\$0	\$0	\$0	\$0
Transfers In from Other Funds	\$0	\$0	\$0	\$555,000
Total Revenues	\$0	\$0	\$0	\$555,000
Expenditures				
Salary & Benefits	-	-	-	-
Retiree Health Insurance	-	-	-	-
Operating Expenses	-	-	-	-
Equipment	-	-	-	-
Operating Expenditures	\$0	\$0	\$0	\$0
Capital Improvements	-	-	-	555,000.00
Debt Service	-	-	-	-
Transfers Out for Capital Improvements	-	-	-	-
Total Expenditures	\$0	\$0	\$0	\$555,000
Excess Revenues Over (Under)				
Expenditures	\$0	\$0	\$0	\$0
Beginning Unassigned Fund Balance			\$0	-
Cancellation of Prior Year Encumbrances			-	-
Change in Other Fund Balance Components			-	-
Year-End Investment Market Value Adjustment			-	-
Ending Unassigned Fund Balance			-	-
Other Fund Balance Components				
Restricted - Current Year Encumbrances			-	
Restricted - Prior Year Encumbrances			-	
Restricted - Operating Reserve			-	
Total Ending Fund Balance			-	

Schedule 10
Full-Time Equivalent Employees

Department	FY 2022-23 Adopted Budget	FY 2023-24 Adopted Budget	FY 2024-25 Adopted Budget
Community Services	143.31	156.33	146.61
Community Development	37.40	37.40	38.15
Health and Animal Services	31.60	34.64	35.08
Parks, Recreation, and Tourism	74.31	84.29	73.38
Internal Service Fund	52.53	52.05	50.31
Finance and Administration	18.63	17.00	14.82
Human Resources	8.00	8.00	10.00
Law	1.40	1.40	0.24
Communications	3.00	3.40	2.00
Technical Services	21.50	22.25	23.25
Municipal Services	154.33	150.83	238.40
Municipal Services	22.20	24.33	7.45
Central Garage	9.30	9.30	9.44
Sanitary Sewer	74.78	71.90	70.78
Street Maintenance	27.05	27.05	26.85
Stormwater	21.00	18.25	21.45
Water	0.00	0.00	102.43
Policy and Leadership	17.50	18.75	19.25
Office of the City Manager	6.50	7.75	10.25
Offices of the Mayor and City Council	11.00	11.00	9.00
Public Safety	537.17	545.67	547.25
Fire	198.50	204.00	201.00
Municipal Court	14.34	14.34	14.62
Police	324.33	327.33	331.63
Utilities	274.15	276.15	180.30
Power and Light	175.58	178.45	180.30
Water	98.57	97.70	0.00
Total Full-Time Equivalent	1,178.99	1,199.78	1,182.12

Notes:

FY2023-24 and FY2024-25 includes positions that are included in the hiring "chill" but that may be filled with City Manager approval.

Increase in Municipal Services is due to the merging of the Water Department.

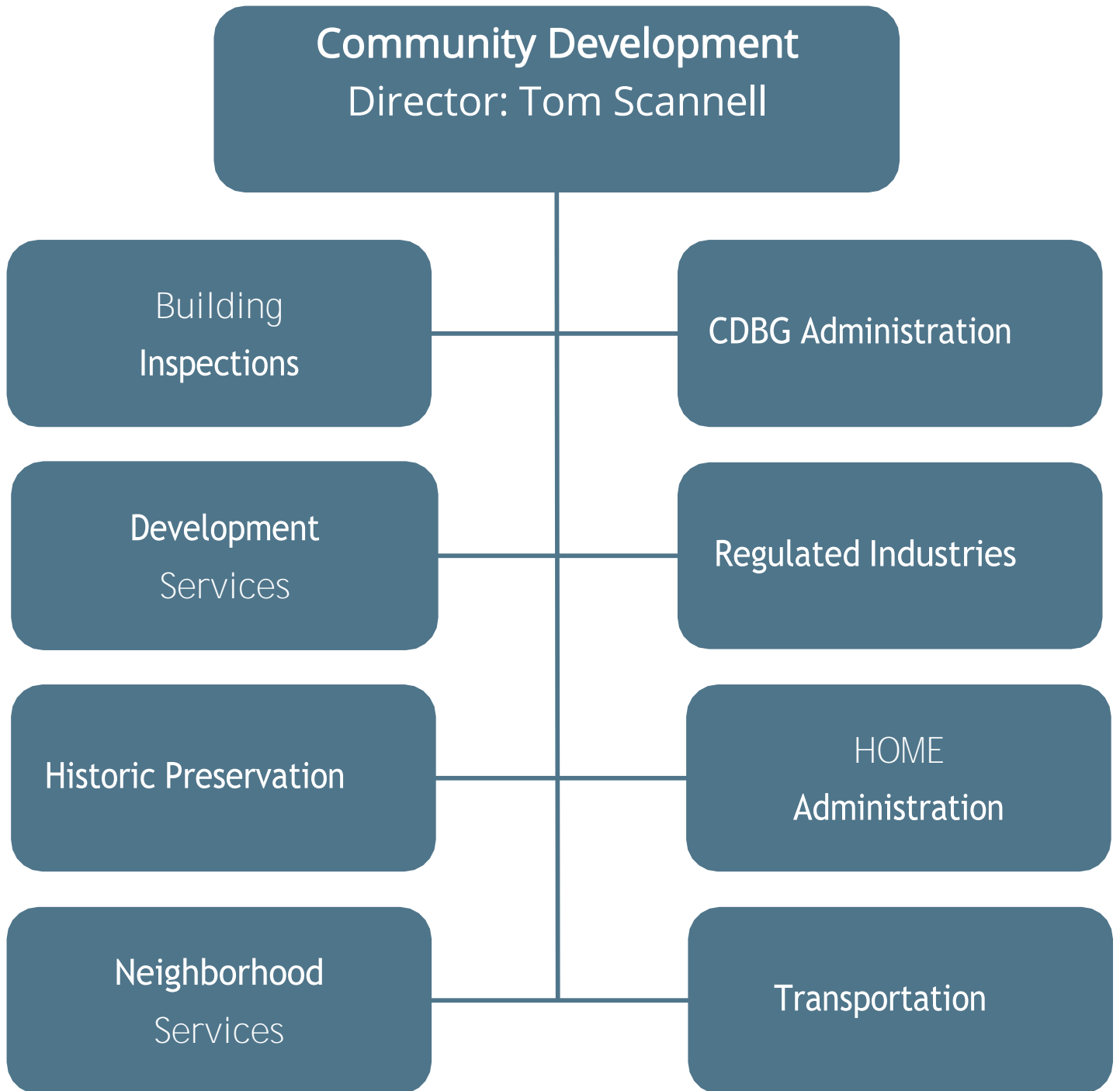
Schedule 10
Citywide Salary and Benefits Summary

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual	Adopted	Estimated	Adopted
	Expenditures	Budget	Expenditures	Budget
Personnel Expenditures - Citywide				
Salary and Employee Pays	\$78,254,978	\$83,013,379	\$82,587,671	\$85,675,435
Health and Dental Insurance	12,677,682	15,810,158	14,060,714	15,269,986
LAGERS	16,555,462	19,172,642	18,483,334	20,483,737
Other Employee Benefits	6,399,736	6,713,280	6,957,689	6,612,325
Overtime	5,227,833	4,269,800	6,497,833	4,593,650
Retiree Insurance	6,184,588	5,966,940	6,538,500	7,223,437
Workers Compensation	4,516,991	4,465,900	4,326,500	3,918,000
Total	\$129,817,268	\$139,412,099	\$139,452,242	\$143,776,571
Personnel Expenditures - General Fund				
Salary and Employee Pays	\$37,419,488	\$35,315,123	\$39,166,409	\$35,285,783
Health and Dental Insurance	6,624,462	7,996,169	7,125,701	7,720,576
LAGERS	8,197,278	9,078,728	7,092,594	9,589,055
Other Employee Benefits	3,097,768	3,190,532	3,308,939	3,053,975
Overtime	1,779,559	1,716,150	2,586,800	1,984,800
Retiree Insurance	3,549,049	3,405,903	3,894,600	4,286,700
Workers Compensation	2,596,370	2,550,000	2,440,000	2,475,000
Total	\$63,263,975	\$63,252,606	\$65,615,043	\$64,395,889
Personnel Expenditures - All Other Funds				
Salary and Employee Pays	\$40,835,489	\$47,698,256	\$43,421,262	\$50,389,652
Health and Dental Insurance	6,053,220	7,813,989	6,935,013	7,549,410
LAGERS	8,358,184	10,093,913	11,390,740	10,894,682
Other Employee Benefits	3,301,967	3,522,747	3,648,750	3,558,350
Overtime	3,448,274	2,553,650	3,911,033	2,608,850
Retiree Insurance	2,635,538	2,561,037	2,643,900	2,936,737
Workers Compensation	1,920,621	1,915,900	1,886,500	1,443,000
Total	\$66,553,294	\$76,159,493	\$73,837,199	\$79,380,682

Notes:

FY 2022-23 reflects General Fund vacancy savings and movement of Finance and Administration out of the General Fund.

FY 2023-24 reflects General Fund vacancy savings (incl. hiring chill) and movement of Communications out of the General Fund.



Community Development

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Department Programs				
Administration (0024401)	\$820,268	\$1,079,966	\$1,072,076	\$1,224,033
Neighborhood Services (0024411)	1,324,735	1,293,326	1,299,824	1,305,961
Development Services (0024412)	863,078	862,642	882,706	883,944
Transportation (0024414)	775,208	1,328,690	1,328,690	1,334,110
Historic Preservation (0024420)	34,672	120,030	122,641	131,028
Building Inspections (0024431)	795,931	940,035	968,637	982,305
Regulated Industries (0024460)	248,879	356,107	300,553	395,155
Grants (0154450,0154451)	305	1,510,774	1,597,147	835,000
CDB Grant (008)	823,520	850,703	982,011	845,000
HOME Grant (009)	326,480	542,266	523,323	2,181,405
Total	\$6,013,076	\$8,884,539	\$9,077,608	\$10,117,941
Department by Expenditure Category				
Salaries	\$2,058,412	\$2,146,527	\$2,207,300	\$2,240,920
Benefits	1,067,567	1,262,306	1,140,288	1,265,399
Retiree Health Insurance	119,688	117,000	142,000	155,000
Internal Services	558,998	796,221	796,221	939,350
Professional Services	1,468,465	3,970,702	4,199,899	4,927,322
Equipment	258,525	495,136	497,836	474,600
Other Operating Expenses	481,422	96,647	94,064	115,350
Total	\$6,013,076	\$8,884,539	\$9,077,608	\$10,117,941
Department by Fund				
General Fund (002)	\$4,862,771	\$5,980,795	\$5,975,126	\$6,256,536
Grant Fund (015)	305	1,510,774	1,597,147	835,000
CDB Grant (008)	823,520	850,703	982,011	845,000
HOME Grant (009)	326,480	542,266	523,323	2,181,405
Total	\$6,013,076	\$8,884,539	\$9,077,608	\$10,117,941
Full-Time Equivalent Employees				
General Fund (002)	35.70	35.80	35.80	36.05
Grant Fund (015)	0.00	0.00	0.00	0.00
CDB Grant (008)	1.35	1.30	1.30	1.55
HOME Grant (009)	0.35	0.30	0.30	0.55
Total	37.40	37.40	37.40	38.15

DEPARTMENT MISSION

The purpose of the Community Development Department is to enhance the quality of life in Independence by encouraging public involvement in the planning and creation of quality places in which to live, work, and play.

STRATEGIC PLAN CONNECTION

The Code Enforcement Division contributes to the City's strategic plan by improving customer service and communication with the public through our daily interactions. Code Enforcement is essential in combating blight through corridor sweeps, monitoring known blight areas, and by continuing to recognize and address code violations proactively.

The Development Services Division contributes to the City's strategic plan by updating necessary codes to help stabilize neighborhoods and help residents increase or maintain the value of their properties. In keeping with the Independence for All Strategic Plan, the division has ensured that land use policies provide residents with quality housing opportunities with safe and improved infrastructure. The Division has focused on Growth by supporting and guiding developers seeking to redevelop key corridors in the city with proactive planning and quality engineering. Through the short-term rental program and working with business owners, staff has worked to ensure quality guest facilities that attract visitors to our community. Finally, the division has worked to be Customer-Focused by developing positive working relationships with developers and landowners to improve communication and clarity by guiding applicants through the development process, assist them in navigating the City's codes, specifications, and permit process and provides interdepartmental communication with the applicant.

The Historic Preservation Division strives to provide excellent customer service via assistance from preservation staff in-person, on-site, online, and in prompt responses to email and phone requests for information. The Historic Preservation goals outlined in the Preservation Master Plan promotes growth and improves the quality of life for residents and business owners within our city's historic districts and throughout the historic built environment.

In trying to align with the City's strategic plan, the Building Inspections Division of Community Development has worked even further towards revamping and streamlining our online/electronic permitting efforts. We currently have all permitting available online and/or able to be electronically submitted. This has drastically improved our customer service capabilities. We also have the Vacant Structure program 100% up and running now (completing the Cityworks implementation was our last step), and the program is operating well.

The Regulated Industries Division contributes to the City's Strategic Plan goal to improve customer service by putting the right staff in place to provide our service and by updating applications and other documentation to be more clear and to improve the customer experience. The division also contributes to the increase economic prosperity of the community by removing or reducing as many barriers as possible between the business owner and the city services they need to succeed.

Community Development Administration

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salaries	\$151,035	\$174,684	\$205,700	\$255,288
Benefits	138,336	151,711	88,850	107,435
Retiree Health Insurance	119,688	117,000	142,000	155,000
Internal Services	400,096	624,971	624,971	688,610
Professional Services	4,088	-	2,000	-
Equipment	2,754	3,100	3,100	-
Other Operating Expenses	4,271	8,500	5,455	17,700
Total	\$820,268	\$1,079,966	\$1,072,076	\$1,224,033
Program by Fund				
General Fund (002-4401)	\$820,268	\$1,079,966	\$1,072,076	\$1,224,033
Total Full Time Equivalent Positions				
General Fund (002-4401)	1.55	1.50	1.50	2.00

PROGRAM MISSION

The mission of Community Development Administration is to lead and direct development policy for the City so that safe, livable and sustainable environments are created and maintained.

Community Development Neighborhood Services

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$617,798	\$640,371	\$639,000	\$612,850
Benefits	282,748	305,581	313,900	312,871
Retiree Health Insurance	-	-	-	-
Internal Services	64,186	69,374	69,374	105,640
Professional Services	281,982	250,000	250,000	250,000
Equipment	6,713	3,400	3,400	-
Other Operating Expenses	71,308	24,600	24,150	24,600
Total	\$1,324,735	\$1,293,326	\$1,299,824	\$1,305,961

Program by Fund

General Fund (002-4411)	\$1,324,735	\$1,293,326	\$1,299,824	\$1,305,961
-------------------------	-------------	-------------	-------------	-------------

Total Full Time Equivalent Positions

General Fund (002-4411)	11.05	10.30	10.30	10.05
-------------------------	-------	-------	-------	-------

MISSION

The Neighborhood Services Division strives for partnerships with citizens and businesses to promote and maintain a safe, healthy, and desirable living and working environment through the administration of the Property Maintenance, zoning, and right-of-way codes.

ACCOMPLISHMENTS

Completed Pitcher Neighborhood Improvement Initiative (neighborhood sweep).

Proactive Enforcement on Used Car uses in light of the recent UDO changes.

Assisted Tech Services in making modifications to CityWorks for better case management, which will improve large scale code enforcement initiatives and reporting.

Community Development Development Services

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$543,527	\$513,275	\$561,000	\$516,545
Benefits	230,096	269,761	241,500	271,449
Retiree Health Insurance	-	-	-	-
Internal Services	25,218	26,156	26,156	45,100
Professional Services	13,866	6,000	6,000	6,000
Equipment	22,928	26,450	26,450	19,850
Other Operating Expenses	27,443	21,000	21,600	25,000
Total	\$863,078	\$862,642	\$882,706	\$883,944
Program by Fund				
General Fund (002-4412)	\$863,078	\$862,642	\$882,706	\$883,944
Total Full Time Equivalent Positions				
General Fund (002-4412)	8.85	8.00	8.00	8.00

MISSION

The mission of the Development Services Division is to apply City standards, Ordinances, and the Comprehensive Plan to ensure an attractive, safe, and functionally built environment that maintains the vision, values, and priorities of the community.

ACCOMPLISHMENTS

Development Services completed updates to the UDO on Adult Businesses which updates operational provisions and requires a special use permit for new adult business projects.

UDO amendment updates also included Vehicle Sales, Repair, Gas Sales, and Car Washes to address concerns about these uses congregating along commercial corridors having potential impacts on land use conflicts and altering the character of those corridors.

Amendments to our Multi-Family UDO were also accomplished that provided clear and consistent specifications for those wishing to develop multi-unit, multiplex, and mixed-use residential projects. The amendment also included more consistent parking regulations for larger density developments.

The process for Historical Conservation Overlays was streamlined to reduce redundancies for applicants seeking Conservation, Historic, or Historic Landmark Overlays.

Updates to our Donation Bin Code were made to clarify and better define enforcement and abatement actions for those not in compliance.

A UDO amendment for our Short-Term Loan services code to include consumer installment loan providers. Several major development projects – the first phase of the Northpoint Industrial Development site, the Cargo Largo commercial building, and the housing development New Town at Harmony Phase 1A, 2, and 3 – completed infrastructure.

Community Development Transportation

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$0	\$0	\$0	\$0
Benefits	-	-	-	-
Retiree Health Insurance	-	-	-	-
Internal Services	6,358	7,490	7,490	11,610
Professional Services	771,475	1,313,000	1,313,000	1,313,000
Equipment	-	-	-	-
Other Operating Expenses	(2,625)	8,200	8,200	9,500
Total	\$775,208	\$1,328,690	\$1,328,690	\$1,334,110

Program by Fund

General Fund (002-4414)	\$775,208	\$1,328,690	\$1,328,690	\$1,334,110
-------------------------	-----------	-------------	-------------	-------------

Total Full Time Equivalent Positions

General Fund (002-4414)	0.00	0.00	0.00	0.00
-------------------------	------	------	------	------

MISSION

The purpose of the Transportation function is to provide a rider-focused transit system that provides access to employment, health, educational and social destinations through a fixed route system and paratransit program.

Community Development Historic Preservation

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$16,722	\$59,681	\$64,000	\$70,397
Benefits	11,335	49,308	47,600	47,741
Retiree Health Insurance	-	-	-	-
Internal Services	324	441	441	1,790
Professional Services	-	4,500	4,500	4,500
Equipment	1,438	1,100	1,100	-
Other Operating Expenses	4,853	5,000	5,000	6,600
Total	\$34,672	\$120,030	\$122,641	\$131,028

Program by Fund

General Fund (002-4420)	\$34,672	\$120,030	\$122,641	\$131,028
-------------------------	----------	-----------	-----------	-----------

Total Full Time Equivalent Positions

General Fund (002-4420)	0.25	1.00	1.00	1.00
-------------------------	------	------	------	------

MISSION

The Historic Preservation Division assists in cultivating diverse and sustainable places by encouraging community-wide preservation of our irreplaceable, historic built and natural environments through proactive preservation planning, public engagement, and reinvestment in traditional building stock.

ACCOMPLISHMENTS

Continued public outreach/education with free architectural walking tours in September, October, and November 2023.

Hosted a series of in-person events celebrating National Historic Preservation Month, May 2024.

Updated/re-structured the preservation webpage as part of the city's new website launch.

Continued and expanded a social media presence to promote historic preservation city-wide.

Commenced a grant project to create construction documents for the Vaile Mansion.

Initiated a grant project to update the city's preservation design guidelines.

Community Development

Building Inspections

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$468,555	\$446,421	\$498,000	\$465,254
Benefits	252,603	303,377	280,400	307,431
Retiree Health Insurance	-	-	-	-
Internal Services	44,414	45,937	45,937	62,320
Professional Services	-	128,800	128,800	128,800
Equipment	2,151	2,000	2,000	-
Other Operating Expenses	28,208	13,500	13,500	18,500
Total	\$795,931	\$940,035	\$968,637	\$982,305

Program by Fund

General Fund (002-4431)	\$795,931	\$940,035	\$968,637	\$982,305
-------------------------	-----------	-----------	-----------	-----------

Total Full Time Equivalent Positions

General Fund (002-4431)	10.00	10.00	10.00	10.00
-------------------------	-------	-------	-------	-------

MISSION

The Building Inspections Division enhances the quality of life in Independence by ensuring that buildings are constructed, utilized, and maintained in a manner that reduces the risk to public health, while ensuring the safety, welfare, and trust of citizens, business owners, and visitors in all elements of construction throughout the City.

ACCOMPLISHMENTS

Continued to utilize ARPA funds in the demolition of dangerous building resulting in more dangerous/blighted structures being demolished.

Continued enforcement of the Vacant Structure program. Staff has identified hundreds of vacant properties and are succeeding in registration efforts as well and in many cases these properties have been made viable again.

Building Inspection is finally at full staff, which is helping in our customer service efforts and aiding our citizens and contractors.

Community Development Regulated Industries

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$120,262	\$172,616	\$122,500	\$193,683
Benefits	93,945	126,638	96,200	145,792
Retiree Health Insurance	-	-	-	-
Internal Services	18,401	21,853	21,853	24,280
Professional Services	-	25,000	50,000	25,000
Equipment	2,430	3,600	3,600	-
Other Operating Expenses	13,840	6,400	6,400	6,400
Total	\$248,879	\$356,107	\$300,553	\$395,155

Program by Fund

General Fund (002-4460)	\$248,879	\$356,107	\$300,553	\$395,155
-------------------------	------------------	------------------	------------------	------------------

Total Full Time Equivalent Positions

General Fund (002-4460)	4.00	5.00	5.00	5.00
-------------------------	------	------	------	------

MISSION

The purpose of Regulated Industries is to issue licenses and permits to businesses and to inspect said businesses for compliance with City ordinances so that safe, healthy and livable environments are maintained.

ACCOMPLISHMENTS

Continual effort on enforcement of business license regulations with higher focus on follow through of enforcement process.

Implemented process with Utilities and Rental Ready Program to locate unlicensed landlords.

Executed plan with Neighborhood Services to review auto use locations and enforce recent ordinance changes.

Worked with Finance to update businesses and Cityworks mapping for Benefit District purposes to ensure all businesses are reporting correctly for state and city sales tax.

Community Development Grants

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$0	\$0	\$0	\$0
Benefits	-	3,833	-	-
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	-
Professional Services	-	1,504,545	1,594,751	835,000
Equipment	-	-	-	-
Other Operating Expenses	305	2,397	2,397	-
Total	\$305	\$1,510,774	\$1,597,147	\$835,000
Program by Fund				
Grant Fund (015-4450, 4451)	\$305	\$1,510,774	\$1,597,147	\$835,000
Total Full Time Equivalent Positions				
Grant Fund (015-4450, 4451)	0.00	0.00	0.00	0.00

Community Development

Community Development Block Grant (CBDG)

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$108,515	\$97,611	\$93,800	\$95,004
Benefits	44,899	39,447	59,563	59,147
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	-
Professional Services	337,008	708,595	820,586	685,799
Equipment	-	-	2,700	-
Other Operating Expenses	333,099	5,050	5,362	5,050
Total	\$823,520	\$850,703	\$982,011	\$845,000
Program by Fund				
Community Development Block Grant (008)	\$823,520	\$850,703	\$982,011	\$845,000
Total Full Time Equivalent Positions				
Community Development Block Grant (008)	1.30	1.35	1.35	1.30

MISSION

The mission of the Community Development Block Grant (CDBG) Program is to improve the quality of life of low- and moderate-income residents living in Independence by providing for the availability, affordability, and sustainability of suitable living environments, decent housing, and economic opportunities.

Community Development HOME Grant

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$31,997	\$41,868	\$23,300	\$31,899
Benefits	13,605	12,650	12,275	13,533
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	-
Professional Services	60,047	30,262	30,262	1,679,223
Equipment	220,111	455,486	455,486	454,750
Other Operating Expenses	719	2,000	2,000	2,000
Total	\$326,480	\$542,266	\$523,323	\$2,181,405

Program by Fund

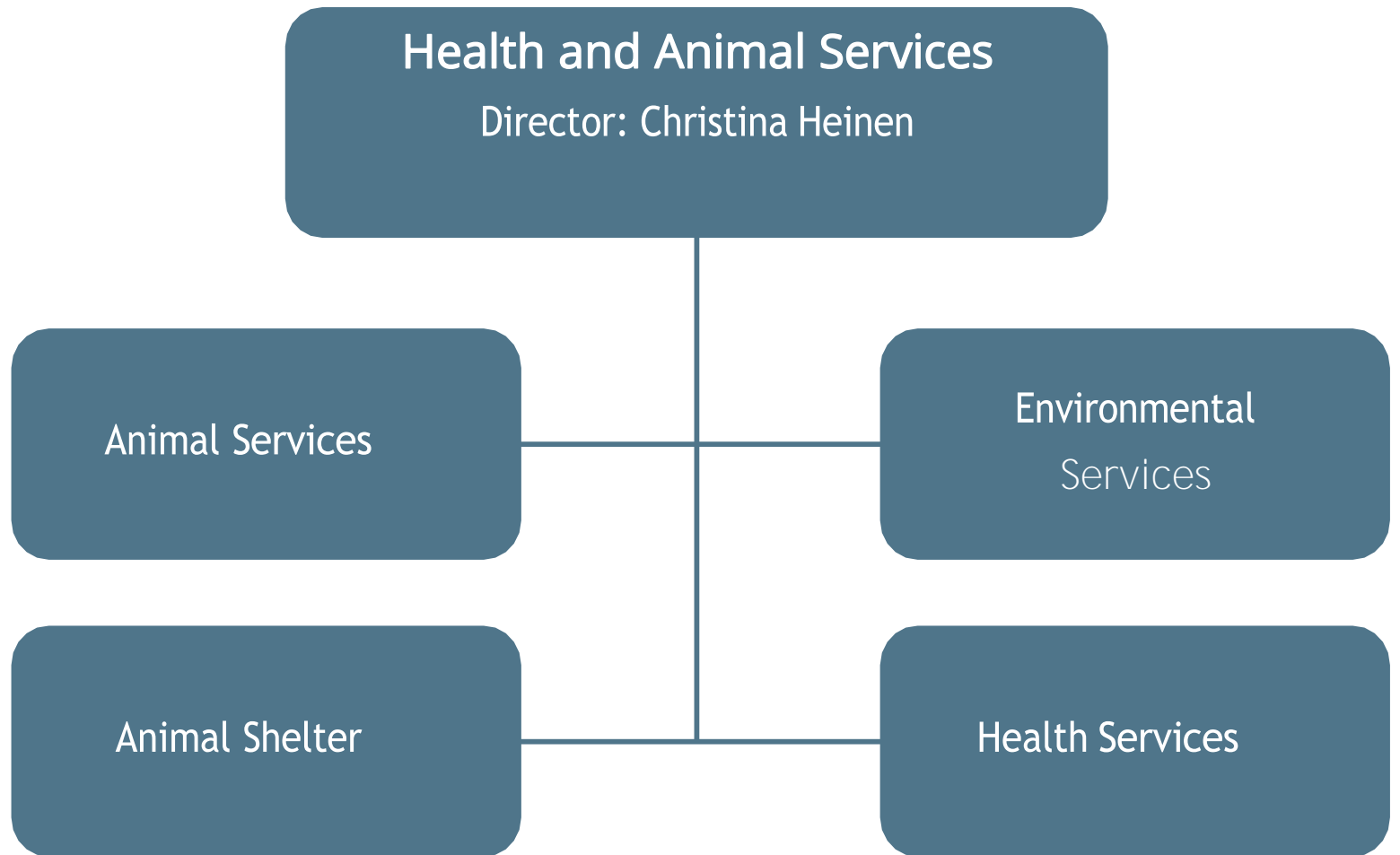
HOME Fund (009)	\$326,480	\$542,266	\$523,323	\$2,181,405
-----------------	-----------	-----------	-----------	-------------

Total Full Time Equivalent Positions

HOME Fund (009)	0.35	0.30	0.30	0.55
-----------------	------	------	------	------

MISSION

The purpose of the HOME Investment Partnerships Program is to improve the quality of life in Independence by addressing the unmet housing needs of very low, low, and moderate income persons.



Health and Animal Services

Department Programs	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Animal Services				
Animal Services (4705,4520)	\$970,636	\$997,849	\$1,047,651	\$1,053,441
Animal Shelter (010)	679,131	886,000	649,750	933,324
Total	\$1,649,767	\$1,883,849	\$1,697,401	\$1,986,765
Health Department				
Environmental Services (005-4746)	365,571	516,747	559,914	480,758
Health Services (4745,4755)	907,460	1,779,047	1,192,531	836,555
Total	\$1,273,031	\$2,295,793	\$1,752,444	\$1,317,313
Department Total	\$2,922,798	\$4,179,642	\$3,449,845	\$3,304,078
Department by Expenditure Category				
Salaries	\$1,641,438	\$2,271,202	\$1,781,260	\$1,673,748
Benefits	608,588	750,731	742,230	708,352
Retiree Health Insurance	66,638	61,000	62,300	73,000
Internal Services	133,899	519,390	529,690	454,710
Professional Services	137,536	234,814	115,587	107,000
Equipment	22,974	17,156	75,416	6,885
Other Operating Expenses	310,898	325,350	143,363	280,383
Other Operating Expenses	827	0	0	0
Total	\$2,922,798	\$4,179,642	\$3,449,845	\$3,304,078
Department by Fund				
Property Tax Levy (005)	1,605,679	1,803,520	1,841,911	1,719,369
Animal Shelter Fund-Use Tax (010)	679,131	886,000	649,750	933,324
Health Services Grants (015)	637,988	1,490,122	958,183	651,385
Total	\$2,922,798	\$4,179,642	\$3,449,845	\$3,304,078
Full-Time Equivalent Employees				
Property Tax Levy (005)	12.90	10.38	10.38	11.00
Animal Shelter Fund-Use Tax (010)	14.00	14.28	14.28	12.63
Health Services Grants (015)	4.70	9.98	9.98	11.45
Total	31.60	34.64	34.64	35.08

DEPARTMENT MISSION

Our mission is to protect and promote health and safety and prevent disease and injury for the residents and visitors in our community through a variety of programs and services.

SIGNIFICANT OPERATIONAL CHANGES

Joined Spay/Neuter Collaborative to increase access to spay/neuter services in our community

Registered with Medicare, Medicaid, and VFC/VFA programs to improve vaccine access

Began sharing a staff member with Emergency Preparedness for coordination with MRC

Re-started the Social Services Summit to improve collaboration among Independence agencies

Began distribution of Narcan and condoms to combat opioid epidemic and increase in STIs

STRATEGIC PLAN CONNECTION

Engaged Community:

Communicate more effectively internally and externally. Continue to enhance the City's primary public information tools: City 7, website, newsletters, social media.

Improve Emergency Preparedness Programs.

Strengthen Community Services Networks.

Maintain Status as a No-Kill Animal Shelter.

Enhance the Mental Health Co-Responder and ARCH Programs.

A Financially-Sustainable Organization:

Identify Permanent Facility Solution for Animal Shelter.

Identify and Capture Additional Funding to Stabilize the Health Department.

Health and Animal Services

Animal Services

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salaries	\$387,997	\$315,217	\$400,400	\$435,509
Benefits	195,456	148,240	222,800	232,860
Retiree Health Insurance	-	-	-	-
Internal Services	84,044	232,798	230,698	234,000
Professional Services	129,650	107,000	107,000	-
Equipment	-	6,885	6,885	6,885
Other Operating Expenses	173,490	187,710	79,868	144,187
Total	\$970,636	\$997,849	\$1,047,651	\$1,053,441
Program by Fund				
Health Property Tax Levy (005-4705)	\$970,636	\$997,849	\$1,047,651	\$1,053,441
Total Full Time Equivalent Positions	7.10	5.58	5.58	6.55

PROGRAM MISSION

Our mission is to protect the safety and welfare of people and animals in our community by promoting an environment of responsible pet ownership. Basic animal services, such as animal control, are provided through funding from the Health and Recreation levy and fees for services.

ACCOMPLISHMENTS

Staff responded to 4,807 animal control calls in 2023.

Health and Animal Services

Animal Shelter Use Tax

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$491,910	\$633,995	\$462,200	\$516,734
Benefits	179,707	249,950	184,200	224,867
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	-
Professional Services	2,207	-	-	107,000
Equipment	960	-	-	-
Other Operating Expenses	4,347	2,055	3,350	84,723
Total	\$679,131	\$886,000	\$649,750	\$933,324
Program by Fund				
Animal Shelter Use Tax (010-4710)	\$679,131	\$886,000	\$649,750	\$933,324
Total Full Time Equivalent Positions	14.00	14.28	14.28	12.63

MISSION

Our mission is to protect the safety and welfare of people and animals in our community by promoting an environment of responsible pet ownership. This cost center provides for the operations of the regional animal shelter through funding from the Proposition P use tax.

ACCOMPLISHMENTS

Staff neutered/spayed 357 community cats as part of our TNR program.

Staff continued operation of the shelter as "no-kill" with a live release rate of 95.1%.

Staff increased Facebook followers from 8,823 to 10,240.

Health and Animal Services Environmental Services

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$234,167	\$276,317	\$306,300	\$273,667
Benefits	79,333	94,606	101,600	95,176
Retiree Health Insurance	-	-	-	-
Internal Services	24,855	136,074	148,474	108,540
Professional Services	-	-	-	-
Equipment	-	-	-	-
Other Operating Expenses	27,216	9,750	3,540	3,375
Total	\$234,167	\$276,317	\$306,300	\$273,667
Program by Fund				
Health Property Tax Levy (005-4746)	\$365,571	\$516,747	\$559,914	\$480,758
Grant Fund (015-4753)	-	-	-	-
Total	\$300,709	\$370,551	\$300,578	\$516,747
Total Full Time Equivalent Positions	4.30	3.80	3.80	4.45

MISSION

Our mission is to promote general health and well-being as well as foster healthy and safe communities. Our specialists strive to incorporate not just policies but practices to reduce hazardous environments in our community.

ACCOMPLISHMENTS

Staff conducted 1,088 health inspections of permitted establishments in our city, including restaurants, lodging, and childcare centers.

Health and Animal Services

Health Services

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$527,363	\$1,045,673	\$612,360	\$447,838
Benefits	154,092	257,936	233,630	155,449
Retiree Health Insurance	66,638	61,000	62,300	73,000
Internal Services	25,000	150,519	150,519	112,170
Professional Services	5,679	127,814	8,587	-
Equipment	22,014	10,271	68,531	-
Other Operating Expenses	105,846	125,835	56,605	48,098
Debt	827	-	-	-
Total	\$907,460	\$1,779,047	\$1,192,531	\$836,555

Program by Fund

Health Property Tax Levy (005-4745)	\$269,471	\$288,925	\$234,347	\$185,170
Grant Fund (015-4750, 4755)	637,988	1,490,122	958,183	651,385
Total	\$907,460	\$1,779,047	\$1,192,531	\$836,555

Total Full Time Equivalent Positions

Health Property Tax Levy (005-4745)	1.50	1.00	1.00	0.00
Grant Fund (015-4750, 4755)	4.70	9.98	9.98	11.45
Total	6.20	10.98	10.98	11.45

MISSION

Our mission is to protect the health, safety, and welfare of our community through the use of disease surveillance systems, community education, and maintaining partnerships in our community.

ACCOMPLISHMENTS

Staff administered over 130 COVID vaccine doses to the public at no charge.

Staff handled 1,364 non-COVID communicable disease cases.

ARCH released/cancelled 703 emergency units from incidents.

SIGNIFICANT BUDGET CHANGES

Continued to add grants to support Health operations.



Parks, Recreation, and Tourism

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Department Programs	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Parks Administration (0076071)	\$1,467,295	\$916,115	\$953,484	\$1,696,731
Parks & Grounds Maintenance (0076073)	492,250	-	-	-
Cemetery Maintenance (0076074)	174,546	286,793	193,894	218,026
George Owens Nature Park (0076078)	319,317	380,942	354,175	-
George Owens Nature Park (0126040)	-	-	-	94,430
Park Facilities Maint.& Sec. (0126041)	1,256,955	2,016,714	2,033,862	1,401,072
Truman Memorial Building (0126042)	412,065	490,100	429,935	-
Palmer Senior Adult Center (0126043)	383,718	517,655	488,812	510,006
Programs and Events (0126044)	73,187	188,056	95,597	1,163,743
Adventure Oasis Water Park (0126045)	978,296	1,137,206	1,039,780	496,192
Uptown Market (0126047)	117,798	158,172	107,534	35,365
Sermon Center (0126048)	552,057	644,526	533,008	205,455
Athletic Fields and Courts (0126046)	665,848	768,707	596,670	628,756
Parks & Grounds Maint - PST (0046049)	511,855	1,019,683	974,807	1,459,532
Tourism Marketing & Promotions (0046061)	396,685	1,027,817	1,036,293	635,740
Museum Operations (0046062)	533,812	551,209	424,300	750,301
Historic Sites (0046063)	462,685	498,910	764,523	562,514
Tourism Sales & Services (0046064)	181,384	265,329	445,478	116,971
Right of Way Maintenance (0026014)	212,419	231,407	232,219	204,310
Facilities Management (0026015)	-	1,247,586	1,313,769	1,354,488
Grants	97,776	82,434	100,534	26,728
Capital Projects	596,870	600,000	-	555,000
Debt Service	-	-	-	-
Transfer Out	-	-	-	-
Total	\$9,886,822	\$13,029,360	\$12,118,673	\$12,115,360

Department by Expenditure Category

Salaries	\$3,354,188	\$3,738,653	\$3,985,426	\$4,027,549
Benefits	1,446,832	2,092,287	1,817,194	1,907,347
Retiree Health Insurance	131,876	100,000	125,600	149,500
Internal Services	1,027,380	1,619,847	1,612,083	1,530,330
Professional Services	1,082,413	1,275,610	1,283,602	944,715
Equipment	263,243	1,037,732	575,978	227,000
Other Operating Expenses	1,984,019	2,565,231	2,718,790	2,773,918
Total - Operations & Maintenance	\$9,289,951	\$12,429,360	\$12,118,673	\$11,560,360
Capital Improvements	596,870	600,000	-	555,000
Transfer Out	-	-	-	-
Debt	-	-	-	-
Total - All Expenditures	\$9,886,822	\$13,029,360	\$12,118,673	\$12,115,360

Department by Fund

General Fund (002)	\$212,419	\$1,478,993	\$1,545,988	\$1,558,798
Parks Health & Rec Levy Fund (007)	2,494,812	1,583,850	1,501,553	1,914,757
Parks Improvement Sales Tax Fund (012)	5,491,502	7,140,818	6,300,004	5,994,551
Tourism Fund (004)	1,590,312	2,743,265	2,670,594	2,065,526
Grants Fund (015)	97,776	82,434	100,534	26,728
Parks Improvement Fund (059)	-	-	-	555,000
Total	\$9,886,822	\$13,029,360	\$12,118,673	\$12,115,360

Full-Time Equivalent Employees*

General Fund (002)	3.00	13.13	13.13	13.13
Parks Health & Rec Levy Fund (007)	14.40	9.24	9.24	7.00
Parks Improvement Sales Tax Fund (012)	40.16	43.26	43.26	48.85
Tourism Fund (004)	14.75	18.66	18.66	4.40
Grants Fund (015)	0.00	0.00	0.00	0.00
Total	72.31	84.29	84.29	73.38

DEPARTMENT MISSION

The mission of Parks, Recreation and Tourism is to provide quality leisure, recreational, and educational opportunities for visitors to and residents of Independence.

SIGNIFICANT OPERATIONAL CHANGES

Shifting focus of recreation programming from location-based to category-based: Adult Programs, Youth Programs, Family Programs, Arts & Culture, and Special Events.

Focus on streamlining organization in anticipation of the passage of the GO Bond and construction of a new community center.

Streamlining schedule of fees.

Centralizing citywide facilities oversight from Municipal Services to PRT.

Centralizing citywide grounds maintenance and mowing oversight from individual departments to PRT.

Shifting the cost of Park Patrol to the Police Department.

Transferring all staff out of Fund 004 (except Communications) in anticipation of Tourism being split from PRT.

Reduction in force of 8.7 positions (10.3% of staff) from the FY25 budget.

ACTION PLAN CONNECTION

An Engaged Community

Partnered with ISD, Truman Library, NPS Truman Visitor Center, CSL, and Noland RD CID on initiatives to improve the community

An Innovative Economy

Long-term strategy to add attractions for increased tourism; 2024 Visitor Guide; Wayfinding Signage project; Tourism Study

A Safe, Welcoming Community

Homeless feeding permits in parks; The Neck monument project; Juneteenth event

A Well-Planned City

Community Center & Recreation Services Study; Truman Depot RFP; centralized trash, mowing services and custodial contracts; completed Vaile, Bingham & MO Model RR Museum facility repairs; completed AO operations analysis; Cable Dahmer Arena upgrades

A Financially Sustainable Organization

Ongoing review of operations to reduce costs, increase revenue and downsize properties

A High Performance Organization

Recreation Programming and Staffing Improvements

Parks, Recreation, and Tourism Administration

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Program by Expenditure Category				
Salaries	\$340,956	\$198,494	\$198,600	\$391,164
Benefits	293,726	230,861	230,900	360,707
Retiree Health Insurance	104,556	70,000	94,000	115,000
Internal Services	619,000	332,000	332,000	754,180
Professional Services	29,094	32,000	30,000	32,000
Equipment	9,992	-	1,825	-
Other Operating Expenses	69,971	52,760	66,159	43,680
Total	\$1,467,295	\$916,115	\$953,484	\$1,696,731
Program by Fund				
Parks Levy Fund (007-6071)	\$1,467,295	\$916,115	\$953,484	\$1,696,731
Total Full Time Equivalent Positions	4.00	2.84	2.84	5.00

MISSION

Administration oversees the various divisions within the department to promote the City as a quality place to visit and reside by providing quality historic sites, parks, recreation facilities, tour packages, and various types of programs and events.

ACCOMPLISHMENTS

Began Community Center & Recreation Services Study to streamline services with anticipation of the potential GO Bond and a possible new community center. Assessment expected completion date is September 2024.

Began Tourism Wayfinding Signage Plan

Updated contracts with partner groups and organizations

Amended City Code to enable Police to remove homeless individuals from Park Property

Collaborated with Health & Animal Services Dept and Technology Services to create a permit to regulate free food distribution on park property

Oversight of Cable Dahmer Arena projects to include emergency compressor repairs, storm water repairs, new seating, electronic signage, sound system & suite access controls

Implemented new Procurement Policy for the Events Center CID

SIGNIFICANT BUDGET CHANGES

Internal Services charges are split between 0076071 & 0126041 in order to balance funds

Parks, Recreation, and Tourism

Park Maintenance Administration

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$249,711	\$0	\$0	\$0
Benefits	91,322	-	-	-
Retiree Health Insurance	-	-	-	-
Internal Services	85,376	-	-	-
Professional Services	7,490	-	-	-
Equipment	-	-	-	-
Other Operating Expenses	58,351	-	-	-
Total	\$492,250	\$0	\$0	\$0
Program by Fund				
Parks Levy Fund (007-6072)	\$492,250	\$0	\$0	\$0
Total Full Time Equivalent Positions	5.00	0.00	0.00	0.00

MISSION

The Turf and Facilities Division is responsible for daily park maintenance operations including the cleaning and maintenance of picnic shelters and park restroom facilities, athletic fields and landscape bed maintenance, snow removal, and mowing and trimming in all City parks and recreation facilities.

SIGNIFICANT BUDGET CHANGES

Consolidated with Parks & Grounds Maintenance (6049) in FY 2024-25.

Parks, Recreation, and Tourism

Cemetery Maintenance

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$88,552	\$93,724	\$89,200	\$87,189
Benefits	49,556	59,259	50,300	49,187
Retiree Health Insurance	-	-	-	-
Internal Services	10,422	6,100	5,000	13,000
Professional Services	-	500	250	500
Equipment	-	105,000	26,850	40,000
Other Operating Expenses	26,015	22,210	22,294	28,150
Total	\$174,546	\$286,793	\$193,894	\$218,026
Program by Fund				
Parks Levy Fund (007-6074)	\$174,546	\$286,793	\$193,894	\$218,026
Total Full Time Equivalent Positions	2.00	2.00	2.00	2.00

MISSION

The Cemetery Maintenance Division is responsible for daily maintenance operations at Woodlawn Cemetery, including: routine turf and landscape maintenance, coordinating final arrangement needs and internments, and providing accurate facility records for public viewing.

ACCOMPLISHMENTS

Coordinated with Municipal Services to overlay 75% of streets in Woodlawn Cemetery
 Purchased new trailer for Cemetery operations
 Increased community participation in the national Wreaths Across America Event
 Installed new curbs around cemetery office with assistance from Municipal Services

SIGNIFICANT BUDGET CHANGES

No significant budget changes

Parks, Recreation, and Tourism

George Owens Nature Park

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$177,139	\$188,158	\$191,200	\$0
Benefits	57,660	95,527	82,700	-
Retiree Health Insurance	-	-	-	-
Internal Services	8,184	1,200	1,250	-
Professional Services	8,780	13,100	11,000	-
Equipment	1,044	26,607	1,607	-
Other Operating Expenses	66,510	56,350	66,418	-
Total	\$319,317	\$380,942	\$354,175	\$0
Program by Fund				
Parks Levy Fund (007-6078)	\$319,317	\$380,942	\$354,175	\$0
Total Full Time Equivalent Positions	3.40	4.40	4.40	0.00

MISSION

George Owens Nature Park strives to promote, educate and encourage a love and curiosity of nature with all individuals, families, and organizations by creating a welcoming and safe environment to explore nature. This will be accomplished through a variety of group and self-learning exploration activities throughout the park and the City of Independence community to support our natural environment for future generations.

ACCOMPLISHMENTS

- Fishing dock repaired and installed in a new location on Lake Lorraine
- Completed interior improvements to Lodge and updated taxidermy displays
- Created new trail heads for Butterfly and Wapiti Trails and widened portions of PawPaw Trail for more efficient maintenance
- Coordinated with Boy Scouts and Eagle Scouts to complete 7 projects (636 volunteer hours) to clear invasive growth in preparation for prescribed burn in winter 2024/2025
- Awarded MO Dept of Conservation grant to remove 2 acres of invasive Honeysuckle and stabilize lake areas
- Created and implemented new Fur Trader booth at Main Street 1849 with card game, native mammal furs and history of MO mammal

SIGNIFICANT BUDGET CHANGES

- Transferring 4.4 FTE to 0126044 and 0126049 in Park Improvement Sales Tax Fund
- Transferring expenditures to 0126040 and 0126044 in Park Improvement Sales Tax Fund

Parks, Recreation, and Tourism

George Owens Nature Park

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$0	\$0	\$0	\$0
Benefits	-	-	-	-
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	12,550
Professional Services	-	-	-	-
Equipment	-	-	-	25,000
Other Operating Expenses	-	-	-	56,880
Total	\$0	\$0	\$0	\$94,430
Program by Fund				
Parks Levy Fund (012-6040)	\$0	\$0	\$0	\$94,430
Total Full Time Equivalent Positions	0.00	0.00	0.00	0.00

MISSION

George Owens Nature Park strives to promote, educate and encourage a love and curiosity of nature with all individuals, families, and organizations by creating a welcoming and safe environment to explore nature. This will be accomplished through a variety of group and self-learning exploration activities throughout the park and the City of Independence community to support our natural environment for future generations.

ACCOMPLISHMENTS

Increased number of programs and events at George Owens

SIGNIFICANT BUDGET CHANGES

Transferring expenditures from Parks Levy Fund to Park Improvement Sales Tax Fund for facility costs

Restructuring Recreation Division to emphasize programming rather than facilities and merging majority of Recreation Division staff into one org in anticipation of a new community center

Transferring Recreation Division staff to org 0126044

Transferring expenditures from Parks Levy Fund to Park Improvement Sales Tax Fund for facility costs

Parks, Recreation, and Tourism

Park Facilities Maintenance & Security

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$465,316	\$322,359	\$407,926	\$442,333
Benefits	189,130	185,930	165,500	195,204
Retiree Health Insurance	13,370	15,000	16,600	18,000
Internal Services	103,261	854,045	842,045	251,820
Professional Services	32,265	82,735	70,000	15,000
Equipment	151,623	255,485	220,054	47,500
Other Operating Expenses	301,990	301,160	311,736	431,215
Total	\$1,256,955	\$2,016,714	\$2,033,862	\$1,401,072

Program by Fund

Parks Improvement Sales Tax (012-6041)	\$1,256,955	\$2,016,714	\$2,033,862	\$1,401,072
---	-------------	-------------	-------------	-------------

Total Full Time Equivalent Positions

7.00	5.00	5.00	7.00
------	------	------	------

MISSION

This division oversees and manages park revitalization, maintenance, and capital improvement projects planned for the City's park system made possible through the Parks Improvement Sales Tax.

ACCOMPLISHMENTS

- Created tiered Parks, Facilities, and Grounds Supervisor positions to provide opportunities for advancement
- Executed lease of Chrysler Stadium with Independence School District
- Installed new computers at both splashpads to monitor chemicals and shut off water if necessary
- Formed and poured concrete disc golf tee pads in cooperation with ISD at Pioneer Ridge Middle School
- Replaced fence at Rotary Park

SIGNIFICANT BUDGET CHANGES

- Removing Park Patrol funding
- Shifting 2.0 FTE from Tourism Fund into 0126041
- Adding 2.0 FTE Seasonal Maintenance Workers

Parks, Recreation, and Tourism

Truman Memorial Building

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$200,522	\$186,043	\$208,200	\$0
Benefits	41,513	48,300	53,800	-
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	-
Professional Services	12,349	16,600	13,560	-
Equipment	-	96,607	1,892	-
Other Operating Expenses	157,681	142,550	152,483	-
Total	\$412,065	\$490,100	\$429,935	\$0

Program by Fund

Parks Improvement Sales Tax (012-6042)	\$412,065	\$490,100	\$429,935	\$0
--	-----------	-----------	-----------	-----

Total Full Time Equivalent Positions	3.90	3.40	3.40	0.00
---	------	------	------	------

MISSION

The mission of this division is to provide ongoing operation of the City's historic Truman Memorial Building, which serves as a community asset capable of hosting a variety of different functions.

ACCOMPLISHMENTS

- Relocated the National Frontier Trails Museum to the ground floor of the Truman Memorial Building
- Displayed veterans exhibits throughout the facility to open Veterans Hall for rental space and meetings
- Increased regular business hours of the museum and facility
- Updated lighting fixtures to LED throughout the building

SIGNIFICANT BUDGET CHANGES

- Transferring Truman Memorial Building facility expenses to Tourism Fund
- Restructuring Recreation Division to emphasize programming rather than facilities and merging majority of Recreation Division staff into one org in anticipation of a new community center
- Transferring Recreation Division staff to org 0126044
- Transferring Truman Memorial Building facility expenses to Tourism Fund

Parks, Recreation, and Tourism

Palmer Senior Adult Center

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$184,748	\$221,558	\$231,000	\$235,055
Benefits	47,648	83,227	75,100	95,921
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	500	3,400
Professional Services	18,716	28,200	22,000	28,200
Equipment	2,998	29,000	14,000	-
Other Operating Expenses	129,608	155,670	146,212	147,430
Total	\$383,718	\$517,655	\$488,812	\$510,006

Program by Fund

Parks Improvement Sales Tax (012-6043)	\$383,718	\$517,655	\$488,812	\$510,006
Total Full Time Equivalent Positions	3.56	5.56	5.56	5.55

MISSION

The Palmer Center encourages the well-being of older adults in Independence by providing diverse senior adult programs and services including a daily meal program, fitness opportunities, education classes, recreational programs, and a wide variety of social needs.

ACCOMPLISHMENTS

Palmer Center retained status as a Gold Level Senior Center which is the highest level from MARC
MARC grant funding was awarded to purchase a new serving line, additional freezer, and new dining room tables and chairs

Annual Scamboree program to inform seniors about fraud and scam prevention is used by MARC as a model for other regional senior center

Palmer Center Enhancement Funds used to add additional safety padding to both ends of the gymnasium

Senior trip program resumed following COVID hiatus

SIGNIFICANT BUDGET CHANGES

No significant budget changes

Parks, Recreation, and Tourism

Programs and Events

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$19,805	\$15,801	\$9,500	\$705,420
Benefits	2,926	1,255	700	267,278
Retiree Health Insurance	-	-	-	-
Internal Services	4,601	-	-	-
Professional Services	25,530	150,000	66,740	85,550
Equipment	-	-	-	-
Other Operating Expenses	20,325	21,000	18,657	105,495
Total	\$73,187	\$188,056	\$95,597	\$1,163,743

Program by Fund

Parks Improvement Sales Tax (012-6044)	\$73,187	\$188,056	\$95,597	\$1,163,743
--	----------	-----------	----------	-------------

Total Full Time Equivalent Positions	0.75	0.55	0.55	13.70
---	-------------	-------------	-------------	--------------

MISSION

The mission of Family Programs and Events is to develop programs, special events and activities throughout the Park system, public grounds and through community partnerships that help all individuals and families create positive memories; giving special attention to the development of youth and family programs, outdoor programs and special events.

ACCOMPLISHMENTS

Initiated Community Center and Recreation Services Study
 Partnered with City of Sugar Creek, Boy Scouts, Health & Animal Service Dept & television station KCWE for first Sky-High Kite Festival

SIGNIFICANT BUDGET CHANGES

Restructuring Recreation Division to emphasize programming rather than facilities and merging majority of Recreation Division staff into one org in anticipation of a new community center
 Reduction in Force of 4.7 FTE
 Adding 1.3 FTE Seasonal Recreation Workers

Parks, Recreation, and Tourism

Adventure Oasis Water Park

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$89,295	\$112,303	\$89,400	\$16,000
Benefits	32,535	40,503	40,787	4,792
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	-
Professional Services	630,761	690,000	620,450	355,565
Equipment	-	105,000	28,066	-
Other Operating Expenses	225,705	189,400	261,077	119,835
Total	\$89,295	\$112,303	\$89,400	\$16,000

Program by Fund

Parks Improvement Sales Tax (012-6045)	\$978,296	\$1,137,206	\$1,039,780	\$496,192
--	-----------	-------------	-------------	-----------

Total Full Time Equivalent Positions	1.00	1.00	1.00	0.00
---	-------------	-------------	-------------	-------------

MISSION

This division serves to provide ongoing management, support, and supervision of the Adventure Oasis Water Park, spray grounds, and development of aquatics-oriented programs, activities, and events.

ACCOMPLISHMENTS

- Painted the slides and large bucket in kiddie pool area
- Presented cost analysis to Park Commission and Finance and Audit Committee
- Installed air conditioning in lifeguard breakroom

SIGNIFICANT BUDGET CHANGES

- Opening the waterpark in summer 2024 to non-residents in an effort to decrease losses
- Only budgeting for the 2024 summer season
- Restructured Recreation Division to emphasize programming rather than facilities and merged majority of Recreation Division staff into one org in anticipation of a new community center
- Transferring Recreation Division staff to org 0126044

Parks, Recreation, and Tourism

Athletic Fields and Courts

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$322,153	\$312,639	\$282,000	\$252,063
Benefits	138,206	161,961	114,000	108,973
Retiree Health Insurance	-	-	-	-
Internal Services	27,509	10,000	9,000	26,900
Professional Services	28,282	38,500	32,000	-
Equipment	-	38,387	23,334	25,000
Other Operating Expenses	149,698	207,220	136,336	215,820
Total	\$665,848	\$768,707	\$596,670	\$628,756
Program by Fund				
Parks Improvement Sales Tax (012-6046)	\$665,848	\$768,707	\$596,670	\$628,756
Total Full Time Equivalent Positions	7.00	7.00	7.00	5.00

MISSION

The mission of Sports Administration is to support and fund year-round sports programs for Independence residents of all ages and abilities at multiple indoor and outdoor facilities.

ACCOMPLISHMENTS

Replaced ballasts and lights at Athletic Complex
Installed new windscreens at the Blackburn pickleball courts

SIGNIFICANT BUDGET CHANGES

Reduction in Force of 2.0 FTE

Parks, Recreation, and Tourism Uptown Market

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$53,796	\$62,154	\$49,000	\$0
Benefits	18,542	23,893	15,500	-
Retiree Health Insurance	-	-	-	-
Internal Services	2,300	-	-	-
Professional Services	2,037	7,375	5,000	-
Equipment	-	8,000	-	-
Other Operating Expenses	41,122	56,750	38,034	35,365
Total	\$117,798	\$158,172	\$107,534	\$35,365

Program by Fund

Parks Improvement Sales Tax (012-6047)	\$117,798	\$158,172	\$107,534	\$35,365
--	-----------	-----------	-----------	----------

Total Full Time Equivalent Positions	1.25	1.25	1.25	0.00
---	-------------	-------------	-------------	-------------

MISSION

The mission of the Independence Uptown Market is to provide a modern, unique, and versatile addition to the list of community assets capable of hosting a variety of different functions including Farmers and Crafters Markets, special events, recreation and fitness programs, and private group rentals.

ACCOMPLISHMENTS

49 Farmers Market events were held and the market received the Best Farmers Market in Eastern Jackson County award for the fifth year in a row

SIGNIFICANT BUDGET CHANGES

Restructuring Recreation Division to emphasize programming rather than facilities and merging majority of Recreation Division staff into one org in anticipation of a new community center
Transferring Recreation Division staff to org 0126044

Parks, Recreation, and Tourism

Sermon Center

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$183,628	\$207,276	\$207,700	\$0
Benefits	64,323	97,328	59,500	-
Retiree Health Insurance	-	-	-	-
Internal Services	2,300	-	-	-
Professional Services	38,235	38,100	30,024	-
Equipment	4,934	86,607	4,782	-
Other Operating Expenses	258,638	215,215	231,002	205,455
Total	\$552,057	\$644,526	\$533,008	\$205,455

Program by Fund

Parks Improvement Sales Tax (012-6048)	\$552,057	\$644,526	\$533,008	\$205,455
--	------------------	------------------	------------------	------------------

Total Full Time Equivalent Positions	5.70	5.50	5.50	0.00
---	-------------	-------------	-------------	-------------

MISSION

The mission of the Roger T. Sermon Community Center is to provide an affordable rental option for a variety of services including health and physical fitness opportunities, weddings, birthday parties, and business meetings, and advance cultural arts through community theatre performances.

ACCOMPLISHMENTS

Following COVID hiatus, resumed the Toddler Town program
Initiated Community Center and Recreation Services Study

SIGNIFICANT BUDGET CHANGES

Restructuring Recreation Division to emphasize programming rather than facilities and merging majority of Recreation Division staff into one org in anticipation of a new community center
Transferring Recreation Division staff to org 0126044

Parks, Recreation, and Tourism

Parks & Grounds Maintenance

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$352,621	\$586,226	\$621,700	\$905,258
Benefits	149,145	313,679	279,900	403,824
Retiree Health Insurance	-	-	-	-
Internal Services	-	37,000	37,000	88,600
Professional Services	-	25,000	-	-
Equipment	-	1,378	1,406	-
Other Operating Expenses	10,089	56,400	34,801	61,850
Total	\$511,855	\$1,019,683	\$974,807	\$1,459,532
Program by Fund				
Parks Improvement Sales Tax (012-6049)	\$511,855	\$1,019,683	\$974,807	\$1,459,532
Total Full Time Equivalent Positions	10.00	14.00	14.00	17.60

MISSION

The mission of Parks and Grounds Maintenance - PST is to mow, maintain and landscape City-owned property, including snow removal, as funded by the Park Improvement Sales Tax.

ACCOMPLISHMENTS

Removed 142 truck loads of brush from the parks and trails (Honeysuckle, Bradford Pear, Bamboo)
Purchased new high loader to use in trash pickup, homeless camp cleanups, and landscape work
Removed 35 homeless camps on park property (through March 2024)

SIGNIFICANT BUDGET CHANGES

Shifting 1.0 FTE from George Owens (0076078) in Parks Levy Fund and 3.6 FTE from Historic Sites (0046063) in the Tourism fund
Reduction in force of 1.0 FTE as part of transfer from Tourism Fund to Parks Sales Tax
Park Maintenance staff will mow fire stations this spring

Parks, Recreation, and Tourism

Tourism Marketing & Promotions

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$13,844	\$317,251	\$240,100	\$0
Benefits	-	164,523	140,100	13,000
Retiree Health Insurance	13,950	15,000	15,000	16,500
Internal Services	117,300	282,243	282,243	264,000
Professional Services	37,089	6,000	70,000	125,000
Equipment	-	-	-	-
Other Operating Expenses	214,502	242,800	288,850	217,240
Total	\$396,685	\$1,027,817	\$1,036,293	\$635,740
Program by Fund				
Tourism (004-6061)	\$396,685	\$1,027,817	\$1,036,293	\$635,740
Total Full Time Equivalent Positions	1.00	4.66	4.66	0.00

MISSION

Tourism Administration oversees administrative, marketing, and historic preservation activities associated with the Tourism Division of the department.

ACCOMPLISHMENTS

City Manager's Office initiated a study to determine the future of Tourism

Tourism Development Fund provided \$100,000 to the Independence Square Association to expand event offerings which promote Tourism in the City

Completed Economic Impact Study to determine the impact of the KC Royals moving away from the Truman Sports Complex

Began Wayfinding Signage Project as recommended in the 2024 Tourism and Museum Master Plan

Developed and distributed the 2024 Independence Visitor Guide

Marketed the City in various mediums including print ads in Missouri Life, the 2024 MO Travel Guide, the Royals Yearbook as well as online advertising and promotion on the City's website and multiple social media platforms

Sponsored the Mavericks and Comets promoting the City of Independence at games

Partnered with MO Model Railroad Museum to add a new attraction to draw tourists

Worked with the National Park Service on the design for the new Harry S Truman Visitors Center

Parks, Recreation, and Tourism Museum Operations

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$166,599	\$16,919	\$172,200	\$455,230
Benefits	94,002	197,830	81,823	107,421
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	-
Professional Services	201,247	76,500	54,200	151,500
Equipment	-	131,500	-	-
Other Operating Expenses	71,965	128,460	116,077	36,150
Total	\$533,812	\$551,209	\$424,300	\$750,301
Program by Fund				
Tourism (004-6062)	\$533,812	\$551,209	\$424,300	\$750,301
Total Full Time Equivalent Positions	6.40	6.40	6.40	3.40

MISSION

The mission of the National Frontier Trails Museum is to serve both the local community and visitors to Independence by operating a historic museum featuring the westward expansion of the United States and the role Independence played in that development.

ACCOMPLISHMENTS

Relocated the Museum to the lower level of the Truman Memorial Building
Secured humidity- and temperature-controlled storage for covered wagons and wall murals during museum relocation

SIGNIFICANT BUDGET CHANGES

No significant budget changes

Parks, Recreation, and Tourism

Historic Sites

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual	Adopted	Estimated	Adopted
Program by Expenditure Category	Expenditures	Budget	Expenditures	Budget
Salary	\$222,356	\$210,049	\$298,100	\$5,000
Benefits	103,120	85,274	136,000	599
Retiree Health Insurance	-	-	-	-
Internal Services	236	1,000	2,000	-
Professional Services	9,287	16,000	12,000	100,000
Equipment	18,291	71,387	169,636	80,000
Other Operating Expenses	109,394	115,200	146,787	376,915
Total	\$462,685	\$498,910	\$764,523	\$562,514
Program by Fund				
Tourism (004-6063)	\$462,685	\$498,910	\$764,523	\$562,514
Total Full Time Equivalent Positions	5.35	4.60	4.60	0.00

MISSION

The Historic Sites Maintenance division is responsible for daily maintenance operations, including mowing and trimming, landscape bed care, snow removal, litter and debris removal, holiday decorating, and basic repairs for all City-owned historic properties.

ACCOMPLISHMENTS

- Replaced roof on the Stable at the Bingham Waggoner Estate
- Executed updated use agreement with the Vaile Victorian Society
- Began repairs to the South Side Porch of the Vaile Mansion
- Issued Request for Proposal for the Truman Depot to repurpose the facility after renovations are complete
- Completed interior and exterior renovations to former NFTM facility
- Executed long-term lease with MO Model Railroad Museum to bring a new tourism attraction to the City
- Demolished Mill Office as it was deemed a dangerous building
- Replaced roof on the Stable at the Bingham Waggoner Estate
- Executed updated use agreement with the Vaile Victorian Society

SIGNIFICANT BUDGET CHANGES

- Shifting Truman Memorial Building's operational costs to the Tourism Fund
- Shifting maintenance staff back to Parks and will charge Tourism for services performed at Historic sites

Parks, Recreation, and Tourism

Tourism Sales & Services

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Proposed Budget
Salary	\$118,181	\$155,696	\$156,100	\$58,616
Benefits	43,264	83,273	85,800	41,180
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	-
Professional Services	-	3,000	195,000	-
Equipment	-	-	-	-
Other Operating Expenses	19,939	23,360	8,578	17,175
Total	\$181,384	\$265,329	\$445,478	\$116,971
Program by Fund				
Tourism (004-6064)	\$181,384	\$265,329	\$445,478	\$116,971
Total Full Time Equivalent Positions	2.00	3.00	3.00	1.00

MISSION

Visitor Services and Promotions is responsible for directly and indirectly soliciting, securing, and supporting group tours, events, conferences, etc. and maintaining relationships with the Hotel and Lodging Alliance and historic site friends groups.

ACCOMPLISHMENTS

- Sponsored two 'Hearts' in the KC Parade of Hearts to increase visitors to Independence
- Collected information about partnerships' activities and attendance at Historic Sites and attractions
- Distributed over 4,000 promotional items
- Sales and Services Staff attended several promotion, marketing and sales events
- Supported the Hotel & Lodging Alliance by attending meetings
- Attended City Owned Attractions/Historic Sites Board meetings

SIGNIFICANT BUDGET CHANGES

No significant budget changes

Parks, Recreation, and Tourism

Right of Way Maintenance

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$96,934	\$97,202	\$123,800	\$90,823
Benefits	30,214	53,439	31,500	35,852
Retiree Health Insurance	-	-	-	-
Internal Services	46,891	32,000	29,900	30,000
Professional Services	1,250	1,700	1,000	1,000
Equipment	-	8,500	8,647	9,500
Other Operating Expenses	37,131	38,566	37,372	37,135
Total	\$212,419	\$231,407	\$232,219	\$204,310
Program by Fund				
General Fund (002-6014)	\$212,419	\$231,407	\$232,219	\$204,310
Total Full Time Equivalent Positions	3.00	3.00	3.00	3.00

MISSION

The mission of Right-of-Way Maintenance is to provide landscaping and grounds maintenance for City-owned property and City-maintained right-of-way.

ACCOMPLISHMENTS

Cleared brush and debris from railroad easement and the I-70 & Noland Road corridor to reduce homeless activity
Cleared 56 loads of brush and trash from City-owned lots

SIGNIFICANT BUDGET CHANGES

No significant budget changes

Parks, Recreation, and Tourism

Facilities Management

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$0	\$434,801	\$405,200	\$373,398
Benefits	-	166,225	173,284	223,410
Retiree Health Insurance	-	-	-	-
Internal Services	-	64,260	71,145	85,880
Professional Services	-	50,300	50,378	50,400
Equipment	-	2,000	1,605	-
Other Operating Expenses	-	530,000	612,157	621,400
Total	\$0	\$1,247,586	\$1,313,769	\$1,354,488
Program by Fund				
General Fund (002-6015)	\$0	\$1,247,586	\$1,313,769	\$1,354,488
Total Full Time Equivalent Positions	0.00	10.13	10.13	10.13

MISSION

Facilities Maintenance provides routine maintenance of City buildings to ensure a clean, secure and welcoming environment for employees and visitors.

ACCOMPLISHMENTS

Implemented citywide contracts for custodial services, mowing and landscaping services and trash removal
 Citywide fire extinguisher inspections and backflow testing performed by City staff reducing overall expenses
 Inventoried Facilities Maintenance Furniture, Fixtures and Equipment at new city facility
 Relocated Facilities Maintenance to new city facility

SIGNIFICANT BUDGET CHANGES

No significant budget changes

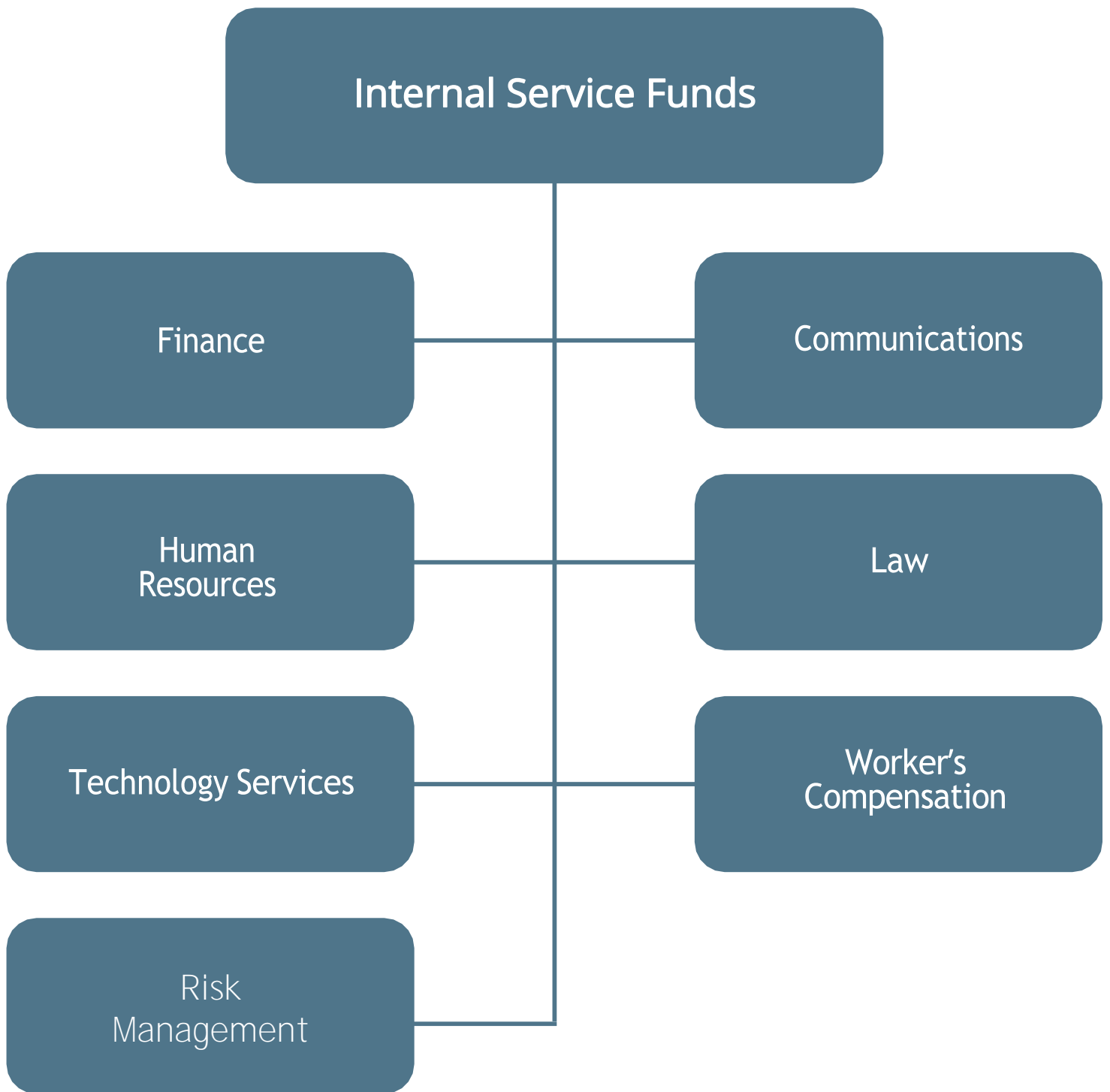
Parks, Recreation, and Tourism Grants

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$8,030	\$0	\$4,500	\$10,000
Benefits	-	-	-	-
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	-
Professional Services	-	-	-	-
Equipment	74,361	72,274	72,274	-
Other Operating Expenses	15,385	10,160	23,760	16,728
Total	\$97,776	\$82,434	\$100,534	\$26,728
Program by Fund				
Grant Fund (015-6050)	\$97,776	\$82,434	\$100,534	\$26,728
Total Full Time Equivalent Positions	0.00	0.00	0.00	0.00

SIGNIFICANT BUDGET CHANGES

Parks, Recreation, and Tourism Capital Projects

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Capital Improvements	\$596,870	\$600,000	\$0	\$555,000
Program by Fund				
Tourism Fund (004)	\$15,745	\$400,000		\$0
Parks Health & Rec Levy Fund (007)	41,404	-		-
Park Improvements Sales Tax Fund (012)	539,721	200,000		-
Park Improvements Fund (059)	-	-	-	555,000
Total	\$596,870	\$600,000	\$0	\$555,000
Transfers by Fund				
Tourism Fund (004)	\$0	\$0	\$0	\$75,000
Parks Health & Rec Levy Fund (007)	-	-	-	-
Park Improvements Sales Tax Fund (012)	0	0	0	480,000
Total	\$0	\$0	\$0	\$555,000
Capital Projects for FY 2024-25				
Project Title and Number				Amount
Replace Playground at Rotary Park				\$ 175,000
Trash Truck				180,000
Rock Creek Park Pedestrian Bridge				200,000
				<u>555,000</u>



Internal Service Fund

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual Expenditures	Adopted Budget	Estimated Expenditures	Proposed Budget
Department Programs				
Administration (0954201)	\$1,241,389	\$1,037,568	\$1,034,300	\$883,013
Accounting (0954210)	831,380	854,353	863,005	865,345
Treasury & Debt (0954212)	272,411	376,296	365,700	364,487
Human Resources (0954230)	1,221,228	1,075,725	1,213,644	1,601,286
Law (4100, 0954100, 4150)	570,434	538,480	580,020	579,663
Finance Operations (0954240)	457,153	617,364	592,420	430,015
Tech Services (0954220)	3,522,757	5,001,563	4,685,923	4,867,679
Voice and Data Systems (0024221, 0954221)	474,985	730,516	1,109,637	866,045
Communications (0954022)	-	391,261	522,705	299,517
Worker's Comp (6592)	3,923,111	4,748,001	4,428,259	3,962,153
Risk Management (4293)	2,684,530	3,355,559	4,052,309	4,464,736
ERP (0954054, 0954058, 0954059)	1,433,427	1,924,655	1,794,000	1,496,484
Total	\$16,632,805	\$20,651,341	\$21,241,922	\$20,680,423
Department by Expenditure Category				
Salaries	\$3,563,505	\$4,190,253	\$4,257,020	\$4,290,734
Benefits	1,479,821	1,845,123	1,831,070	1,942,084
Retiree Health Insurance	230,401	170,000	210,000	231,000
Internal Services	4,446,305	5,245,932	5,292,160	6,335,167
Professional Services	4,062,098	5,930,621	4,315,347	5,540,506
Equipment	306,161	1,257,834	1,095,919	83,050
Other Operating Expenses	2,544,514	2,083,250	4,240,259	2,257,882
Total	\$16,632,805	\$20,723,012	\$21,241,775	\$20,680,423
Department by Fund				
General Fund (002)	\$474,985	\$461,789	\$672,637	\$487,990
Grant Fund (015)	28,935	100,880	37,920	34,313
Worker's Comp Fund (092)	3,923,111	4,748,001	4,428,259	3,962,153
Risk Management Fund (093)	2,684,530	3,355,559	4,052,309	4,464,736
ERP Fund (095)	9,521,244	11,985,113	12,050,798	11,731,231
Total	\$16,632,805	\$20,651,341	\$21,241,922	\$20,680,423

Full-Time Equivalent Employees

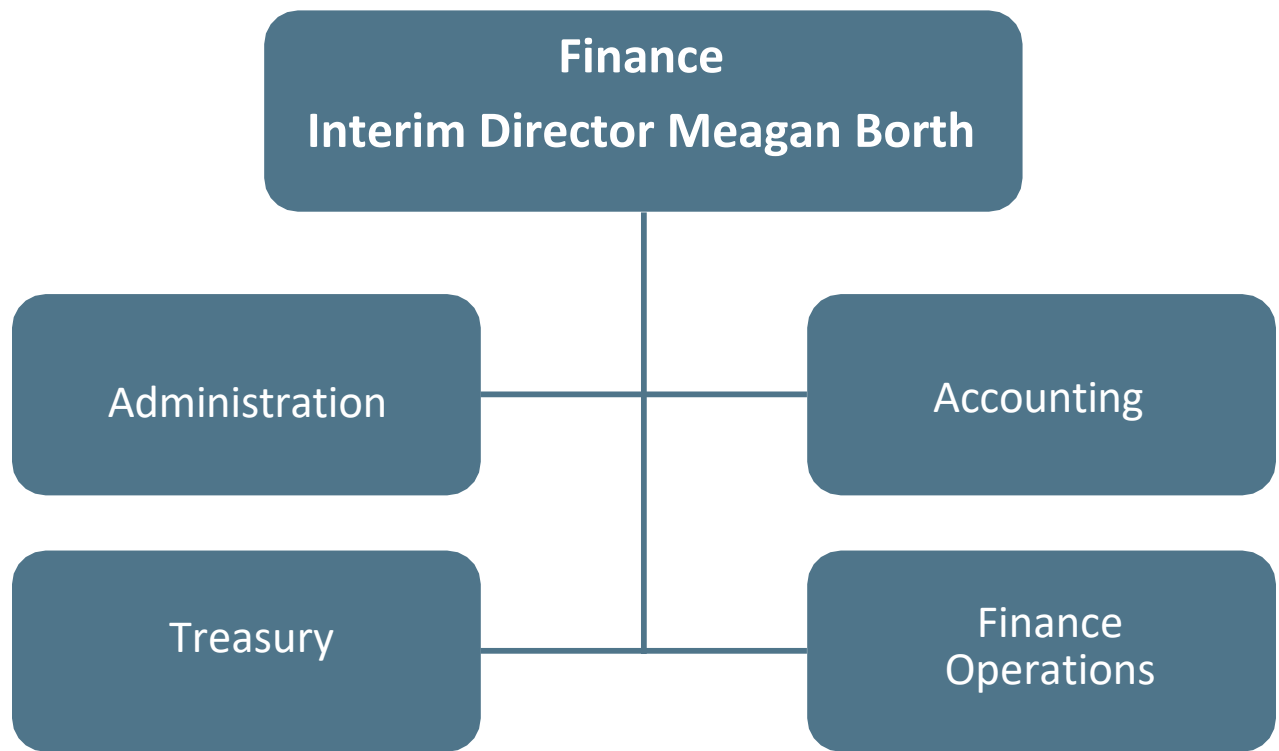
General Fund (002)	0.00	0.00	0.00	0.00
Grant Fund (015)	0.24	0.24	0.24	0.24
Worker's Comp Fund (092)	0.00	0.00	0.09	0.09
Risk Management Fund (093)	0.00	0.00	0.09	0.09
ERP Fund (095)	49.13	50.65	50.65	50.07
Total*	49.37	50.89	51.07	50.49

DEPARTMENT MISSION

The mission of the Internal Service Fund is to provide leadership and direction for the City's internal operations and responsibilities so that all assets of the City are protected while providing effective and efficient support.



This page intentionally left blank.



Internal Service Fund

Finance Administration

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Program by Expenditure Category				
Salaries	\$601,772	\$458,883	\$424,900	\$300,228
Benefits	229,376	208,085	199,900	148,015
Retiree Health Insurance	230,401	170,000	210,000	231,000
Internal Services	73,426	77,400	77,400	141,570
Professional Services	84,546	4,000	4,000	7,000
Equipment	1,166	97,000	97,000	33,000
Other Operating Expenses	20,703	22,200	21,100	22,200
Total	\$1,241,389	\$1,037,568	\$1,034,300	\$883,013
Program by Fund				
ERP Fund (095-0954201)	\$1,241,389	\$1,037,568	\$1,034,300	\$883,013
Total Full Time Equivalent Positions				
ERP Fund (095-0954201)	5.00	5.00	5.00	3.82

PROGRAM MISSION

The mission of Finance Administration is to provide leadership and direction for the City's financial duties and responsibilities so that all financial assets of the City are protected.

Internal Service Fund

Finance Administration

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Program by Expenditure Category				
Salaries	\$601,772	\$458,883	\$424,900	\$300,228
Benefits	229,376	208,085	199,900	148,015
Retiree Health Insurance	230,401	170,000	210,000	231,000
Internal Services	73,426	77,400	77,400	141,570
Professional Services	84,546	4,000	4,000	7,000
Equipment	1,166	97,000	97,000	33,000
Other Operating Expenses	20,703	22,200	21,100	22,200
Total	\$1,241,389	\$1,037,568	\$1,034,300	\$883,013
Program by Fund				
ERP Fund (095-0954201)	\$1,241,389	\$1,037,568	\$1,034,300	\$883,013
Total Full Time Equivalent Positions				
ERP Fund (095-0954201)	5.00	5.00	5.00	3.82

PROGRAM MISSION

The mission of Finance Administration is to provide leadership and direction for the City's financial duties and responsibilities so that all financial assets of the City are protected.

Internal Service Fund Accounting

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$389,167	\$418,536	\$423,300	\$411,762
Benefits	155,443	182,892	178,500	179,908
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	26,170
Professional Services	180,316	220,000	200,000	202,700
Equipment	82,994	13,800	34,000	9,300
Other Operating Expenses	23,461	19,125	27,205	35,505
Total	\$831,380	\$854,353	\$863,005	\$865,345

Program by Fund

ERP Fund (095-0954210)	\$831,380	\$854,353	\$863,005	\$865,345
------------------------	-----------	-----------	-----------	-----------

Total Full Time Equivalent Positions

ERP Fund (095-0954210)	5.00	5.00	5.00	5.00
------------------------	------	------	------	------

MISSION

The mission of Accounting is to maintain the accounting records for all of the City's operations and component units so that the records meet all governmental accounting standards and the annual independent audit is completed.

Internal Service Fund

Treasury and Debt Management

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$115,088	\$154,746	\$154,900	\$142,474
Benefits	33,621	56,850	46,900	49,133
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	1,730
Professional Services	96,221	130,000	130,000	130,000
Equipment	15,000	15,000	19,500	21,450
Other Operating Expenses	12,480	19,700	14,400	19,700
Total	\$272,411	\$376,296	\$365,700	\$364,487
Program by Fund				
ERP Fund (095-0954212)	\$272,411	\$376,296	\$365,700	\$364,487
Total Full Time Equivalent Positions				
ERP Fund (095-0954212)	2.00	2.00	2.00	2.00

MISSION

The mission of Treasury and Debt is to ensure excellence in the management of its banking, investing, and financing services and the administration of unclaimed property.

Internal Service Fund

Finance Operations

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$293,317	\$338,205	\$339,700	\$235,453
Benefits	129,565	154,328	185,600	121,402
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	5,630
Professional Services	-	-	-	-
Equipment	308	3,000	2,500	3,000
Other Operating Expenses	33,963	64,530	64,620	64,530
Total	\$457,153	\$560,063	\$592,420	\$430,015

Program by Fund

ERP Fund (095-0954240)	\$457,153	617,364	\$592,420	\$430,015
------------------------	-----------	---------	-----------	-----------

Total Full Time Equivalent Positions

ERP Fund (095-0954240)	6.63	5.00	5.00	4.00
------------------------	------	------	------	------

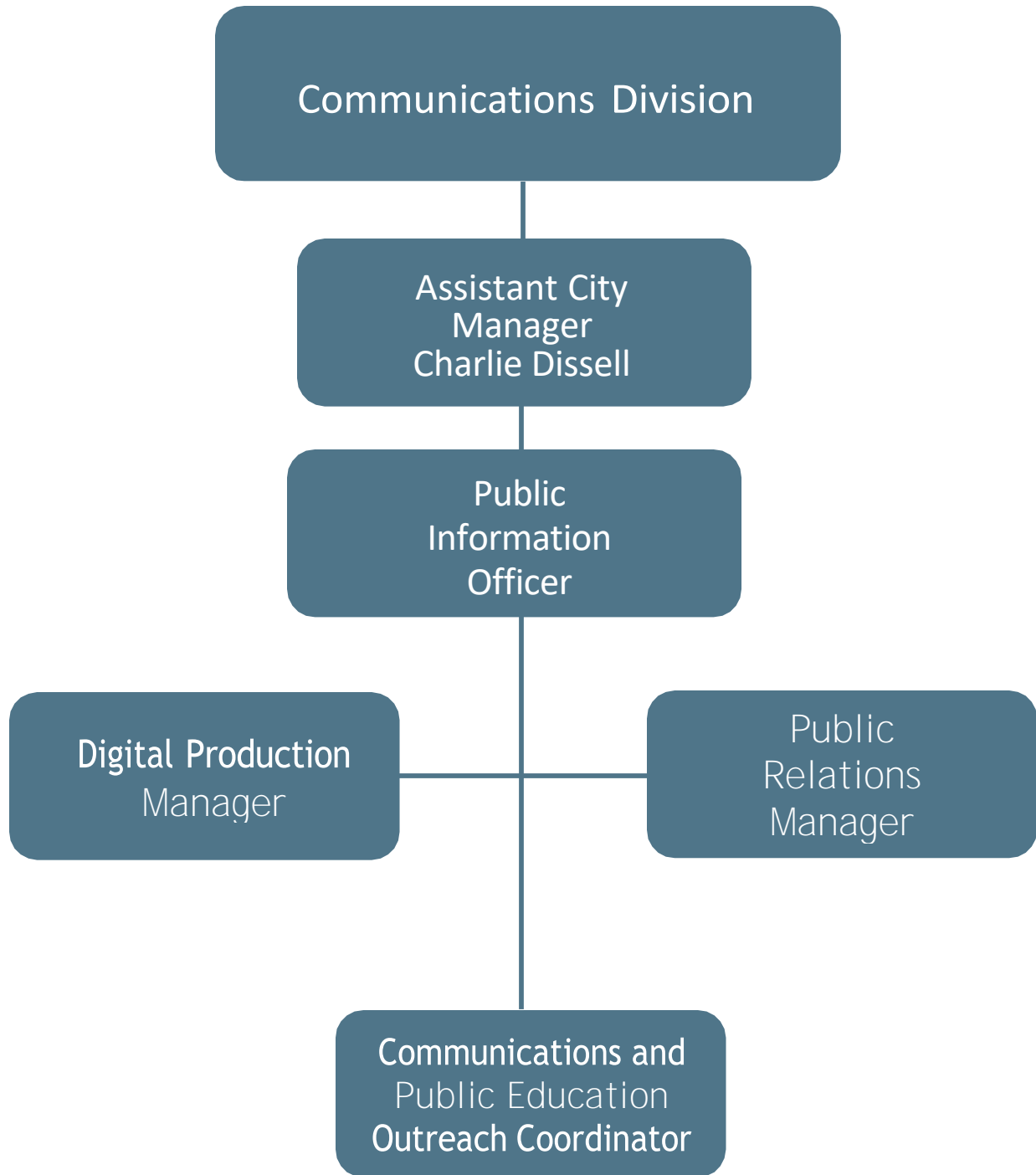
MISSION

The mission of Finance Operations is to work collaboratively across the organization to ensure operations and core functions are performed according to best practices to the highest standards of customer service, accountability and efficiency.

ACCOMPLISHMENTS

P-Card process for training of new card holders was developed.

Procurement policy has been updated.



Internal Service Fund

Communications

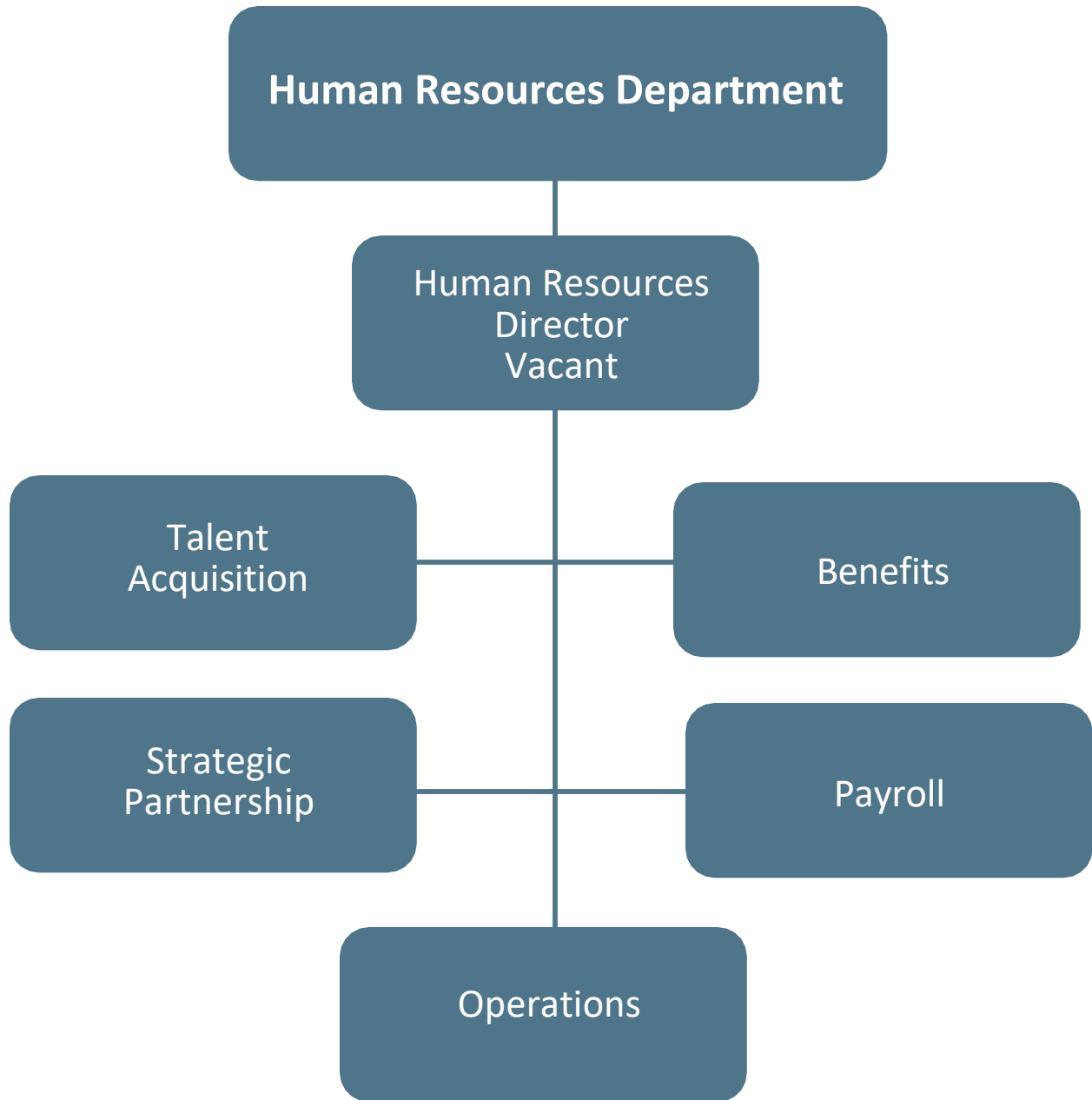
	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$0	\$256,217	\$396,200	\$173,064
Benefits	-	84,131	100,700	73,753
Retiree Health Insurance	-	-	-	-
Internal Services	-	5,205	5,205	19,950
Professional Services	-	-	-	-
Equipment	-	-	-	-
Other Operating Expenses	-	45,708	20,600	32,750
Total	\$0	\$391,261	\$522,705	\$299,517
Program by Fund				
General (002-4022)	\$0	\$0	\$0	\$0
ERP Fund (095-0954022)	-	\$391,261	\$522,705	\$299,517
Total	\$0	\$391,261	\$522,705	\$299,517
Total Full Time Equivalent Positions				
General (002-4022)	0.00	0.00	0.00	0.00
ERP Fund (095-0954022)	0.00	3.40	3.40	2.00
Total	0.00	3.40	3.40	2.00

MISSION

To tell the many stories of Independence and engage our community while guided by the City's strategic plan.

SIGNIFICANT BUDGET CHANGES

Reduction in force of two full time employees.



Internal Service Fund

Human Resources

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$674,484	\$660,237	\$728,700	\$871,198
Benefits	301,774	272,060	324,000	407,639
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	23,290
Professional Services	214,832	174,600	125,000	220,402
Equipment	1,144	7,500	7,210	6,300
Other Operating Expenses	28,995	90,300	28,734	72,457
Total	\$1,221,228	\$1,204,697	\$1,213,644	\$1,601,286
Program by Fund				
ERP Fund (095-0954230)	\$1,221,228	\$1,204,697	\$1,213,644	\$1,601,286
Total Full Time Equivalent Positions				
ERP Fund (095-0954230)	8.00	8.00	8.00	10.00

MISSION

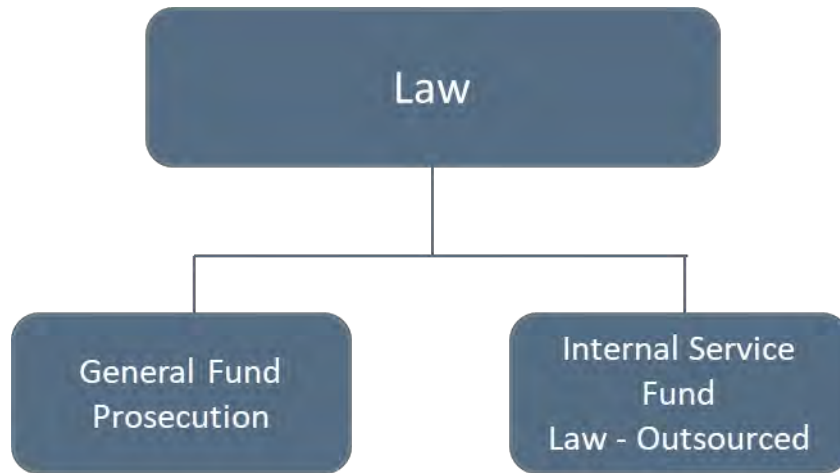
The Human Resources Department is focused on creating a positive workplace culture that aligns with the City's values and mission as determined by the City Council and implemented by Executive Leadership. This team is pivotal in building, shaping, and reinforcing the organization's culture by overseeing all employee-related functions.

Accomplishments

Changing the operating model of the department by hiring subject matter experts in recruiting, employee relations and training.

Significant Budget Changes

Implemented Case Management System via Dayforce (fka Ceridian). Will save \$12.4 million over 3 years as well as 39,200 employee hours saved annually.



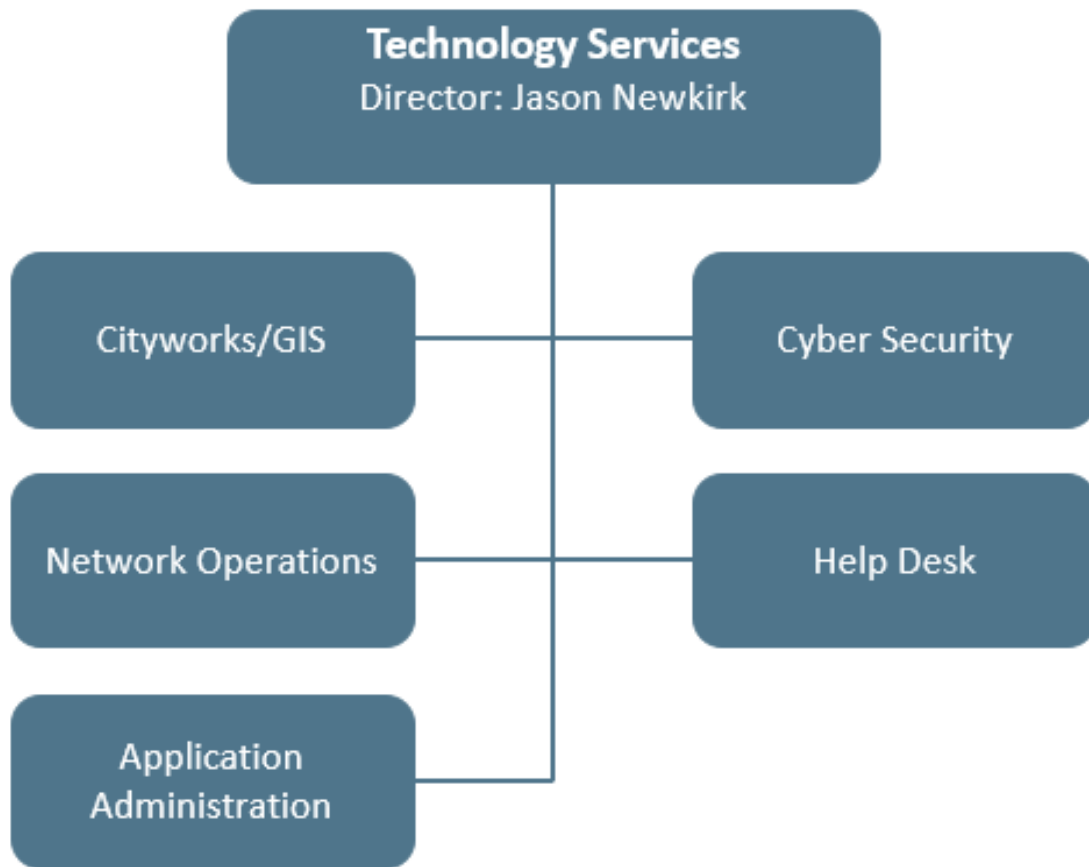
Internal Service Fund

Law

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$153,764	\$187,927	\$161,826	\$160,069
Benefits	50,155	79,769	54,725	54,318
Retiree Health Insurance	-	-	-	-
Internal Services	55	-	-	5,340
Professional Services	-	8,000	-	8,000
Equipment	-	-	-	-
Other Operating Expenses	543,524	448,000	678,191	552,500
Total	\$747,498	\$723,696	\$894,743	\$780,227
Program by Fund				
General Fund (002-4100)	\$177,064	\$185,216	\$314,723	\$200,564
ERP Fund (095-0954100)	541,499	437,600	542,100	545,350
Grant Fund (015-4150)	28,935	100,880	37,920	34,313
Total	\$747,498	\$723,696	\$894,743	\$780,227
Total Full Time Equivalent Positions				
General Fund (002-4100)	1.16	1.16	1.16	1.16
ERP Fund (095-0954100)	0.00	0.00	0.00	0.00
Grant Fund (015-4150)	1.00	0.24	0.24	0.24
Total	2.00	1.40	1.40	1.40

MISSION

To conduct and carry on all civil suits, actions, and proceedings; draft or review proposed City ordinances and amendments; and prepare or officially approve as to form all contracts, deeds, bonds, and other documents.



Internal Service Fund

Technology Services

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$1,005,512	\$1,324,643	\$1,251,800	\$1,575,304
Benefits	397,545	566,872	504,900	663,330
Retiree Health Insurance	-	-	-	-
Internal Services	1,645,078	2,212,514	2,212,514	2,453,145
Professional Services	174,520	175,000	100,000	100,000
Equipment	205,548	692,534	586,709	10,000
Other Operating Expenses	94,554	30,000	30,000	65,900
Total	\$3,522,757	\$5,001,563	\$4,685,923	\$4,867,679

Program by Fund

ERP Fund (095-0954220)	\$3,522,757	\$5,001,563	\$4,685,923	\$4,867,679
Total	\$3,522,757	\$5,001,563	\$4,685,923	\$4,867,679

Total Full Time Equivalent Positions

ERP Fund (095-0954220)	15.50	15.25	15.25	16.25
------------------------	-------	-------	-------	-------

MISSION

The mission of Technology Services is to provide information technology solutions within a secure and reliable environment and support City departments in delivering quality services to the community.

ACCOMPLISHMENTS

- Implemented a new telephone system
- Implemented a utility customer service call center software
- Implemented a new public website
- Expanded the use of mobile device management tools
- Data center capacity expansion
- Implemented several cyber security tools
- 2023 Digital Cities Winner

SIGNIFICANT BUDGET CHANGES

Added data center replacement to CIP. The cost will be broken out across a multi-year period to minimize operating impact on departments.

Internal Service Fund

Voice and Data Systems

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$0	\$0	\$0	\$0
Benefits	-	-	-	-
Retiree Health Insurance	-	-	-	-
Internal Services	54,772	95,429	109,489	220,305
Professional Services	-	-	-	-
Equipment	-	-	-	-
Other Operating Expenses	420,213	635,087	1,000,000	645,740
Total	\$474,985	\$730,516	\$1,109,489	\$866,045
Program by Fund				
General (002-4221)	\$474,985	\$461,789	\$672,637	\$487,990
ERP Fund (095-0954221)	-	268,727	437,000	378,055
Total	\$474,985	\$730,516	\$1,109,637	\$866,045
Total Full Time Equivalent Positions	0.00	0.00	0.00	0.00

MISSION

The mission of Voice and Data Systems is to maintain the telephone trunk system for land line telephones, radios, and to provide internet connectivity to City Departments so that modern communication can exist.

Internal Service Fund

Enterprise Resource Planning & GIS

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$446,725	\$512,943	\$498,700	\$541,890
Benefits	224,763	289,868	282,300	288,904
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	6,690
Professional Services	152,181	82,844	50,000	15,000
Equipment	-	429,000	349,000	-
Other Operating Expenses	609,759	610,000	614,000	644,000
Total	\$1,433,427	\$1,924,655	\$1,794,000	\$1,496,484

Program by Org Key

Enterprise Resource Planning (095-4054)	\$122,931	\$0	\$0	\$0
Cityworks & GIS (095-4058)	598,845	678,512	655,400	833,804
ERP (095-4059)	711,651	1,246,143	1,138,600	662,680
Total	\$1,433,427	\$1,924,655	\$1,794,000	\$1,496,484

Total Full Time Equivalent Positions

Cityworks & GIS (095-4058)	6.00	6.00	6.00	7.00
ERP (095-4059)	1.00	1.00	1.00	0.00
Total	7.00	7.00	7.00	7.00

MISSION

Provide innovative GIS-centric solutions within a secure and reliable environment in order to support City departments in delivering quality services to the community.

Internal Service Fund

Workers' Compensation (092)

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$5,281	\$0	\$4,100	\$6,066
Benefits	2,839	-	2,820	3,947
Retiree Health Insurance	-	-	-	-
Internal Services	628,375	639,824	627,992	675,376
Professional Services	3,068,811	4,091,177	3,606,347	3,264,764
Equipment	-	-	-	-
Other Operating Expenses	217,803	17,000	187,000	12,000
Total	\$3,923,111	\$4,748,001	\$4,428,259	\$3,962,153
Program by Fund				
Workers' Compensation (092-6592)	\$3,923,111	\$4,748,001	\$4,428,259	\$3,962,153
Total Full Time Equivalent Positions	0.00	0.00	0.09	0.09

MISSION

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other governmental units on a cost-reimbursed basis. This fund is used to account for the costs of the City's self-insured Worker's Compensation claims and administration plan. Workers' Compensation is part of Finance and Administration.

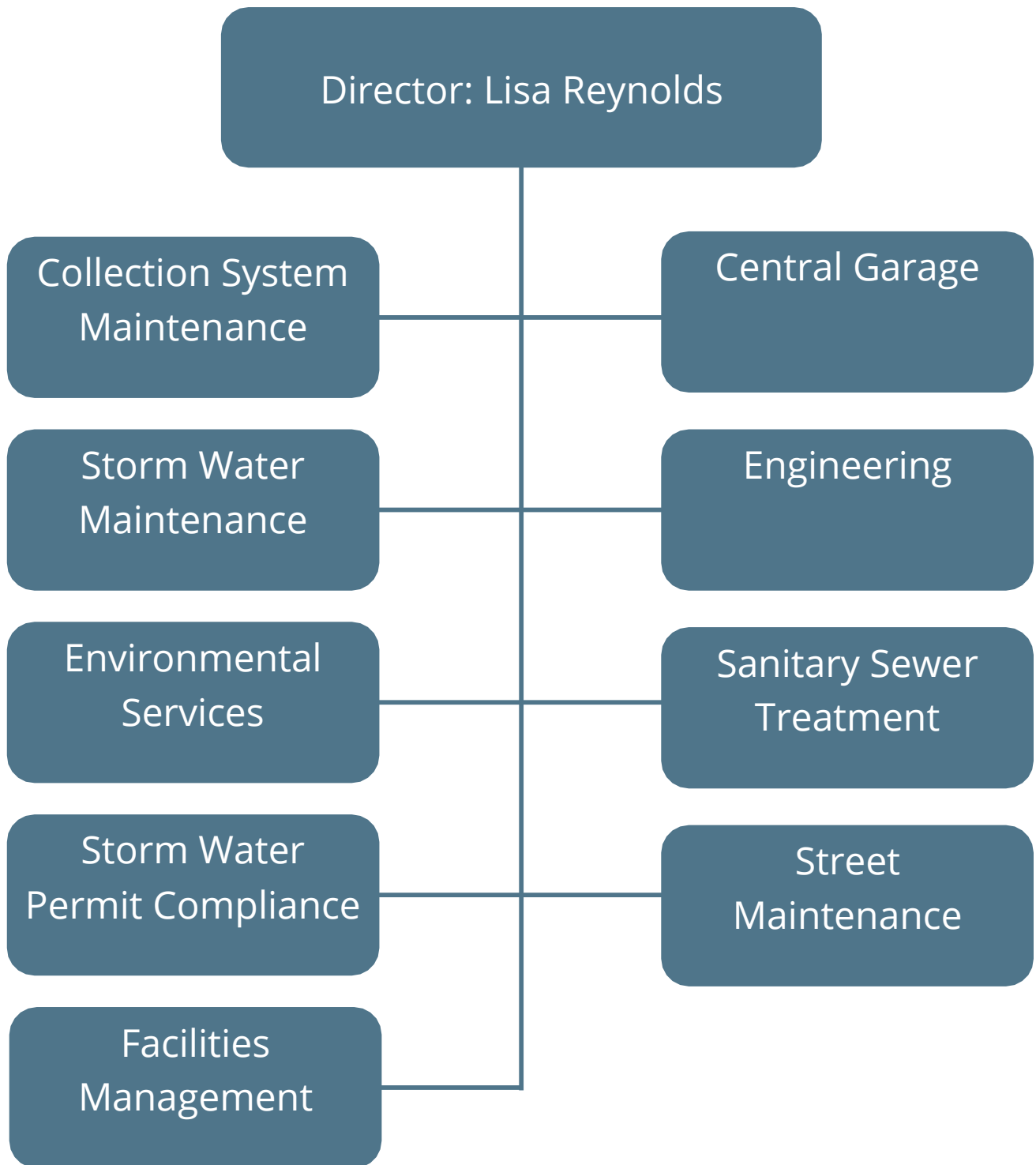
Internal Service Fund

Risk Management (093)

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$5,281	\$0	\$4,300	\$6,066
Benefits	2,839	-	2,950	3,969
Retiree Health Insurance	-	-	-	-
Internal Services	2,044,654	2,215,559	2,259,559	2,758,061
Professional Services	90,672	1,053,000	100,000	1,600,640
Equipment	-	-	-	-
Other Operating Expenses	541,083	87,000	1,685,500	96,000
Total	\$2,684,530	\$3,355,559	\$4,052,309	\$4,464,736
Program by Fund				
Risk Management (093-4293)	\$2,684,530	\$3,355,559	\$4,052,309	\$4,464,736
Total Full Time Equivalent Positions	0.00	0.00	0.09	0.09

MISSION

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other governmental units on a cost-reimbursed basis. The mission of Risk Management is to manage the insurance and programs that safeguard the City's financial, human resource, and capital assets. Risk Management is part of Finance and Administration.



DEPARTMENT MISSION

The mission of the Municipal Service Department is to provide quality, reliable, and responsive public services for the Independence community. The Department must proactively and reactively maintain City infrastructure such as streets, facilities, sanitary sewer, stormwater mitigation, and wastewater treatment. Additionally, the Department is dedicated to public health and environmental protection through the enforcement of local, state, and federal laws. Ensuring a motivated and professional staff is essential to the success of the Department.

SIGNIFICANT OPERATIONAL CHANGES

- Incorporated Water operations into Municipal Services
- Transitioned Facilities Maintenance to Parks/Rec/Tourism
- Implemented software to allow enhanced Customer Service operations
- Converted sludge at Rock Creek to a Class A product to apply to agricultural fields

STRATEGIC PLAN CONNECTION

Goal: An Engaged Community

- Continue to solicit public feedback on citywide infrastructure projects
- Streamline coordination of public concerns reported to the City
- Finalize transfer of Crysler Stadium to ISD

Goal: An Innovative Economy

- Support the continued development of Eastgate Commerce Center by facilitating related infrastructure improvements
- Partner with ISD to provide job shadowing opportunities and potential internships

Goal: A Well-Planned City

- Assist with the development of a criminal justice facility plan
- Facilitate the construction of new fire stations and necessary rehab of existing stations
- Evaluate space and maintenance needs for City facilities and determine priorities for necessary improvements
- Refine the Pavement Management program
- Target street and sidewalk maintenance along major corridors and historic sites
- Develop and adopt Access Management Plan and Storm and Sanitary Master Plans to guide development

Goal: A Well-Planned City

- Develop an ordinance requiring residential trash service
- Continue construction of 24 Highway Complete Streets project
- Continue implementation of the recommendations in the adopted Downtown Redevelopment Coordinating Committee Master Plan
- Continue design work on Noland Road Complete Streets project
- Complete an ADA transition plan
- Increase rate at which water transmission and distribution mains are replaced
- Establish and maintain a database of the material of all water service lines

- Complete Best Professional Judgement study for water plant sludge discharge

Goal: A Financially Sustainable Organization

- Perform cost of service study for the sanitary sewer utility
- Modify Drop Off Depot fee schedule for tires
- Create equipment/facility/vehicle replacement plans and fund accordingly

Goal: A High-Performance Organization

- Set performance measures that align with the action plan
- Lead effort to improve departmental collaboration and communication
- Encourage operational innovation at all levels
- Expect excellence

ACCOMPLISHMENTS

- Rock Creek selected as the MWEA's Wastewater Plant of the Year
- \$16.2M in grant dollars obtained for various projects throughout the city
- Assisted with the purchase of the GEHA building
- Expanded the Enterprise lease program to include additional divisions
- Successful modification of IPL rate structures in CIS
- Adoption of the D&C Manual
- Completion of the 40 Hwy Complete Streets project
- 50.83 lane miles of roadway addressed via preventative maintenance program
- 100% passing rate for the 1242 water distribution samples collected
- Implemented new Customer Service call center software

Overlaid ~50% of Woodlawn Cemetery roads utilizing city staff, supplies, and equipment

Municipal Services

Department Programs	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Administration (0025001)	\$1,056,563	\$1,269,552	\$1,223,007	\$1,469,811
Engineering (0025011)	772,319	1,226,654	1,074,965	793,005
Construction (0025012)	-	-	-	487,901
Facilities Management (0025015)	1,135,339	1,247,586	-	-
Street Maintenance (0025111,0115112)	3,097,840	3,989,053	3,739,619	4,260,515
Storm Water (0135261-3)	2,507,561	3,378,950	2,762,070	3,946,386
Central Garage (090)	2,604,836	2,968,069	2,993,957	3,403,660
Sanitary Sewer (030)	25,354,420	28,741,882	25,360,665	29,149,219
Water (040)	25,900,311	32,744,435	29,813,995	36,626,822
Capital Projects	7,578,559	39,648,746	24,000,000	33,473,103
Debt	10,511,909	10,571,862	10,571,862	10,531,114
Transfers Out	48,929	-	-	-
Total	\$80,568,587	\$125,786,789	\$101,540,140	\$124,141,536

Department by Expenditure Category

Salaries	\$12,820,477	\$14,733,079	\$12,880,007	\$15,263,939
Benefits	6,587,836	8,326,741	6,933,700	8,000,031
Retiree Health Insurance	1,084,592	1,144,884	1,108,000	1,258,200
Internal Services	9,417,205	9,490,463	8,404,298	11,793,730
Professional Services	1,987,723	4,557,700	2,729,079	4,553,500
Equipment	1,044,477	1,871,100	1,300,388	1,171,100
Other Operating Expenses	29,445,758	35,401,714	33,572,308	38,056,319
Total - Operations & Maintenance	\$62,388,068	\$75,525,681	\$66,927,778	\$80,096,819
Capital Improvements	7,578,559	39,648,746	24,000,000	33,473,103
Debt	10,553,030	10,612,362	10,612,362	10,571,614
Transfers Out	48,929	-	-	-
Total - All Expenditures	\$80,568,587	\$125,786,789	\$101,540,140	124,141,536

Department by Fund

General Fund (002)	\$5,339,003	\$6,350,672	\$4,830,404	\$5,756,522
Central Garage (090)	2,604,836	2,968,069	2,993,957	3,403,660
Sanitary Sewer (030)	32,289,890	41,314,860	32,603,643	40,894,298
Water (040)	29,637,029	43,335,373	42,054,933	48,542,960
Street Improvements Sales Tax (011, 051)	7,407,533	24,968,865	14,995,133	14,014,693
Stormwater Sales Tax (013, 053)	3,290,296	6,848,950	4,062,070	\$11,529,403
Total	\$80,568,587	\$125,786,789	\$101,540,140	\$124,141,536

Full-Time Equivalent Employees

General Fund (002)	41.70	43.83	43.83	27.70
Central Garage (090)	9.30	9.30	9.30	9.44
Sanitary Sewer (030)	74.78	71.90	74.65	70.78
Water (040)	98.57	97.70	97.70	102.43
Street Improvements Sales Tax (011)	7.55	7.55	7.55	6.60
Stormwater Sales Tax (013)	21.00	18.25	18.25	21.45
Total	252.90	248.53	251.28	238.40

Municipal Services Administration

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salaries	\$143,397	\$192,416	\$194,500	\$157,834
Benefits	131,192	134,379	136,200	292,237
Retiree Health Insurance	332,346	370,000	322,000	370,000
Internal Services	444,191	563,257	563,257	638,240
Professional Services	-	-	-	-
Equipment	-	2,500	2,500	-
Other Operating Expenses	5,437	7,000	4,550	11,500
Total	\$1,056,563	\$1,269,552	\$1,223,007	\$1,469,811
Program by Fund				
General Fund (002-5001, 5013)	\$1,056,563	\$1,269,552	\$1,223,007	\$1,469,811
Total Full Time Equivalent Positions	1.60	1.60	1.60	1.40

PROGRAM MISSION

The Administration Division is responsible for the supervision and administration of the Public Works division, including support and response to the City Manager and City Council.

Municipal Services

Engineering

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual	Adopted	Estimated	Adopted
Program by Expenditure Category	Expenditures	Budget	Expenditures	Budget
Salary	\$248,925	\$64,945	\$170,000	\$239,986
Benefits	257,926	411,244	347,900	147,609
Retiree Health Insurance	-	-	-	-
Internal Services	64,367	83,665	118,365	44,110
Professional Services	76,786	254,900	225,000	179,900
Equipment	3,703	118,000	118,000	113,000
Other Operating Expenses	120,613	293,900	95,700	68,400
Total	\$772,319	\$1,226,654	\$1,074,965	\$793,005
Program by Fund				
General Fund (002-5011)	\$772,319	\$1,226,654	\$1,074,965	\$793,005
Total Full Time Equivalent Positions	11.10	12.60	12.60	3.50

MISSION

The Engineering Division provides public works services through the following work elements: plan review, design, investigations, studies, contract specifications, inspections, permits and traffic engineering, land acquisition for public improvements, and tracking project reimbursements on construction projects.

Municipal Services Construction

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$0	\$0	\$0	\$157,457
Benefits	-	-	-	77,844
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	112,800
Professional Services	-	-	-	52,300
Equipment	-	-	-	-
Other Operating Expenses	-	-	-	87,500
Total	\$0	\$0	\$0	\$487,901
Program by Fund				
General Fund (002-5011)	\$0	\$0	\$0	\$487,901
Total Full Time Equivalent Positions	0.00	0.00	0.00	2.55

SIGNIFICANT BUDGET CHANGES

The Construction Division was established in the FY 2024-25 budget.

Municipal Services Facilities Maintenance

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$448,363	\$434,801	\$0	\$0
Benefits	147,402	166,225	-	-
Retiree Health Insurance	-	-	-	-
Internal Services	45,713	64,260	-	-
Professional Services	378	50,300	-	-
Equipment	-	2,000	-	-
Other Operating Expenses	493,484	530,000	-	-
Total	\$1,135,339	\$1,247,586	\$0	\$0
Program by Fund				
General Fund (002-5015)	\$1,135,339	\$1,247,586	\$0	\$0
Total Full Time Equivalent Positions	9.50	10.13	10.13	0.00

SIGNIFICANT BUDGET CHANGES

Function and budget transferred to Parks, Recreation & Tourism after beginning of FY23-24.

Municipal Services

Street Maintenance

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$1,203,701	\$1,371,374	\$1,319,400	\$1,357,890
Benefits	590,338	740,476	656,500	731,745
Retiree Health Insurance	3,039	10,884	4,000	11,000
Internal Services	516,346	638,820	652,019	921,480
Professional Services	27,053	12,200	45,500	48,700
Equipment	62,586	147,200	35,200	117,000
Other Operating Expenses	654,348	1,027,600	986,500	1,032,200
Debt	40,427	40,500	40,500	40,500
Transfers Out	-	-	-	-
Total	\$3,097,840	\$3,989,053	\$3,739,619	\$4,260,515

Program by Fund

General Fund (002-5111)	\$2,374,782	\$2,606,881	\$2,532,432	\$2,745,805
Street Improvement Sales Tax (011-5112)	723,058	1,382,173	\$1,207,187	\$1,514,710
Total	\$3,097,840	\$3,989,053	\$3,739,619	\$4,260,515

Total Full Time Equivalent Positions

General Fund (002-5111)	19.50	19.50	19.50	20.25
Street Improvement Sales Tax (011-5112)	7.55	7.55	7.55	6.60
Total	27.05	27.05	27.05	26.85

MISSION

Street Maintenance is responsible for maintaining 575 miles of City streets and 38 bridge structures, as well as the coordination of the Drop-Off Depot events.

Municipal Services

Storm Water Operations & Maintenance

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$946,186	\$1,071,393	\$916,500	\$1,311,326
Benefits	392,799	502,373	400,500	667,848
Retiree Health Insurance	-	-	-	-
Internal Services	87,370	281,820	301,975	349,320
Professional Services	629,317	894,000	630,486	1,032,500
Equipment	134,985	152,000	166,834	63,300
Debt	694	-	-	-
Other Operating Expenses	316,210	477,364	345,775	522,092
Total	\$2,507,561	\$3,378,950	\$2,762,070	\$3,946,386
Program by Fund				
Storm Water Sales Tax Fund (013)	\$2,507,561	\$3,378,950	\$2,762,070	\$3,946,386
Total Full Time Equivalent Positions	21.00	18.25	18.25	21.45

MISSION

The mission of the Storm Water Program is to maintain the City's storm water system to the standards of the Missouri Department of Natural Resources so that the MS4 operating permit is granted to the City.

Municipal Services

Central Garage (Internal Service Fund)

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$497,723	\$571,124	\$477,300	\$598,303
Benefits	237,041	286,422	267,100	343,757
Retiree Health Insurance	42,757	52,000	37,000	57,200
Internal Services	105,022	121,123	135,123	115,000
Professional Services	384	400	534	1,500
Equipment	5,619	2,000	-	-
Other Operating Expenses	1,716,290	1,935,000	2,076,900	2,287,900
Total	\$2,604,836	\$2,968,069	\$2,993,957	\$3,403,660
Program by Fund				
Central Garage (090)	\$2,604,836	\$2,968,069	\$2,993,957	\$3,403,660
Total Full Time Equivalent Positions	9.30	9.30	9.30	9.44

MISSION

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other governmental units on a cost-reimbursed basis. This fund is used to account for costs of maintenance of the City's fleet of vehicles and mobile equipment and related charges to other departments.

Municipal Services Sanitary Sewer

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual	Adopted	Estimated	Adopted
Department Programs	Expenditures	Budget	Expenditures	Budget
Administration (0305201)	\$455,402	\$508,949	\$524,500	\$664,139
Facilities (0305215)	1,090,265	1,389,576	1,124,474	1,464,270
Treatment Facilities (0305220)	2,412,773	3,462,161	2,966,940	3,138,122
Collection System Maintenance (0305230)	3,564,714	4,996,243	4,140,764	5,243,443
Environmental Services (0305240)	768,273	808,921	842,200	767,602
Inter-Jurisdictional Agencies (0305210)	8,666,639	9,721,568	9,005,000	9,741,568
Sewer Non-Departmental (0306530)	8,396,354	7,854,465	6,756,788	8,130,075
Capital Projects (030 031)	664,695	\$6,330,000	1,000,000	5,505,000
Debt	6,221,846	6,242,978	6,242,978	6,240,079
Total	\$32,240,961	\$41,314,860	\$32,603,643	\$40,894,298

Department by Expenditure Category

Salaries	\$3,672,416	\$4,452,168	\$3,975,000	\$4,560,069
Benefits	2,007,785	2,536,558	2,129,000	2,334,825
Retiree Health Insurance	357,822	348,000	420,000	460,000
Internal Services	3,795,080	3,493,076	2,377,916	3,933,770
Professional Services	466,699	732,000	512,959	774,300
Equipment	318,202	409,600	342,803	296,300
Other Operating Expenses	14,736,415	16,770,480	15,602,988	16,789,955
Total - Operations & Maintenance	\$25,354,420	\$28,741,882	\$25,360,665	\$29,149,219
Capital Improvements	664,695	6,330,000	1,000,000	\$5,505,000
Debt	6,221,846	6,242,978	6,242,978	6,240,079
Transfers Out	48,929	-	-	-
Total - All Expenditures	\$32,289,890	\$41,314,860	\$32,603,643	\$40,894,298

Department by Fund

Sanitary Sewer (030)	\$32,289,890	\$41,314,860	\$32,603,643	\$40,894,298
----------------------	--------------	--------------	--------------	--------------

Full-Time Equivalent Employees*

Sanitary Sewer (030)	74.78	71.90	74.65	70.73
----------------------	-------	-------	-------	-------

DEPARTMENT MISSION

Sanitary Sewer, formally known as Water Pollution Control, is part of Municipal Services, and is responsible for the maintenance and enforcement of the City's water pollution control policies and regulations.

Municipal Services Sanitary Sewer Administration

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$293,547	\$301,964	\$317,200	\$381,114
Benefits	120,879	127,685	134,300	202,225
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	-
Professional Services	-	5,000	2,500	5,000
Equipment	-	-	-	-
Other Operating Expenses	40,976	74,300	70,500	75,800
Total	\$455,402	\$508,949	\$524,500	\$664,139
Program by Fund				
Sanitary Sewer (030-5201)	\$455,402	\$508,949	\$524,500	\$664,139
Total Full Time Equivalent Positions	2.55	2.55	2.55	4.15

MISSION

The mission of the Administration program is to provide leadership and back-office support for the development, maintenance and enforcement of the City's water pollution control policies and regulations.

Municipal Services Sanitary Sewer Facilities

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$450,949	\$497,560	\$379,900	\$501,957
Benefits	240,712	273,216	217,200	263,113
Retiree Health Insurance	-	-	-	-
Internal Services	16,409	26,700	30,300	32,200
Professional Services	63,509	115,000	95,000	100,900
Equipment	78,748	80,000	50,000	80,000
Other Operating Expenses	239,938	397,100	352,074	486,100
Total	\$1,090,265	\$1,389,576	\$1,124,474	\$1,464,270
Program by Fund				
Sanitary Sewer (030-5215)	\$1,090,265	\$1,389,576	\$1,124,474	\$1,464,270
Total Full Time Equivalent Positions	7.25	7.25	7.25	7.83

MISSION

The mission of the Facilities division is to ensure reliable operation of wastewater collection and treatment systems through preventative and predictive maintenance practices.

Municipal Services Sanitary Sewer Treatment Facilities

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual	Adopted	Estimated	Adopted
Program by Expenditure Category	Expenditures	Budget	Expenditures	Budget
Salary	\$821,792	\$845,437	\$837,900	\$877,294
Benefits	421,499	477,124	466,600	433,928
Retiree Health Insurance	-	-	-	-
Internal Services	14,784	12,500	12,800	16,200
Professional Services	26,796	106,500	25,000	107,400
Equipment	4,768	-	-	-
Other Operating Expenses	1,123,133	2,020,600	1,624,640	1,703,300
Total	\$2,412,773	\$3,462,161	\$2,966,940	\$3,138,122
Program by Fund				
Sanitary Sewer (030-5220)	\$2,412,773	\$3,462,161	\$2,966,940	\$3,138,122
Total Full Time Equivalent Positions	13.00	13.00	13.00	13.00

MISSION

The mission of the Treatment Facilities program is to operate and maintain the Rock Creek Wastewater Treatment Plan and thirteen pumping stations throughout the City so that wastewater meets all National Pollutant Discharge Elimination System permit limits.

Municipal Services Sanitary Sewer Collection System Maintenance

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$1,597,202	\$2,285,722	\$1,835,600	\$2,372,271
Benefits	695,031	1,111,021	844,200	1,111,472
Retiree Health Insurance	-	-		
Internal Services	132,865	115,200	136,040	163,300
Professional Services	319,451	455,500	340,459	515,100
Equipment	234,185	329,600	292,803	216,300
Other Operating Expenses	585,979	699,200	691,662	865,000
Total	\$3,564,714	\$4,996,243	\$4,140,764	\$5,243,443
Program by Fund				
Sanitary Sewer (030-5230)	\$3,564,714	\$4,996,243	\$4,140,764	\$5,243,443
Total Full Time Equivalent Positions	44.40	41.65	44.40	39.00

MISSION

The mission of Collection System Maintenance is to maintain over 614 miles of sanitary sewer pipe and over 14,720 manholes to a level that minimizes the number and frequency of overflows and backups.

Municipal Services Sanitary Sewer Environmental Services

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$445,606	\$456,897	\$477,300	\$415,523
Benefits	198,317	218,224	229,400	209,579
Retiree Health Insurance	-	-	-	-
Internal Services	12,650	14,600	17,900	23,500
Professional Services	26,702	50,000	50,000	45,900
Equipment	-	-	-	-
Other Operating Expenses	84,998	69,200	67,600	73,100
Total	\$768,273	\$808,921	\$842,200	\$767,602
Program by Fund				
Sanitary Sewer (030-5240)	\$768,273	\$808,921	\$842,200	\$767,602
Total Full Time Equivalent Positions	7.00	7.00	7.00	6.30

MISSION

The mission of the Environmental Services program is to inspect, sample and analyze industrial sewage discharges to determine compliance with National Pretreatment regulations.

Municipal Services Sanitary Sewer Inter-Jurisdictional Agencies

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$0	\$0		
Benefits	-	-		
Retiree Health Insurance	-	-		
Internal Services	-	-		
Professional Services	-	-		
Equipment	-	-		
Other Operating Expenses	8,666,639	9,721,568	9,005,000	9,741,568
Total	\$8,666,639	\$9,721,568	\$9,005,000	\$9,741,568
Program by Fund				
Sanitary Sewer (030-5210)	\$8,666,639	\$9,721,568	\$9,005,000	\$9,741,568
Total Full Time Equivalent Positions	0.00	0.00	0.00	0.00

MISSION

The mission of the Inter-Jurisdictional program is to provide administrative support for cooperative sewer services within the contiguous watersheds of adjoining municipalities and the Little Blue Valley Sewer District.

Municipal Services Sanitary Sewer Non-Departmental

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$63,319	\$64,588	\$127,100	\$11,910
Benefits	331,347	329,289	237,300	114,508
Retiree Health Insurance	357,822	348,000	420,000	460,000
Internal Services	3,618,371	3,324,076	2,180,876	3,698,570
Professional Services	30,242	-	-	-
Equipment	501	-	-	-
Other Operating Expenses	3,994,752	3,788,512	3,791,512	3,845,087
Transfers Out	-	-	-	-
Total	\$8,396,354	\$7,854,465	\$6,756,788	\$8,130,075
Program by Fund				
Sanitary Sewer (030-6530)	\$8,396,354	\$7,854,465	\$6,756,788	\$8,130,075
Total Full Time Equivalent Positions	0.58	0.45	0.45	0.45

MISSION

Provides funding for department-wide activities not attributable to one single sewer program.

Water

	FY 2021-22	FY 2022-23	FY 2022-23	FY 2023-24
	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Department Programs				
Administration (4810)	\$1,445,960	\$1,928,902	\$1,716,600	\$903,671
Engineering (4811)	\$0	\$0	\$0	\$809,509
Constructions (4812)	\$0	\$0	\$0	\$339,919
Maintenance (4815)	\$0	\$0	\$0	\$3,019,807
Field Service (4821)	1,021,598	1,627,489	1,466,650	1,688,252
Customer Service (4822)	2,854,575	4,880,910	3,647,807	5,061,563
Production (4830)	7,307,779	9,759,460	8,903,881	8,060,585
Lab (4831)	-	-	-	336,021
Transmission & Distribution (4840)	4,734,900	6,091,764	5,607,645	6,032,088
Non-Departmental (6540)	8,535,500	8,455,910	8,471,413	10,375,407
Capital Projects	1,231,231	8,050,000	9,700,000	9,380,000
Debt	2,505,487	2,540,938	2,540,938	2,536,138
Total	\$29,637,029	\$43,335,373	\$42,054,933	\$48,542,960
Department by Expenditure Category				
Salaries	\$5,659,766	\$6,574,858	\$5,827,307	\$6,881,074
Benefits	\$2,823,353	\$3,549,064	\$2,996,500	\$3,404,166
Retiree Health Insurance	\$348,628	\$364,000	\$325,000	\$360,000
Internal Services	\$4,359,117	\$4,244,443	\$4,255,643	\$5,679,010
Professional Services	\$787,105	\$2,613,900	\$1,314,600	\$2,464,300
Equipment	\$519,382	\$1,037,800	\$635,051	\$581,500
Other Operating Expenses	\$11,402,961	\$14,360,370	\$14,459,895	\$17,256,772
Total - Operations & Maintenance	25,900,311	32,744,435	29,813,995	36,626,822
Capital Improvements	1,231,231	8,050,000	9,700,000	9,380,000
Debt	2,505,487	2,540,938	2,540,938	2,536,138
Total - All Expenditures	\$29,637,029	\$43,335,373	\$42,054,933	\$48,542,960
Department by Fund				
Water Fund (040)	\$29,637,029	\$43,335,373	\$42,054,933	\$48,542,960
Full-Time Equivalent Employees				
Water Fund (040)	98.57	97.70	97.70	103.13

DEPARTMENT MISSION

The mission of the Water Department is to produce and supply drinking water that meets the requirements of the Safe Drinking Water Act and standards of the Missouri Department of Natural Resources to about 250,000 people, including residents of Independence and 12 wholesale customers.

Water Administration

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salaries	\$724,803	\$868,927	\$832,200	\$390,286
Benefits	327,304	420,325	356,800	231,205
Retiree Health Insurance	-	-	-	-
Internal Services	-	2,300	11,500	2,300
Professional Services	7,770	166,800	75,000	5,000
Equipment	20,736	13,800	12,000	6,500
Other Operating Expenses	365,347	456,750	429,100	268,380
Total	\$1,445,960	\$1,928,902	\$1,716,600	\$903,671
Program by Fund				
Water Fund (040-4810)	\$1,445,960	\$1,928,902	\$1,716,600	\$903,671
Total Full Time Equivalent Positions	10.00	10.75	10.75	4.70

PROGRAM MISSION

The mission of the Administration program is to provide leadership and back office support so that the Department can successfully meet the requirements of the Safe Drinking Water Act and standards of the Missouri Department of Natural Resources.

Water Engineering

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual	Adopted	Estimated	Adopted
Program by Expenditure Category	Expenditures	Budget	Expenditures	Budget
Salary	\$0	\$0	\$0	\$447,649
Benefits	-	-	-	226,660
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	-
Professional Services	-	-	-	60,900
Equipment	-	-	-	20,000
Other Operating Expenses	-	-	-	54,300
Total	\$0	\$0	\$0	\$809,509
Program by Fund				
Water Fund (040-4811)	\$0	\$0	\$0	\$809,509
Total Full Time Equivalent Positions	0.00	0.00	0.00	6.65

Water

Construction

	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Program by Expenditure Category				
Salary	\$0	\$0	\$0	\$185,657
Benefits	-	-	-	88,162
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	13,800
Professional Services	-	-	-	26,000
Equipment	-	-	-	-
Other Operating Expenses	-	-	-	26,300
Total	\$0	\$0	\$0	\$339,919
Program by Fund				
Water Fund (040-4812)	\$0	\$0	\$0	\$339,919
Total Full Time Equivalent Positions	0.00	0.00	0.00	3.80

Water Maintenance

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$0	\$0	\$0	\$33,226
Benefits	-	-	-	12,581
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	-
Professional Services	-	-	-	130,000
Equipment	-	-	-	-
Other Operating Expenses	-	-	-	2,844,000
Total	\$0	\$0	\$0	\$3,019,807
Program by Fund				
Water Fund (040-4815)	\$0	\$0	\$0	\$3,019,807
Total Full Time Equivalent Positions	0.00	0.00	0.00	0.33

Water

Field Service

	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Program by Expenditure Category				
Salary	\$635,358	\$721,688	\$611,500	\$667,602
Benefits	304,710	351,101	321,900	330,250
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	-
Professional Services	2,811	7,500	4,000	11,100
Equipment	44,277	484,000	164,000	161,000
Other Operating Expenses	34,442	63,200	365,250	518,300
Total	\$1,021,598	\$1,627,489	\$1,466,650	\$1,688,252
Program by Fund				
Water Fund (040-4821)	\$1,021,598	\$1,627,489	\$1,466,650	\$1,688,252
Total Full Time Equivalent Positions	9.00	10.00	10.00	9.00

MISSION

The mission of the Water Field Service Division is to provide an onsite response to customer inquiries and requests in addition to installing and maintaining meters for over 49,657 customers so that consumption levels are accurate and service line leaks can be identified for repair.

Water

Customer Service

Program by Expenditure Category	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Salary	\$1,308,303	\$1,437,612	\$1,257,707	\$1,375,897
Benefits	583,890	693,298	566,000	614,366
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	-
Professional Services	264,706	1,565,000	650,000	1,631,000
Equipment	18,142	32,000	17,000	142,000
Other Operating Expenses	679,533	1,153,000	1,157,100	1,298,300
Total	\$2,854,575	\$4,880,910	\$3,647,807	\$5,061,563
Program by Fund				
Water Fund (040-4822)	\$2,854,575	\$4,880,910	\$3,647,807	\$5,061,563
Total Full Time Equivalent Positions	25.75	27.75	27.75	26.50

MISSION

The mission of Customer Service is to accurately issue utility bills to all City water, sewer and electric customers and to operate a customer service center for all billing inquiries.

Water Production

Program by Expenditure Category	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Salary	\$1,403,570	\$1,555,319	\$1,333,900	\$1,375,389
Benefits	604,992	770,441	627,700	689,396
Retiree Health Insurance	-	-	-	-
Internal Services	-	2,300	2,300	2,300
Professional Services	163,576	549,600	260,600	212,600
Equipment	109,797	99,000	77,051	155,000
Other Operating Expenses	5,025,843	6,782,800	6,602,330	5,625,900
Total	\$7,307,779	\$9,759,460	\$8,903,881	\$8,060,585
Program by Fund				
Water Fund (040-4830)	\$7,307,779	\$9,759,460	\$8,903,881	\$8,060,585
Total Full Time Equivalent Positions	24.75	21.50	21.50	18.50

MISSION

The mission of Production is to operate and maintain the Courtney Bend Water Treatment Plant so that up to 48-million gallons of water, that meets or exceeds all federal and state standards, can be pumped daily.

Water Laboratory

	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Program by Expenditure Category				
Salary	\$0	\$0	\$0	\$183,571
Benefits	-	-	-	66,350
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	-
Professional Services	-	-	-	13,500
Equipment	-	-	-	-
Other Operating Expenses	-	-	-	72,600
Total	\$0	\$0	\$0	\$336,021
Program by Fund				
Water Fund (040-4831)	\$0	\$0	\$0	\$336,021
Total Full Time Equivalent Positions	0.00	0.00	0.00	2.95

Water

Transmission and Distribution

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$1,577,036	\$1,975,042	\$1,777,300	\$2,189,144
Benefits	758,388	1,052,672	809,000	948,394
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	2,000	12,000
Professional Services	318,001	325,000	325,000	374,200
Equipment	325,928	409,000	365,000	97,000
Other Operating Expenses	1,755,547	2,330,050	2,329,345	2,411,350
Total	\$4,734,900	\$6,091,764	\$5,607,645	\$6,032,088
Program by Fund				
Water Fund (040-4840)	\$4,734,900	\$6,091,764	\$5,607,645	\$6,032,088
Total Full Time Equivalent Positions	27.50	27.50	27.50	30.50

MISSION

The mission of the Transmission and Distribution Division is to engineer, construct, and maintain 766 miles of water main pipe so that water is distributed to the customers with consistent pressure and minimal loss of treated water.

Water

Non-Departmental

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$10,695	\$16,270	\$14,700	\$32,653
Benefits	244,069	261,227	315,100	196,802
Retiree Health Insurance	348,628	364,000	325,000	360,000
Internal Services	4,359,117	4,239,843	4,239,843	5,648,610
Professional Services	30,242	-	-	-
Equipment	501	-	-	-
Other Operating Expenses	3,542,249	3,574,570	3,576,770	4,137,342
Total	\$8,535,500	\$8,455,910	\$8,471,413	\$10,375,407
Program by Fund				
Water Fund (040-6540)	\$8,535,500	\$8,455,910	\$8,471,413	\$10,375,407
Total Full Time Equivalent Positions	1.57	0.20	0.20	0.20

Municipal Services

Capital Projects

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
General Fund (002,057)	\$ -	\$ -	\$ -	\$ 260,000
Street Improvements Sales Tax (011 051)	4,899,900	21,798,746	12,000,000	10,745,086
Stormwater Sales Tax (013 058)	782,735	3,470,000	1,300,000	7,583,017
Sanitary Sewer (030 031)	664,695	6,330,000	1,000,000	5,505,000
Water (040 041)	1,231,231	8,050,000	9,700,000	9,380,000
Total	\$ 7,578,559	\$39,648,746	\$ 24,000,000	\$ 33,473,103

Capital Projects for FY 2023-24

Project Title and Number	Amount
Springbranch Garage Complex - #57202	\$260,000
Bridge Program #112502	100,000
Sidewalks Program - #112503	100,000
Independence Historic Trails Phase I - #112406	100,000
Fairmount Loop Trail - #112501	150,000
Emergency Transportation Projects - #112203	175,000
Dump Truck - #112504	225,000
Traffic Signal Structure Replacement - #112204	250,000
Springbranch Garage Complex - #112410	260,000
Winner Rd Complete Streets - #112403	700,000
Noland Multimodal Corridor - #112402	800,000
Truman Connected Phase II - #112401	990,000
US 24 Hwy Phase III - #112208	1,000,000
23rd St Complete Streets - #112111	1,295,086
Pavement Preventative Maintenance Operations - #112201	4,600,000
Bundschu Regional Detention Basin - #132501	160,000
Trenchless Technologies - #130508	200,000
Emergency Projects - #131802	250,000
Springbranch Garage Complex - #132410	260,000
Woodbury at E 25th St S - #132401	500,000
Leslie to Crane at Hereford Stormwater - #132201	1,511,000
Rock Creek Watershed Pipe Repair & Replacement - #132402	2,100,000
Rockwood Storm Drainage Improvements - #132202	2,602,017
Sanitary Sewer Evaluation Survey - #302101	100,000
Pump Stations Improvements & Maintenance - #302103	150,000

CITY OF INDEPENDENCE, MO

Neighborhood Projects - #302004	150,000
Sanitary Sewer Main Relocations from Streambanks - #302203	300,000
Camera Truck - #302501	375,000
Trenchless Technology - #9757	500,000
Sludge Thickening Process Improvements - #302301	800,000
Upper Adair Interceptor - #302201	1,000,000
Springbranch Garage Complex - #302410	2,130,000
Sludge House Piping Improvements - #402403	100,000
Chlorinator Improvements - #402502	100,000
Evaporator Improvements - #402503	100,000
Vehicle Replacement - #402506	150,000
Basin Drive Improvements - #402108	250,000
M-291 Wellfield Header - #402504	300,000
Future Production Wells - #401003	500,000
Horizontal Collector Wheel Rehab - #402501	750,000
Springbranch Garage Complex - #402410	2,130,000
Main Replacement Program - #9749	5,000,000
	<hr/> <hr/>
	\$33,473,103

Municipal Services

Debt

Program by Expenditure Category	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Debt Service	\$10,511,909	\$10,571,862	\$10,571,862	\$10,531,114

Program by Fund

Street Improvements Sales Tax (011)	\$1,784,575	\$1,787,946	\$1,787,946	\$1,754,897
Sanitary Sewer (030)	6,221,846	6,242,978	6,242,978	6,240,079
Water Fund (040)	2,505,487	2,540,938	2,540,938	2,536,138
Total	\$10,511,909	\$10,571,862	\$10,571,862	\$10,531,114

Debt Issuance

Issue 2012B - Sanitary Sewer

Principal	\$0	\$0	\$0	\$0
Interest	-	-	-	-
Fees	-	-	-	-
Total	\$0	\$0	\$0	\$0

Issue 2013C - Sanitary Sewer

Principal	\$0	\$0	\$0	\$0
Interest	-	-	-	-
Fees	2,501	-	-	-
Total	\$2,501	\$0	\$0	\$0

Issue 2014C - Sanitary Sewer

Principal	\$325,000	\$345,000	\$345,000	\$360,000
Interest	738,642	724,600	724,600	706,975
Fees	1,282	5,000	5,000	5,000
Total	\$1,064,924	\$1,074,600	\$1,074,600	\$1,071,975

Issue 2021 A&B - Sanitary Sewer

Principal	\$3,210,000	\$3,270,000	\$3,270,000	\$3,335,000
Interest	1,938,172	1,888,378	1,888,378	1,823,104
Fees	6,250	10,000	10,000	10,000
Total	\$5,154,422	\$5,168,378	\$5,168,378	\$5,168,104

Lease Purchase 19LP - Street Sales Tax

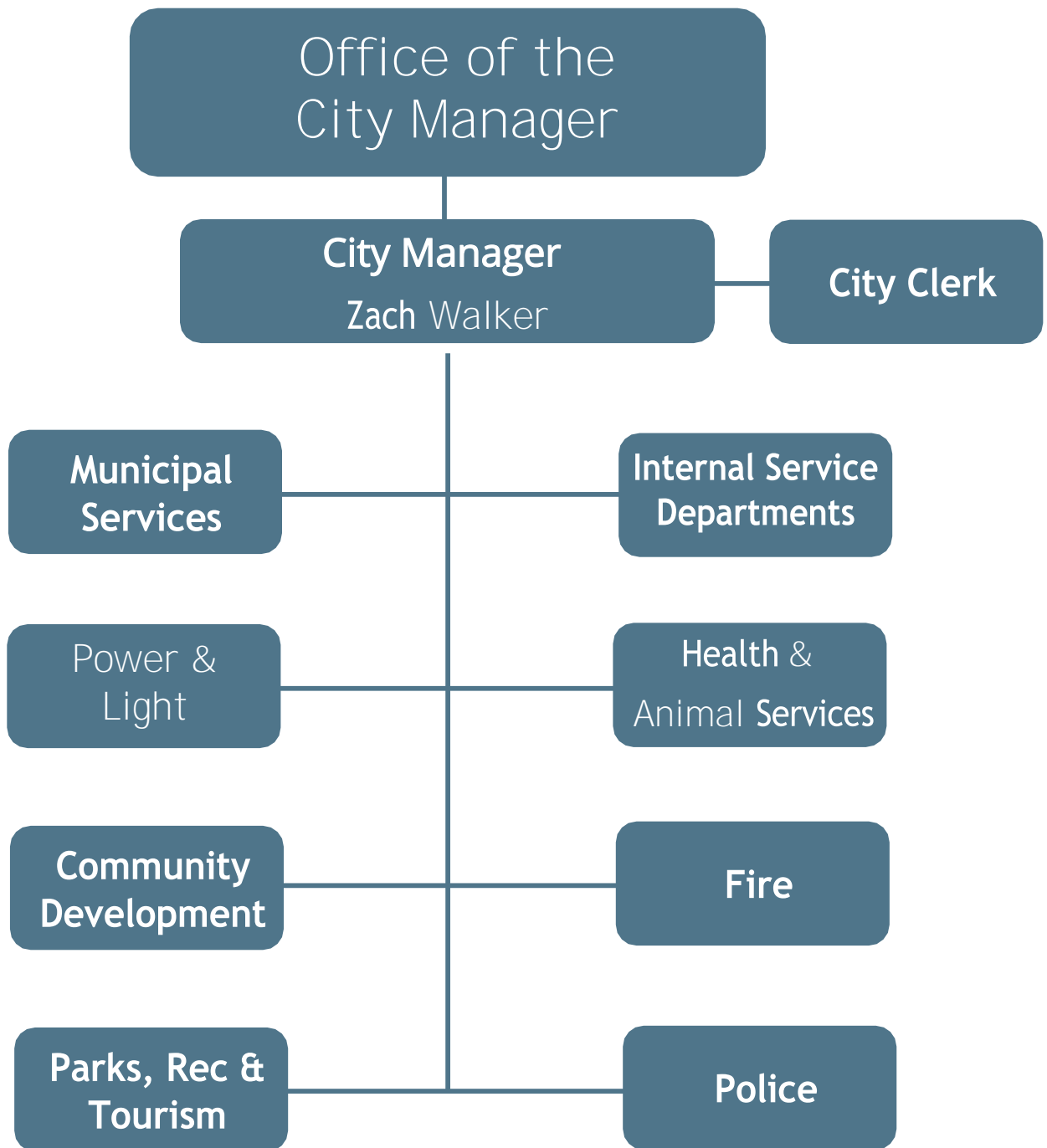
Principal	\$1,310,000	\$1,345,000	\$1,345,000	\$1,385,000
Interest	434,148	402,446	402,446	369,897
Fees	-	-	-	-
Total	\$1,744,148	\$1,747,446	\$1,747,446	\$1,754,897

Lease Purchase 031 - Street Sales Tax

Principal	\$35,931	\$37,000	\$37,000	\$38,100
Interest	4,496	3,500	3,500	2,400
Fees	-	-	-	-
Total	\$40,427	\$40,500	\$40,500	\$40,500

Issue 2013D - Water

Principal	\$1,785,000	\$1,880,000	\$1,880,000	\$1,950,000
Interest	718,487	652,938	435,292	578,138
Fees	2,000	8,000	500	8,000
Total	\$2,505,487	\$2,540,938	\$2,315,792	\$2,536,138



Office of the City Manager

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Department Programs				
City Manager (4021)	\$730,790	\$946,995	\$1,027,875	\$974,063
PIO (4022)	\$340,636	\$0	\$1,768	\$0
Emergency Preparedness (4023)	92,001	345,484	283,535	349,231
City Clerk (4012)	\$0	\$0	\$333,679	\$403,693
Total	\$1,163,427	\$1,292,479	\$1,646,858	\$1,726,987

Department by Expenditure Category

Salaries	\$656,019	\$662,257	\$728,800	\$761,100
Benefits	256,239	251,021	292,371	298,191
Retiree Health Insurance	57,610	65,000	70,000	97,000
Internal Services	80,698	219,155	267,131	234,200
Professional Services	22,568	3,000	193,000	238,000
Equipment	5,711	4,721	4,500	4,721
Debt	-	-	-	-
Other Operating Expenses	84,581	87,325	91,055	93,775
Total	\$1,163,427	\$1,292,479	\$1,646,858	\$1,726,987

Department by Fund

General Fund (002)	\$1,163,427	\$1,292,479	\$1,646,858	\$1,726,987
--------------------	-------------	-------------	-------------	-------------

Full-Time Equivalent Employees

General Fund (002)	9.00	9.25	9.25	9.25
--------------------	------	------	------	------

DEPARTMENT MISSION

The City Manager is the Chief Administrative Officer of the City government, exercising direction over all municipal operations. The Office of the City Manager is comprised of the City Manager and Public Information Officer departments.

Office of the City Manager

City Manager

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salaries	\$417,510	\$516,243	\$599,300	\$523,750
Benefits	153,630	197,836	204,300	200,147
Retiree Health Insurance	57,610	65,000	60,000	66,000
Internal Services	57,033	124,770	124,770	128,370
Professional Services	12,553	-	-	25,000
Equipment	5,441	4,721	3,500	4,721
Debt	-	-	-	-
Other Operating Expenses	27,012	38,425	36,005	26,075
Total	\$730,790	\$946,995	\$1,027,875	\$974,063
Program by Fund				
General Fund (002-4021)	\$730,790	\$946,995	\$1,027,875	\$974,063
Total Full Time Equivalent Positions*	3.50	6.75	6.75	6.75

PROGRAM MISSION

The mission of the City Manager is to serve as the Chief Administrative Officer of the City government so that Mayor and City Council-directed policies are implemented and city services are delivered efficiently and effectively.

** Excludes headcount that is allocated to other departments.*

Office of the City Manager

Public Information Office

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$230,943	\$0	\$0	\$0
Benefits	78,015	-	-	-
Retiree Health Insurance	-	-	-	-
Internal Services	2,768	-	1,768	-
Professional Services	-	-	-	-
Equipment	-	-	-	-
Other Operating Expenses	28,910	-	-	-
Total	\$340,636	\$0	\$1,768	\$0
Program by Fund				
General Fund (002-4022)	\$340,636	\$0	\$1,768	\$0
Total Full Time Equivalent Positions*	3.00	0.00	0.00	0.00

SIGNIFICANT BUDGET CHANGES

The Communications Department (PIO) has moved into the Internal Service Fund beginning FY 2023-24

Office of the City Manager

Emergency Preparedness

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salaries	\$7,567	\$146,014	\$79,500	\$149,992
Benefits	24,594	53,185	55,000	55,829
Retiree Health Insurance	-	-	-	-
Internal Services	20,897	94,385	98,685	86,510
Professional Services	10,015	3,000	3,000	3,000
Equipment	270	-	-	-
Other Operating Expenses	28,659	48,900	47,350	53,900
Total	\$92,001	\$345,484	\$283,535	\$349,231
Program by Fund				
General Fund (002-4023)	\$92,001	\$345,484	\$283,535	\$349,231
Total Full Time Equivalent Positions	2.50	2.50	2.50	2.50

PROGRAM MISSION

The mission of the Emergency Preparedness Division is to protect and serve our community by preparing for the unexpected and ensuring a swift, coordinated, and effective response to emergencies of all kinds.

ACCOMPLISHMENTS

Awarded \$220,000 dollars in grant funds

Fully implemented our remote activated and automated outdoor warning siren system (NWS)

Completed the COOP plans for each City Department

Applied for additional COVID-19 assistance grants

Participated in and led several City, region and state-wide exercises

Is an ongoing stakeholder in several of the MRCKC projects

Office of the City Manager

City Clerk

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salaries	\$0	\$0	\$50,000	\$87,358
Benefits	-	-	33,071	42,215
Retiree Health Insurance	-	-	10,000	31,000
Internal Services	-	-	41,908	19,320
Professional Services	-	-	190,000	210,000
Equipment	-	-	1,000	-
Other Operating Expenses	-	-	7,700	13,800
Total	\$0	\$0	\$333,679	\$403,693
Program by Fund				
General Fund (002-4023)	\$0	\$0	\$333,679	\$403,693
Total Full Time Equivalent Positions	0.00	0.00	1.00	1.00

PROGRAM MISSION

The mission of the City Clerk is to manage and record the official proceedings of the City of Independence so that the official business of the City is duly recorded and maintained.

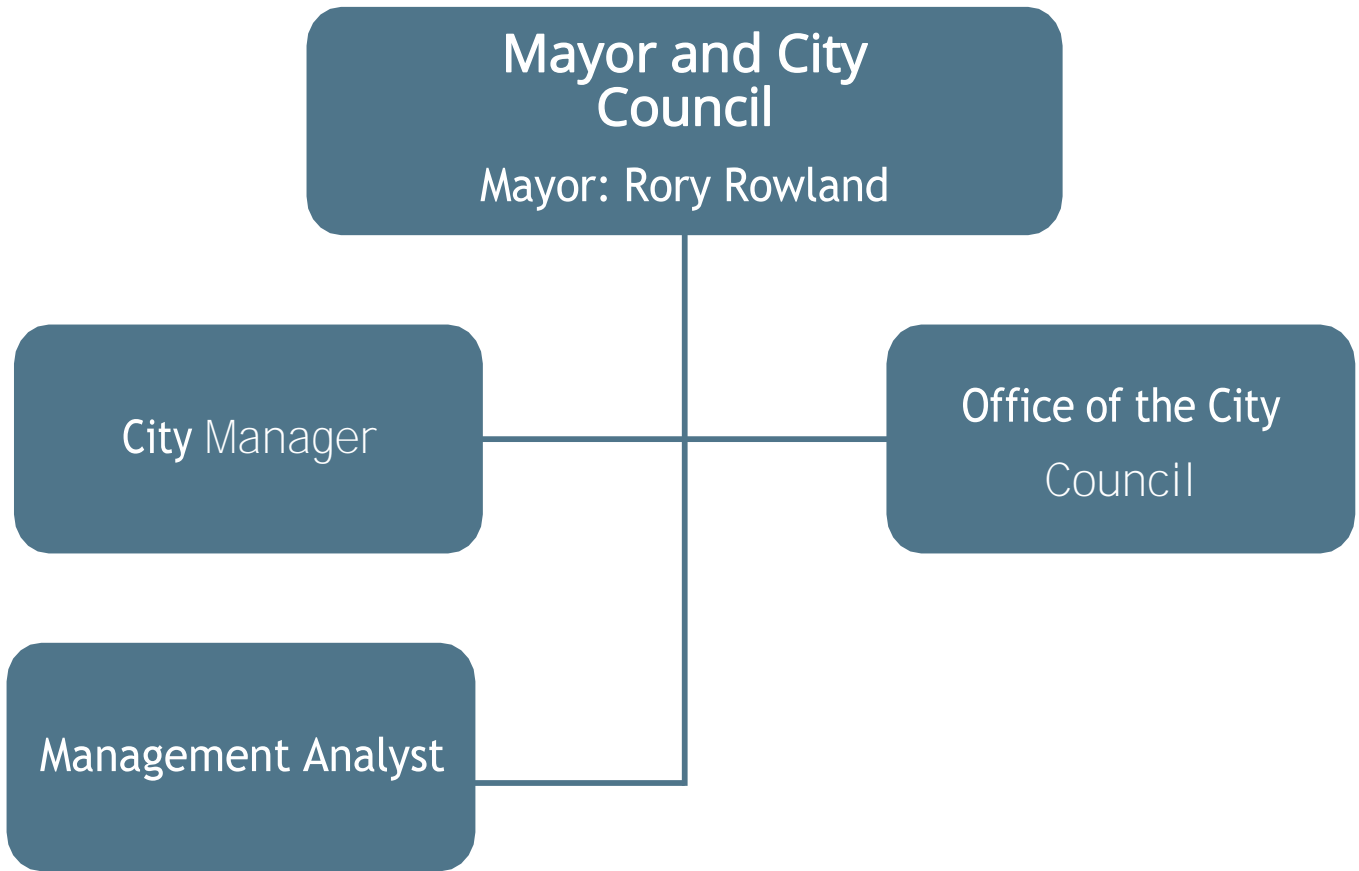
ACCOMPLISHMENTS

In working with all departments, we have streamlined the records request process, and become more consistent when it comes to open records requests. Our current processes are more closely aligned with the Missouri Sunshine Law and the Independence City Code. This continues to be a focus in FY 23/24 to continue to improve this process.

The Clerk's Office has tackled some big projects when it comes to converting paper records into electronic records. This creates efficiencies when it comes to pulling older records for staff and the public.

Strategic Plan Connection

Our primary connection to the Independence Action Plan is being Customer Focused with effective engagement with the community. Updates to the records request process has resulted in faster and more frequent responses to the requestor, and a one stop shop for obtaining public records



Offices of the Mayor and City Council

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual	Adopted	Estimated	Adopted
Department Programs	Expenditures	Budget	Expenditures	Budget
Mayor (4004)	\$188,479	\$0	\$0	\$0
City Council (4002)	452,593	1,174,882	742,573	817,002
Management Analyst (4003)	78,556	-	-	-
City Clerk (4012)	470,436	-	-	-
Total	\$1,190,065	\$1,174,882	\$742,573	\$817,002

Department by Expenditure Category

Salaries	\$535,087	\$391,011	\$328,500	\$338,014
Benefits	\$264,391	\$245,490	\$175,825	\$201,728
Retiree Health Insurance	\$47,565	\$46,000	\$25,600	\$18,700
Internal Services	\$93,255	\$131,771	\$120,350	\$194,960
Professional Services	\$202,241	\$300,000	\$52,644	\$17,000
Equipment	\$5,214	\$2,500	\$1,685	\$2,500
Other Operating Expenses	42,311	58,110	37,969	44,100
Total	\$1,190,065	\$1,174,882	\$742,573	\$817,002

Department by Fund

General Fund (002)	\$1,190,065	\$1,174,882	\$742,573	\$817,002
--------------------	-------------	-------------	-----------	-----------

Full-Time Equivalent Employees

General Fund (002)	11.00	11.00	11.00	9.00
--------------------	-------	-------	-------	------

DEPARTMENT MISSION

Process, record, and report all transactions in a timely and accurate manner using sound business practices and methods. In performing our mission, we will maintain a well-trained staff and utilize the tools provided by the City to their greatest advantage.

Offices of the Mayor and City Council

Office of the Mayor

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salaries	\$84,853	\$0	\$0	\$0
Benefits	36,489	-	-	-
Retiree Health Insurance	5,917	-	-	-
Internal Services	37,190	-	-	-
Professional Services	-	-	-	-
Equipment	3,529	-	-	-
Other Operating Expenses	20,501	-	-	-
Total	\$188,479	\$0	\$0	\$0
Program by Fund				
General Fund (002-4004)	\$188,479	\$0	\$0	\$0
Total Full Time Equivalent Positions	1.00	0.00	0.00	0.00

PROGRAM MISSION

The mission of the Mayor is to serve as the presiding officer of the City Council, as provided by the City Charter. As the presiding officer, the Mayor works with other members of the City Council to enact legislation and make appointments to various advisory boards and commissions.

Offices of the Mayor and City Council

City Council

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$260,081	\$391,011	\$328,500	\$338,014
Benefits	140,487	245,490	175,825	201,728
Retiree Health Insurance	13,842	46,000	25,600	18,700
Internal Services	28,807	131,771	120,350	194,960
Professional Services	125	300,000	52,644	17,000
Equipment	1,685	2,500	1,685	2,500
Other Operating Expenses	7,566	58,110	37,969	44,100
Total	\$452,593	\$1,174,882	\$742,573	\$817,002
Program by Fund				
General Fund (002-4002)	\$452,593	\$1,174,882	\$742,573	\$817,002
Total Full Time Equivalent Positions	7.00	11.00	11.00	9.00

MISSION

The mission of the City Council is to enact legislation that protects the health, peace, property, and general welfare of the citizens of the City of Independence. The Council consists of four members elected by the voters of the Council District, and two members elected at-large, or by all Independence voters.

Offices of the Mayor and City Council

City Clerk

Program by Expenditure Category	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$137,625	\$0	\$0	\$0
Benefits	61,730	-	-	-
Retiree Health Insurance	27,807	-	-	-
Internal Services	26,914	-	-	-
Professional Services	202,116	-	-	-
Equipment	-	-	-	-
Other Operating Expenses	14,244	-	-	-
Total	\$470,436	\$0	\$0	\$0
Program by Fund				
General Fund (0024012)	\$470,436	\$0	\$0	\$0
Total Full Time Equivalent Positions	2.00	0.00	0.00	0.00

MISSION

The mission of the City Clerk is to manage and record the official proceedings of the City of Independence so that the official business of the City is duly recorded and maintained.

SIGNIFICANT BUDGET CHANGES

This org was consolidated with the City Council org as of the FY 23-24 budget and has been transferred to the Office of the City Manager as of December 2023.

Offices of the Mayor and City Council Management Analyst

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$52,527	\$0	\$0	\$0
Benefits	25,685	-	-	-
Retiree Health Insurance	0	-	-	-
Internal Services	344	-	-	-
Professional Services	-	-	-	-
Equipment	-	-	-	-
Other Operating Expenses	0	-	-	-
Total	\$78,556	\$0	\$0	\$0
Program by Fund				
General Fund (002-4003)	\$78,556	\$0	\$0	\$0
Total Full Time Equivalent Positions	1.00	0.00	0.00	0.00

MISSION

The mission of the Management Analyst program is to systematically and continuously examine all works of the City in order to identify opportunities to reduce costs, increase program efficiency, improve program effectiveness, and enhance professionalism of the administration of the City.

SIGNIFICANT BUDGET CHANGES

This org has been consolidated with the City Council, Mayor and City Clerk into one org. Expenditures will now be budgeted and recorded in org 4002.



Fire

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual	Adopted	Estimated	Adopted
Department Programs	Expenditures	Budget	Expenditures	Budget
Administration (4611)	\$2,346,150	\$2,486,579	\$2,766,681	\$3,555,061
Operations (4621)	21,517,951	20,615,343	23,790,815	19,757,868
Emergency Medical Services (4622)	241,614	231,121	346,417	404,243
Fire Prevention (4631)	985,577	982,288	1,014,177	900,107
Maintenance (4641)	81,335	71,276	86,076	100,410
Training (4651)	91,896	17,523	73,173	69,360
Emergency Preparedness (4661,4650)	319,002	59,629	48,439	-
Sales Tax (4671)	4,023,811	10,264,971	8,454,098	15,234,937
Total	\$29,607,335	\$34,728,729	\$36,579,875	\$40,021,986

Department by Expenditure Category

Salaries	\$15,625,805	\$16,145,564	\$18,128,900	\$17,335,508
Benefits	8,594,169	8,994,409	9,428,900	8,821,498
Retiree Health Insurance	1,271,924	1,278,000	1,400,000	1,600,000
Internal Services	1,159,326	1,566,131	1,599,931	2,673,330
Professional Services	37,225	255,000	394,260	277,800
Equipment	1,569,542	3,068,350	2,062,150	1,523,600
Other Operating Expenses	1,208,118	1,523,538	1,523,649	2,291,350
Capital Expenditures	-	1,800,000	1,800,000	-
Transfers Out to Capital Projects	-	-	-	5,450,000
Debt Service	141,225	97,736	242,084	48,900
Total	\$29,607,335	\$34,728,729	\$36,579,875	\$40,021,986

Department by Fund

General Fund (002)	\$25,373,694	\$24,404,130	\$28,077,339	\$24,787,049
Grant Fund (015)	209,830	59,629	48,439	-
Fire Protection Sales Tax (017)	4,023,811	10,264,971	8,454,098	15,234,937
Fire Improvements Fund (053)	-	-	-	5,450,000
Total	\$29,607,335	\$34,728,729	\$36,579,875	\$40,021,986

Full-Time Equivalent Employees

General Fund (002)	174.50	175.00	175.00	177.00
Grant Fund (015)	0.00	0.00	0.00	0.00
Fire Protection Sales Tax (017)	24.00	29.00	29.00	29.00
Total	198.50	204.00	204.00	204.00

DEPARTMENT MISSION

The Independence Fire Department will meet the challenges of present and future community needs through pro-active leadership, dedication to our core values, provision of quality All-Hazard emergency services, and community risk-reduction strategies in an efficient and effective manner.

Fire

Administration

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual	Adopted	Estimated	Adopted
Program by Expenditure Category	Expenditures	Budget	Expenditures	Budget
Salaries	\$248,359	\$253,172	\$253,300	\$279,484
Benefits	125,196	132,944	100,950	93,637
Retiree Health Insurance	1,271,924	1,278,000	1,400,000	1,600,000
Internal Services	428,444	788,963	789,363	1,546,640
Professional Services	5,786	9,000	160,000	9,000
Equipment	-	-	-	-
Other Operating Expenses	266,442	24,500	63,068	26,300
Total	\$2,346,150	\$2,486,579	\$2,766,681	\$3,555,061
Program by Fund				
General Fund (002-4611)	\$2,346,150	\$2,486,579	\$2,766,681	\$3,555,061
Total Full Time Equivalent Positions				
General Fund (002-4611)	3.00	3.00	3.00	2.00

PROGRAM MISSION

The Administration Division is responsible for the overall management of the department and ensures that strategic goals and objectives meet the visions and mission of the department.

Fire Operations

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	13,367,564	12,505,994	15,206,700	11,694,017
Benefits	7,484,082	7,503,012	7,975,300	7,308,711
Retiree Health Insurance	-	-	-	-
Internal Services	608,133	545,537	545,537	694,440
Professional Services	-	-	-	-
Equipment	-	-	-	-
Other Operating Expenses	33,776	36,300	38,778	36,300
Debt Service	24,397	24,500	24,500	24,400
Total	21,517,951	20,615,343	23,790,815	19,757,868
Program by Fund				
General Fund (002-4621)	21,517,951	20,615,343	23,790,815	19,757,868
Total Full Time Equivalent Positions				
General Fund (002-4621)	160.00	162.00	162.00	166.00

MISSION

The mission of the Fire Operations Division is to serve the emergent needs of the community with response to emergency medical calls, fires, explosions, bomb threats, vehicle accidents, homeland security terrorism, hazardous chemical spills, and other emergency calls.

Fire

Emergency Medical Services

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$114,949	\$118,135	\$181,300	\$207,242
Benefits	53,890	65,269	91,950	99,281
Retiree Health Insurance	-	-	-	-
Internal Services	5,741	1,967	16,667	51,970
Professional Services	27,705	-	150	-
Equipment	-	-	-	-
Other Operating Expenses	39,329	45,750	56,350	45,750
Total	\$241,614	\$231,121	\$346,417	\$404,243
Program by Fund				
General Fund (002-4622)	\$241,614	\$231,121	\$346,417	\$404,243
Total Full Time Equivalent Positions				
General Fund (002-4622)	1.00	2.00	2.00	2.00

MISSION

The Emergency Medical Services (EMS) and Wellness Division is responsible for the training and operation of emergency medical services to ensure firefighters can provide basic and advanced life support measures to the citizens.

Fire Prevention

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$630,249	\$645,518	\$668,200	\$561,328
Benefits	262,109	272,379	263,100	265,909
Retiree Health Insurance	-	-	-	-
Internal Services	54,050	54,891	73,591	59,370
Professional Services	-	-	-	-
Equipment	-	-	-	-
Other Operating Expenses	39,170	9,500	9,286	13,500
Total	\$985,577	\$982,288	\$1,014,177	\$900,107
Program by Fund				
General Fund (002-4631)	\$985,577	\$982,288	\$1,014,177	\$900,107
Total Full Time Equivalent Positions				
General Fund (002-4631)	8.00	8.00	8.00	7.00

MISSION

The Fire Prevention Division provides for the safety of the residents through inspection of new businesses within the city, fire code enforcement, plan reviews, fire safety education, fire investigation, and the re-inspection of all violations found during company inspections.

Fire Maintenance

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$0	\$0	\$0	\$0
Benefits	-	-	-	-
Retiree Health Insurance	-	-	-	-
Internal Services	19,836	18,576	18,576	37,710
Professional Services	-	-	-	-
Equipment	-	-	-	-
Other Operating Expenses	61,498	52,700	67,500	62,700
Total	\$81,335	\$71,276	\$86,076	\$100,410
Program by Fund				
General Fund (002-4641)	\$81,335	\$71,276	\$86,076	\$100,410
Total Full Time Equivalent Positions				
General Fund (002-4641)	0.00	0.00	0.00	0.00

MISSION

The Maintenance Division manages the service, preventative maintenance, and replacement programs for all staff vehicles, fire apparatus, facilities, and equipment.

Fire

Training and Professional Development

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Program by Expenditure Category				
Salary	\$56,010	\$5,000	\$49,000	\$44,000
Benefits	22,912	-	10,400	-
Retiree Health Insurance	-	-	-	-
Internal Services	9,722	12,023	12,023	24,360
Professional Services	-	-	-	-
Equipment	-	-	-	-
Other Operating Expenses	3,251	500	1,750	1,000
Total	\$91,896	\$17,523	\$73,173	\$69,360
Program by Fund				
General Fund (002-4651)	\$91,896	\$17,523	\$73,173	\$69,360
Total Full Time Equivalent Positions				
General Fund (002-4651)	0.00	0.00	0.00	0.00

MISSION

The Training/Professional Development Division provides training which promotes safe, effective, and efficient emergency response to the community.

Fire

Emergency Preparedness

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$160,274	\$6,818	\$0	\$0
Benefits	25,388	4,372	-	-
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	-
Professional Services	1,063	8,200	8,200	-
Equipment	68,314	2,150	2,150	-
Other Operating Expenses	63,962	38,088	38,088	-
Total	\$319,002	\$59,629	\$48,439	\$0
Program by Fund				
General Fund (002-4661)	\$109,172	\$0	\$0	\$0
Grant Fund (015-4650)	209,830	\$59,629	\$48,439	\$0
Total	\$319,002	\$59,629	\$48,439	\$0
Total Full Time Equivalent Positions				
General Fund (002-4661)	2.50	0.00	0.00	0.00
Grant Fund (015-4650)	0.00	0.00	0.00	0.00
Total	2.50	0.00	0.00	0.00

MISSION

The Emergency Preparedness Division is responsible for support during times of disaster for all local, state, and federal departments across the spectrum of the emergency management functions, including preparedness, response, prevention, and recovery.

Fire

Sales Tax Program

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual	Adopted	Estimated	Adopted
Program by Expenditure Category	Expenditures	Budget	Expenditures	Budget
Salary	\$1,048,401	\$2,610,927	\$1,770,400	\$4,549,437
Benefits	620,592	1,016,434	987,200	1,053,960
Retiree Health Insurance	-	-	-	-
Internal Services	33,400	144,174	144,174	258,840
Professional Services	2,672	237,800	225,910	268,800
Equipment	1,501,228	3,066,200	2,060,000	1,523,600
Other Operating Expenses	700,690	1,316,200	1,248,829	2,105,800
Capital Improvements	-	1,800,000	1,800,000	-
Transfers Out to Capital Projects	-	-	-	5,450,000
Debt Service	116,828	73,236	217,584	24,500
Total	\$4,023,811	\$10,264,971	\$8,454,098	\$15,234,937
Program by Fund				
Fire Protection Sales Tax (017-4671)	\$4,023,811	\$10,264,971	\$8,454,098	\$15,234,937
Total Full Time Equivalent Positions				
Fire Protection Sales Tax (017-4671)	24.00	29.00	29.00	29.00

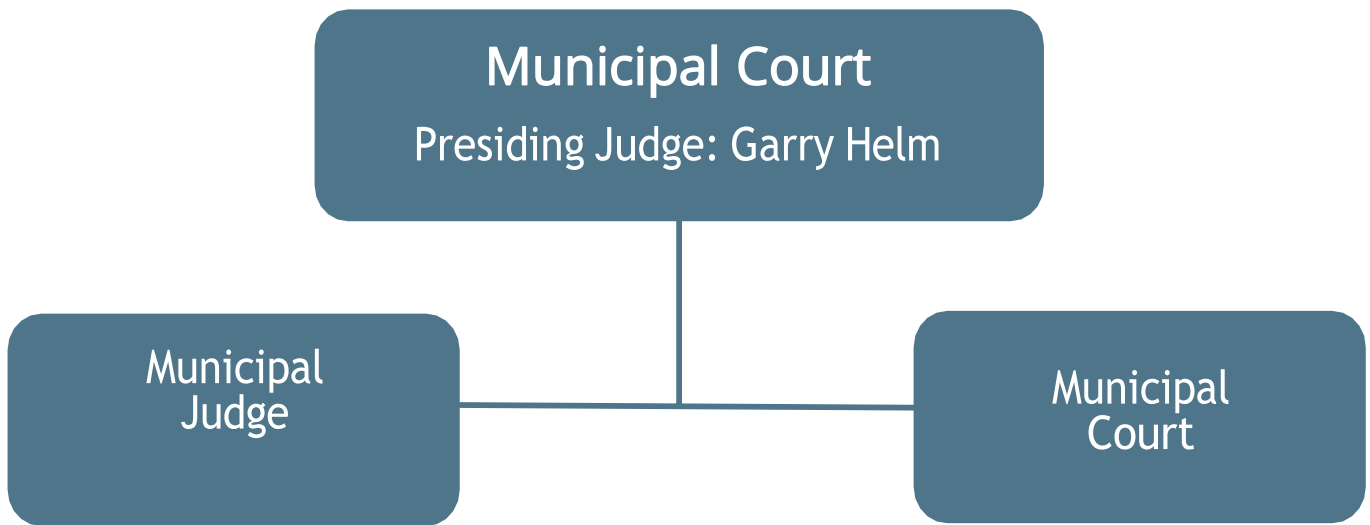
MISSION

The purpose of this cost center is to budget and track expenditures of Fire Protection Sales Tax funds to ensure compliance with the stated goals of this initiative when passed by voters.

Fire

Capital Improvements

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Capital Improvements	-	-	-	5,450,000
Total	\$0	\$0	\$0	\$5,450,000
Program by Fund				
Fire Improvements Fund (053)	\$0	\$0	\$0	\$5,450,000
Capital Projects for FY 2024-25				
Project Title and Number	Amount			
Aerial Ladder Truck	\$1,350,000			
Fire Pumper	1,050,000			
Parking Area Addition	300,000			
Architectural Design Fees	2,750,000			
	\$5,450,000			



Municipal Court

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Department Programs	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Municipal Court (4090)	1,529,891	1,579,595	1,610,265	1,733,769
Total	\$ 1,529,891	\$ 1,579,595	\$ 1,610,265	\$ 1,733,769

Department by Expenditure Category

Salaries	\$ 591,343	\$ 628,790	\$ 743,000	\$ 668,740
Benefits	303,751	360,974	\$ 355,500	\$ 373,343
Retiree Health Insurance	40,926	39,000	\$ 35,000	\$ 39,000
Internal Services	466,627	350,435	\$ 350,435	\$ 449,790
Professional Services	81,437	128,931	\$ 85,000	\$ 128,931
Equipment	15,800	2,500	\$ 2,500	\$ 5,000
Other Operating Expenses	30,007	68,965	\$ 38,830	\$ 68,965
Total	\$ 1,529,891	\$ 1,579,595	\$ 1,610,265	\$ 1,733,769

Department by Fund

General Fund (002)	1,529,891	1,579,595	1,610,265	1,733,769
Total	\$ 1,529,891	\$ 1,579,595	\$ 1,610,265	\$ 1,733,769

Full-Time Equivalent Employees

General Fund (002)	14.34	14.34	14.34	14.62
--------------------	-------	-------	-------	-------

DEPARTMENT MISSION

The Municipal Court has jurisdiction of cases involving violation of City ordinances; establishes and collects all fines, court costs, and bond money; issues warrants, subpoenas, and orders of commitment; and provides other services as prescribed by the Charter of the City of Independence, Missouri and applicable State Statutes.

SIGNIFICANT PLAN CONNECTION

Municipal Court is operating out of three case management systems. Comain, Incode, and Show Me Courts.

July 1, 2023, the Supreme Court launched Remote Public Access, which means, the public now has "remote access" to certain public documents filed in Missouri court cases via Case.net. This applies only to public documents filed on or after July 1, 2023. The public now can view, download and print these public case documents from their personal computers, tablets or cell phones. This, has in turn has created more steps in Show Me Courts, while we are struggling to stay ahead of the very next week's dockets.

Looking forward to Municipal Court being fully staffed in 24-25. We will be able to process the citations quicker so the public can have access to pay online quicker.

Municipal Court

Municipal Court

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salaries	\$ 591,343	\$ 628,790	\$ 743,000	\$ 668,740
Benefits	303,751	\$ 360,974	\$ 355,500	\$ 373,343
Retiree Health Insurance	40,926	39,000	35,000	39,000
Internal Services	466,627	350,435	350,435	449,790
Professional Services	81,437	128,931	85,000	128,931
Equipment	15,800	2,500	2,500	5,000
Other Operating Expenses	30,007	68,965	38,830	68,965
Total	\$ 1,529,891	\$ 1,579,595	\$ 1,610,265	\$ 1,733,769

Program by Fund

General Fund (002-4090)	\$ 1,529,891	\$ 1,579,595	\$ 1,610,265	\$ 1,733,769
-------------------------	--------------	--------------	--------------	--------------

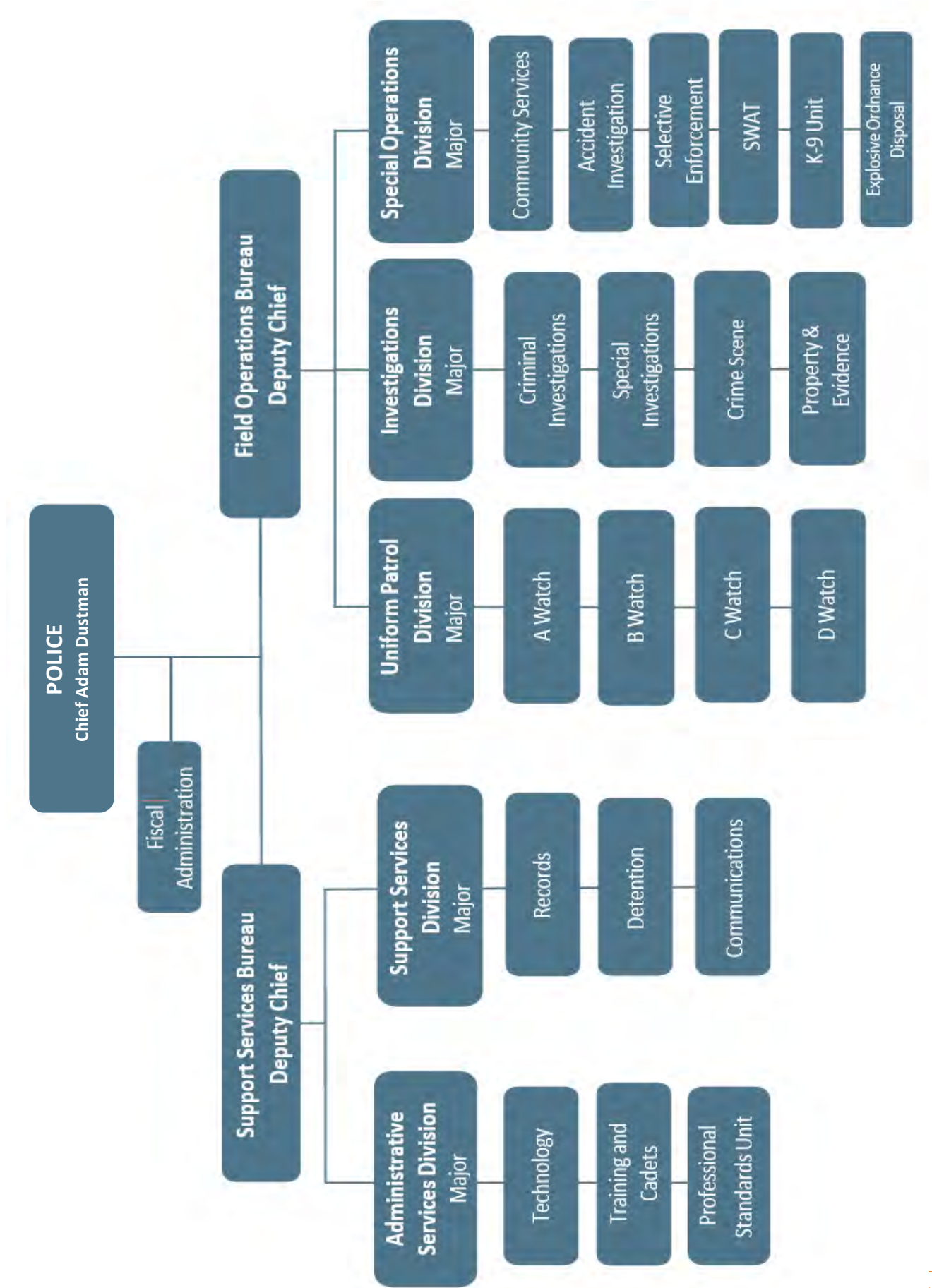
Total Full Time Equivalent Positions	14.34	14.34	14.34	14.62
---	-------	-------	-------	-------

PROGRAM MISSION

The Municipal Court has jurisdiction of cases involving violation of City ordinances; establishes and collects all fines, court costs and bond money; issues warrants, subpoenas, orders of commitment; and provides others services as prescribed by the Charter of the City of Independence, Missouri and applicable State Statutes.



This page intentionally left blank.



Police

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Department Programs	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Chief of Police (002511)	\$6,355,293	\$6,260,443	\$7,133,601	\$7,758,589
Grant Match (002512, 0154550)	1,836,855	719,282	2,235,135	753,185
Training & Equipment (0024513)	1,454,985	1,768,111	1,390,762	1,846,440
Patrol (0024532)	7,772,981	8,715,859	8,250,776	8,683,144
Investigations (0024534)	6,311,396	6,193,757	6,856,197	6,420,753
Tactical Operations (0024535)	1,849,604	2,008,751	2,231,769	2,026,479
Special Enforcement (0024536)	1,775,881	1,745,656	1,976,294	1,827,937
STEP (0024538)	118,375	273,812	271,204	271,079
Community Services (0024539)	1,935,415	2,222,403	2,239,845	2,262,911
Crime Scene (0024542)	588,909	591,078	506,265	568,903
Detention (0024543)	1,684,956	1,859,355	1,648,854	1,847,013
Records (0024544)	1,335,785	1,541,288	1,668,224	1,475,639
Communications Unit (0024545)	2,441,079	2,216,491	2,152,668	2,458,233
Sales Tax Program (0164561:4)	2,177,571	4,817,622	5,592,529	3,555,453
Use Tax Program (0184571)	3,810,070	4,231,251	6,797,372	6,276,670
Capital Improvements (052)	-	-	4,026,594	550,000
Total	\$41,449,155	\$45,165,159	\$54,978,090	\$48,582,424

Department by Expenditure Category

Salaries	\$22,726,334	\$21,005,519	\$23,414,660	\$21,648,162
Benefits	10,918,389	12,744,490	11,827,560	13,062,761
Retiree Health Insurance	1,678,935	1,484,019	1,900,000	2,000,000
Internal Services	2,303,791	3,523,424	3,523,524	5,467,430
Professional Services	869,473	988,200	780,550	986,000
Equipment	1,360,799	1,904,400	3,385,325	2,919,471
Other Operating Expenses	1,556,769	2,092,506	1,808,409	1,926,000
Capital Improvements	-	1,400,000	1,400,000	550,000
Debt	31,223	22,600	22,600	22,600
Total	\$41,445,715	\$45,165,159	\$48,062,627	\$48,582,424

Department by Fund

General Fund (002)	\$33,625,369	\$35,397,004	\$36,326,461	\$37,447,117
Grant Fund (015)	1,836,145	719,282	2,235,135	753,185
Police Sales Tax Fund (016)	2,177,571	4,817,622	5,592,529	3,555,453
Police Use Tax Fund (018)	3,810,070	4,231,251	6,797,372	6,276,670
Police Use Tax Fund (052)	-	-	4,026,594	550,000
Total	\$41,449,155	\$45,165,159	\$54,978,090	\$48,582,424

Full-Time Equivalent Employees

General Fund (002)	289.90	292.20	292.20	292.88
Grant Fund (015)	4.43	4.43	4.43	6.75
Police Sales Tax Fund (016)	0.00	0.00	0.00	0.00
Police Use Tax Fund (018)	31.00	31.00	31.00	32.00
Total	325.33	327.63	327.63	331.63

DEPARTMENT MISSION

The mission of the Independence Police Department is 1) to protect the life, individual liberty, and property of all people within the City of Independence; 2) to lower crime and disorder in the community; 3) to develop and maintain a positive relationship with members of the community; and 4) to foster a positive working environment for police employees.

SIGNIFICANT OPERATIONAL CHANGES

- Eliminated one Police Records Administrator position.
- Filled all but one vacant Command Staff position.
- Added an Electronic Fleet Technician, a System Admin I and II, an Internal Affairs Sergeant, and a Digital Media Officer Position

STRATEGIC PLAN CONNECTION

The Police Department remains committed to finding ways to operate in the most efficient and effective manner. This will include a department-wide review and evaluation in FY 2024-25 to ensure we are structured to remain a High-Performance Organization. The proposed budget will allow for the Police Department to continue succession planning and development to ensure we remain a part of a Well-Planned City.

We will continue to be good stewards of the Police Department funds to find new and innovative ways to stretch budgeted dollars for maximum efficiency. This will ensure we remain a Financially Sustainable Organization.

At the heart of the mission of the Police Department is public safety. We will continue to look at new and creative ways to combat crime and disorder in our city, while increasing the perception of safety for our citizens. We will continue to utilize our outreach efforts and programs to support an Engaged Community. This will ensure we remain focused on maintaining a Safe, Welcoming Community.

Police Chief of Police

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salaries	\$1,674,996	\$806,146	\$1,211,000	\$1,046,389
Benefits	1,708,919	1,611,558	1,683,696	1,739,080
Retiree Health Insurance	1,678,935	1,484,019	1,900,000	2,000,000
Internal Services	957,007	2,018,320	2,018,320	2,634,120
Professional Services	136,240	171,900	63,850	167,300
Equipment	10,868	10,000	10,000	5,100
Debt	8,703	-	-	-
Other Operating Expenses	179,625	158,500	246,735	166,600
Total	\$6,355,293	\$6,260,443	\$7,133,601	\$7,758,589

Program by Fund

General Fund (002-4511)	\$6,355,293	\$6,260,443	\$7,133,601	\$7,758,589
-------------------------	-------------	-------------	-------------	-------------

Total Full Time Equivalent Positions

General Fund (002-4511)	17.00	15.00	15.00	16.00
-------------------------	-------	-------	-------	-------

PROGRAM MISSION

The Office of the Chief of Police is responsible for the overall operation and administration of the department. Responsibilities include technology and fleet management, budget and accounting processes, inventories, professional standards, and recruitment.

ACCOMPLISHMENTS

Filled all but 1 vacant Command Staff position.

Added 1 Internal Affairs Sergeant and 1 Systems Admin II position.

SIGNIFICANT BUDGET CHANGES

Salary and benefits have increased due to the addition of 2 FTEs to this Org.

Retiree Health Insurance has increased by \$515,981 and Work Comp by \$119,400.

Significant increase to Interfund Charges in this Org.

Police Grants

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$1,325,789	\$405,721	\$1,406,377	\$428,016
Benefits	387,000	187,555	382,456	232,169
Retiree Health Insurance	-	-	-	-
Internal Services	710	-	-	-
Professional Services	-	-	-	-
Equipment	54,261	-	327,332	-
Other Operating Expenses	69,094	126,006	118,970	93,000
Total	\$1,836,855	\$719,282	\$2,235,135	\$753,185

Program by Fund

General Fund (002-4512)	\$710	\$0	\$0	\$0
Grant Fund (015-4550)	1,836,145	719,282	2,235,135	753,185
Total	\$1,836,855	\$719,282	\$2,235,135	\$753,185

Total Full Time Equivalent Positions

General Fund (002-4512)	0.00	0.00	0.00	0.00
Grant Fund (015-4550)	4.43	4.43	4.43	6.75
Total	4.43	4.43	4.43	6.75

MISSION

The grants program includes federal and state grant programs to assist the Police Department in maintaining peace and order. The general fund portion of this program is the match needed to receive the grants or the funding gap between the actual cost of the program and the amount available from the grantor agency.

ACCOMPLISHMENTS

IPD was awarded a federal Department of Justice grant for a Body-Worn Camera Implementation Program. The grant will partially cover the purchase of the body worn cameras, plus the addition of three (3) new personnel to assist with and manage the new technology.

SIGNIFICANT BUDGET CHANGES

Total FTEs increased by the additional personnel added through the new Body-Worn Camera grant. Overtime grants are added throughout the fiscal year as they are awarded and are not included in the proposed budget for the year.

Police Training

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$263,796	\$424,557	\$167,900	\$427,470
Benefits	63,418	223,754	71,560	249,370
Retiree Health Insurance	-	-	-	-
Internal Services	792,603	679,200	679,200	721,400
Professional Services	-	-	-	-
Equipment	-	-	-	-
Other Operating Expenses	335,167	440,600	472,102	448,200
Total	\$1,454,985	\$1,768,111	\$1,390,762	\$1,846,440
Program by Fund				
General Fund (002-4513)	\$1,454,985	\$1,768,111	\$1,390,762	\$1,846,440
Total Full Time Equivalent Positions				
General Fund (002-4513)	8.00	9.00	9.00	9.00

MISSION

The mission of this unit is to coordinate all department training, including mandated Police Officer Standards and Training (POST) certification, federal, state, and City requirements, and all external training activities. This unit is also responsible for the Field Training Officer (FTO) program, and assists with recruiting and hiring for the department.

ACCOMPLISHMENTS

Completed updated First-Line Supervisor Course for all Sergeants.

Identified Power Users and began initial training for Axon Deployment as well as planning for full implementation.

Existing Training Sergeant was promoted to Captain and a new Training Sergeant was installed.

SIGNIFICANT BUDGET CHANGES

The cost of salaries and benefits continue to rise each year.

Central Garage fuel has increased in Supplies, as well as Training and the cost of Vehicle Repairs.

ERP Interfund Charges increased by \$12,550.

Police Patrol

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$5,113,654	\$5,506,072	\$5,275,826	\$5,458,971
Benefits	2,626,445	3,153,928	2,919,221	3,133,773
Retiree Health Insurance	-	-	-	-
Internal Services	30,519	52,059	52,059	87,900
Professional Services	-	-	-	-
Equipment	-	-	1,000	-
Other Operating Expenses	2,363	3,800	2,670	2,500
Total	\$7,772,981	\$8,715,859	\$8,250,776	\$8,683,144

Program by Fund

General Fund (002-4532)	\$7,772,981	\$8,715,859	\$8,250,776	\$8,683,144
-------------------------	-------------	-------------	-------------	-------------

Total Full Time Equivalent Positions

General Fund (002-4532)	89.00	88.00	88.00	86.00
-------------------------	-------	-------	-------	-------

MISSION

The mission of the Patrol division is to reduce crime and disorder by being the initial responder for all calls from citizens 24 hours per day, 365 days per year.

ACCOMPLISHMENTS

2023/2024 completes one full year of the new Sector deployment. The sector concept will remain, as has had positive feedback from officers and resulted in a more balanced workload and improved it response times.

2023/2024 Patrol remains at full staff.

SIGNIFICANT BUDGET CHANGES

The cost of benefits like health insurance and LAGERS continues to increase.

ERP Interfund Charge increased by \$37,361.

Police

Investigations

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$4,339,426	\$3,978,810	\$4,690,930	\$4,113,570
Benefits	1,903,258	2,127,135	2,076,411	2,199,433
Retiree Health Insurance	-	-	-	-
Internal Services	25,062	44,012	44,012	60,350
Professional Services	9,391	9,000	8,000	8,000
Equipment	23,462	22,700	22,538	22,700
Other Operating Expenses	10,796	12,100	14,306	16,700
Total	\$6,311,396	\$6,193,757	\$6,856,197	\$6,420,753

Program by Fund

General Fund (002-4534)	\$6,311,396	\$6,193,757	\$6,856,197	\$6,420,753
-------------------------	-------------	-------------	-------------	-------------

Total Full Time Equivalent Positions

General Fund (002-4534)	50.15	50.45	50.45	53.25
-------------------------	-------	-------	-------	-------

MISSION

The Investigations division consists of the Criminal Investigations Unit, the Drug Enforcement Unit, and the Street Crimes Unit. This division is tasked with reactionary as well as proactive investigation of crimes, including homicides, assaults, domestic violence, drug offenses, and burglaries.

ACCOMPLISHMENTS

Added a second full-time Property Room Technician.
 Restaffed and adjusted the mission of the Gun Squad.
 Restaffed and adjusted the mission of the Street Crimes Unit.
 Continued the use of the PIIT (Police Involved Investigation Team). Had a IPD activation for an Officer Involved Shooting in Blue Springs. Utilization of the PIIT was seamless and very successful.
 Identified and began training four (4) additional Arson Investigators due to recent retirements.
 Renewed essential equipment and software that is necessary for the retrieval of evidence and the investigation of many types of crimes.
 Genetec system was implemented in the interview rooms and Detectives were trained on the new system.

SIGNIFICANT BUDGET CHANGES

The cost of salaries and benefits continues to rise.
 Operating Supplies increased \$2,200 for investigative programs.
 ERP Interfund Charge increased by \$17,558.

Police

Investigations

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$4,339,426	\$3,978,810	\$4,690,930	\$4,113,570
Benefits	1,903,258	2,127,135	2,076,411	2,199,433
Retiree Health Insurance	-	-	-	-
Internal Services	25,062	44,012	44,012	60,350
Professional Services	9,391	9,000	8,000	8,000
Equipment	23,462	22,700	22,538	22,700
Other Operating Expenses	10,796	12,100	14,306	16,700
Total	\$6,311,396	\$6,193,757	\$6,856,197	\$6,420,753

Program by Fund

General Fund (002-4534)	\$6,311,396	\$6,193,757	\$6,856,197	\$6,420,753
-------------------------	-------------	-------------	-------------	-------------

Total Full Time Equivalent Positions

General Fund (002-4534)	50.15	50.45	50.45	53.25
-------------------------	-------	-------	-------	-------

MISSION

The Investigations division consists of the Criminal Investigations Unit, the Drug Enforcement Unit, and the Street Crimes Unit. This division is tasked with reactionary as well as proactive investigation of crimes, including homicides, assaults, domestic violence, drug offenses, and burglaries.

ACCOMPLISHMENTS

Added a second full-time Property Room Technician.
 Restaffed and adjusted the mission of the Gun Squad.
 Restaffed and adjusted the mission of the Street Crimes Unit.
 Continued the use of the PIIT (Police Involved Investigation Team). Had a IPD activation for an Officer Involved Shooting in Blue Springs. Utilization of the PIIT was seamless and very successful.
 Identified and began training four (4) additional Arson Investigators due to recent retirements.
 Renewed essential equipment and software that is necessary for the retrieval of evidence and the investigation of many types of crimes.
 Genetec system was implemented in the interview rooms and Detectives were trained on the new system.

SIGNIFICANT BUDGET CHANGES

The cost of salaries and benefits continues to rise.
 Operating Supplies increased \$2,200 for investigative programs.
 ERP Interfund Charge increased by \$17,558.

Police

Tactical Operations

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$1,245,170	\$1,306,334	\$1,495,000	\$1,314,752
Benefits	561,708	643,211	678,066	645,347
Retiree Health Insurance	-	-	-	-
Internal Services	6,656	10,406	10,506	20,880
Professional Services	-	-	-	-
Equipment	-	-	-	-
Other Operating Expenses	36,070	48,800	48,197	45,500
Total	\$1,849,604	\$2,008,751	\$2,231,769	\$2,026,479

Program by Fund

General Fund (002-4535)	\$1,849,604	\$2,008,751	\$2,231,769	\$2,026,479
-------------------------	-------------	-------------	-------------	-------------

Total Full Time Equivalent Positions

General Fund (002-4535)	14.00	14.00	14.00	14.00
-------------------------	-------	-------	-------	-------

MISSION

The mission of the Tactical Operations division is to assist in reducing crime and disorder by providing support, coordination, and implementation of additional services to Patrol and Investigations through the Canine Unit, SWAT, Explosive Ordnance Disposal (EOD) Team, Crisis Negotiations, Tactical Medics, and Drone Operations.

ACCOMPLISHMENTS

Added one new SWAT operator to replace an operator who had been promoted.
 Cable Dahmer donated K-9 Vinnie, who has been certified and is in service.
 Procured and certified K-9 Riggs, who is in service.
 EOD robot was repaired through a Regional Homeland Security Coordinated Council grant.
 X-ray equipment for EOD was received through a Regional Homeland Security Coordinated Council grant.
 The Canine Unit is transitioning from the Tahoe platform to the Explorer platform.
 Several additional officers were trained to be UAS (drone) pilots assigned to Patrol.

SIGNIFICANT BUDGET CHANGES

The cost of salaries and benefits continues to increase.
 ERP Interfund Charges increased by \$10,984.
 Utilities and Operating Supplies decreased by \$3,300 for FY 24/25.

Police

Special Enforcement

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$1,175,447	\$939,334	\$1,247,500	\$961,228
Benefits	552,131	750,588	650,104	785,919
Retiree Health Insurance	-	-	-	-
Internal Services	14,350	19,334	19,334	19,190
Professional Services	-	-	-	-
Equipment	-	-	-	-
Other Operating Expenses	33,952	36,400	59,356	61,600
Total	\$1,775,881	\$1,745,656	\$1,976,294	\$1,827,937

Program by Fund

General Fund (002-4536)	\$1,775,881	\$1,745,656	\$1,976,294	\$1,827,937
-------------------------	-------------	-------------	-------------	-------------

Total Full Time Equivalent Positions

General Fund (002-4536)	18.00	18.00	18.00	18.00
-------------------------	-------	-------	-------	-------

MISSION

Special Enforcement focuses on responded to traffic complaints and crashes, as well as enforcing all traffic laws. The primary duties of Special Enforcement include speed enforcement operations, crash investigation and reconstruction, and DWI/DRE enforcement. In addition, Special Enforcement also provides support during special community and department events.

ACCOMPLISHMENTS

- Administered over \$1.6 million in Highway Safety Traffic Grants through MODOT.
- Added a second Detective position to Crash Investigations and filled an open vacancy with a new Crash Investigator.
- Acquired new long range speed detection lasers through Department of Justice JAG funding.
- Added a third Type II Operator for Intox 8000 and AS4.
- Two officers attended training in Advanced Crash Reconstruction.
- Two officers attended training in Basic Crash Reconstruction.
- Developed "Wet Lab" DWI enforcement for the department.

SIGNIFICANT BUDGET CHANGES

- The cost of salaries and benefits continues to increase.
- Operating Supplies have decreased \$3,214.

Police

S.T.E.P. Program

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$70,356	\$168,114	\$165,700	\$165,121
Benefits	41,104	97,894	100,600	99,218
Retiree Health Insurance	-	-	-	-
Internal Services	1,279	904	904	2,740
Professional Services	-	-	-	-
Equipment	-	-	-	-
Other Operating Expenses	5,637	6,900	4,000	4,000
Total	\$118,375	\$273,812	\$271,204	\$271,079

Program by Fund

General Fund (002-4538)	\$118,375	\$273,812	\$271,204	\$271,079
-------------------------	-----------	-----------	-----------	-----------

Total Full Time Equivalent Positions

General Fund (002-4538)	2.00	2.00	2.00	2.00
-------------------------	------	------	------	------

MISSION

The mission of Students Transitioning Exceptionally Prepared (STEP) Program is to prevent or reduce drug, alcohol, tobacco, vaping and violence among students. This is done by conducting coordinated training using PowerPoint presentations and videos. The primary audience for this training consists of students preparing to transition from the elementary school setting to the middle school setting, and those students preparing to transition from middle school to the high school setting.

ACCOMPLISHMENTS

Applied for and received continued funding from COMBAT to fully fund these two School Resource Officer positions

Police

Community Services

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$1,291,313	\$1,438,570	\$1,494,500	\$1,481,477
Benefits	638,576	767,797	731,108	756,834
Retiree Health Insurance	-	-	-	-
Internal Services	3,193	11,437	11,437	21,600
Professional Services	-	-	-	-
Equipment	-	-	-	-
Other Operating Expenses	2,333	4,600	2,800	3,000
Total	\$1,935,415	\$2,222,403	\$2,239,845	\$2,262,911
Program by Fund				
General Fund (002-4539)	\$1,935,415	\$2,222,403	\$2,239,845	\$2,262,911
Total Full Time Equivalent Positions				
General Fund (002-4539)	18.12	17.12	17.12	17.00

MISSION

The mission of Community Services is to provide citizens with the information and resources necessary to improve their quality of life and sense of security. This is accomplished through community engagements, the Disorderly /Nuisance property abatement program, Homeless Outreach Program, public demonstrations, Volunteer in Police Services (VIP's), crime prevention and education, and Crisis Intervention.

ACCOMPLISHMENTS

Re-established the Citizen's Academy.

Re-established the Volunteer in Police Services (VIPS) program.

Transferred three new School Resource Officers (SRO's) to replace outgoing SRO's, and filled the vacant SRO Sergeant position.

Several School Resource Officers attended the annual SRO conference and training.

Saw a significant increase in citizen attendance at community events held or sponsored by the Police Department. This included National Night Out, which IPD had not hosted in several years.

SIGNIFICANT BUDGET CHANGES

The cost of salaries and benefits continues to increase.

ERP Interfund Charges increased \$10,633 but overall Operating Supplies are down \$1,600.

Police Crime Scene Unit

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$399,060	\$385,031	\$360,000	\$367,613
Benefits	166,343	174,731	119,650	174,430
Retiree Health Insurance	-	-	-	-
Internal Services	3,706	6,315	6,315	6,260
Professional Services	6,718	11,500	7,200	7,200
Equipment	-	-	-	-
Other Operating Expenses	13,081	13,500	13,100	13,400
Total	\$588,909	\$591,078	\$506,265	\$568,903

Program by Fund

General Fund (002-4542)	\$588,909	\$591,078	\$506,265	\$568,903
-------------------------	-----------	-----------	-----------	-----------

Total Full Time Equivalent Positions

General Fund (002-4542)	5.00	6.00	6.00	6.00
-------------------------	------	------	------	------

MISSION

The Crime Scene Unit consists of investigators who are responsible for processing crime scenes to gather evidence and other data to support criminal charges. The Unit is also responsible for collecting video evidence from local businesses and residences. The collection and identification of evidence is utilized in the prosecution of criminal defendants, helping to reduce crime in the community.

ACCOMPLISHMENTS

Filled three vacancies which included the selection and training of those employees.
Due to staffing shortages during the year, the unit identified, established, and actually utilized an emergency back-up plan with the FBI Crime Scene Unit.
Identified three sworn investigative personnel that will be trained in 2024 in Basic Crime Scene to assist if needed.

Police

Detention Unit

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$761,527	\$703,418	\$685,000	\$711,610
Benefits	328,903	385,797	310,610	378,493
Retiree Health Insurance	-	-	-	-
Internal Services	8,016	14,640	14,640	18,110
Professional Services	571,651	726,800	616,500	716,500
Equipment	-	-	-	-
Other Operating Expenses	14,859	28,700	22,104	22,300
Total	\$1,684,956	\$1,859,355	\$1,648,854	\$1,847,013

Program by Fund

General Fund (002-4543)	\$1,684,956	\$1,859,355	\$1,648,854	\$1,847,013
-------------------------	-------------	-------------	-------------	-------------

Total Full Time Equivalent Positions

General Fund (002-4543)	15.00	14.00	14.00	14.00
-------------------------	-------	-------	-------	-------

MISSION

The Detention Unit is responsible for processing and housing individuals arrested for violations of City Ordinances, State Statutes, and Federal laws. The unit houses prisoners on a short-term basis who are held for investigation of an alleged violation, awaiting arraignment, or until their bond is posted. Long-term prisoners are transferred and incarcerated at an outside facility.

ACCOMPLISHMENTS

- Install shelving and bins in the garage for excess property.
- Relocated staff lockers to a secure area.
- Implemented Mobile court system.

Police

Records Unit

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$907,480	\$957,135	\$1,142,153	\$905,674
Benefits	408,856	552,585	497,378	521,455
Retiree Health Insurance	-	-	-	-
Internal Services	10,446	21,668	21,668	41,010
Professional Services	-	-	-	-
Equipment	873	-	-	-
Other Operating Expenses	8,130	9,900	7,026	7,500
Total	\$1,335,785	\$1,541,288	\$1,668,224	\$1,475,639
Program by Fund				
General Fund (002-4544)	\$1,335,785	\$1,541,288	\$1,668,224	\$1,475,639
Total Full Time Equivalent Positions				
General Fund (002-4544)	22.63	21.63	21.63	20.63

MISSION

The Records Unit provides customer service to the public by completing police reports, answering questions, and receiving and returning warrants, subpoenas, and other pertinent court and jail papers.

ACCOMPLISHMENTS

Implemented credit card system for bonds.
Clear FBI records audit with no major infractions.

SIGNIFICANT BUDGET CHANGES

FTEs decreased by one due to the elimination of the Records Administrator position.
ERP Interfund Charges increased by \$20,032, but Operating Supplies decreased by \$1,870.

Police

Communications Unit

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$1,784,489	\$1,268,860	\$1,547,000	\$1,478,460
Benefits	640,730	920,952	582,500	951,883
Retiree Health Insurance	-	-	-	-
Internal Services	10,250	17,679	17,679	22,390
Professional Services	-	-	-	-
Equipment	797	2,000	-	-
Other Operating Expenses	4,812	7,000	5,489	5,500
Total	\$2,441,079	\$2,216,491	\$2,152,668	\$2,458,233
Program by Fund				
General Fund (002-4545)	\$2,441,079	\$2,216,491	\$2,152,668	\$2,458,233
Total Full Time Equivalent Positions				
General Fund (002-4545)	31.00	37.00	37.00	37.00

MISSION

The Communications Unit receives emergency and non-emergency telephone calls from the public and routes them to the appropriate responder: Fire, Police, or AMR.

ACCOMPLISHMENTS

Continued to replace and update aged-out desktop computers with new computers essential for emergency Dispatch.

Continued recruiting, hiring, and training efforts to reduce vacancies.

SIGNIFICANT BUDGET CHANGES

The cost of salaries and benefits continues to increase.

Funding has increased for part-time Seasonal Call Takers, who are being relied on more heavily due to staffing shortages.

Police Sales Tax Program

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$0	\$0	\$0	\$0
Benefits	-	-	-	-
Retiree Health Insurance	-	-	-	-
Internal Services	398,294	427,622	427,622	507,080
Professional Services	145,473	69,000	85,000	87,000
Equipment	1,046,704	1,869,700	2,115,657	2,067,573
Other Operating Expenses	561,139	1,028,700	684,554	871,200
Capital Improvements	-	1,400,000	1,400,000	-
Transfers Out	3,440	-	857,096	550,000
Debt	22,520	22,600	22,600	22,600
Total	\$2,177,571	\$4,817,622	\$5,592,529	\$4,105,453

Program by Fund

Police Sales Tax Fund (016)	\$2,177,571	\$4,817,622	\$5,592,529	\$4,105,453
-----------------------------	-------------	-------------	-------------	-------------

Total Full Time Equivalent Positions

Police Sales Tax Fund (016)	0.00	0.00	0.00	0.00
-----------------------------	------	------	------	------

MISSION

This cost center serves to provide oversight and management of the revitalization and capital improvement projects planned for the City's Police Department, made possible through the adoption of a one-eighth cent sales tax.

ACCOMPLISHMENTS

Received several orders of vehicles this year, although several were not expected until 2025.

Purchased new Mobile Command Centers out of Sales Tax Fund Balance in 2023/24 FY. The smaller unit is expected to be received before fiscal year end, but the larger unit will not be delivered until next year.

Sales Tax funds were used to partially fund the first year of a 10-year contract with Axon for the purchase of tasers, body cameras, in-car cameras, Virtual Reality training, Records Management software, Internal Affairs software, and all ongoing replacements and maintenance over the 10 year contract period.

SIGNIFICANT BUDGET CHANGES

Org 4562 (Communications) has increased to cover the annual increase for the Tyler Tech SSMA and an increase needed for MDT air card service.

Org 4563 (Facilities) has increased to cover the increasing utilities and service from outside Technical Contractors.

Org 4564 (Equipment) has significantly decreased due to the annual purchase of tasers and in-car cameras moving to the 10-year contract with Axon.

Capital Project to purchase a new Bearcat has been added in place of the Mobile Command Centers that were purchased out of Sales Tax Funds in FY 2023/24.

Police Use Tax Program

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$2,373,830	\$2,717,417	\$2,525,774	\$2,787,811
Benefits	890,996	1,147,007	1,024,200	1,195,361
Retiree Health Insurance	-	-	-	-
Internal Services	41,700	199,827	199,827	1,304,400
Professional Services	-	-	-	-
Equipment	223,833	-	908,798	824,098
Other Operating Expenses	279,710	167,000	107,000	165,000
Transfers Out	-	-	2,031,773	-
Total	\$3,810,070	\$4,231,251	\$6,797,372	\$6,276,670

Program by Fund

Police Use Tax Fund (018-4571)	\$3,810,070	\$4,231,251	\$6,797,372	\$6,276,670
--------------------------------	-------------	-------------	-------------	-------------

Total Full Time Equivalent Positions

Police Use Tax Fund (018-4571)	31.00	31.00	31.00	32.00
--------------------------------	-------	-------	-------	-------

MISSION

Revenues generated from the Proposition P tax will hire certified and non-certified police officer candidates, as well as fund equipment for the sworn officers.

ACCOMPLISHMENTS

- Use Tax funds were used to partially fund the first year of a 10-year contract with Axon for the purchase of tasers, body cameras, in-car cameras, Virtual Reality training, Records Management software, Internal Affairs software, and all ongoing replacements and maintenance over the 10 year contract period.

SIGNIFICANT BUDGET CHANGES

- The cost of salaries and benefits continues to increase.
- FTEs increased by one officer in the Use Tax, due to the local match required of one Digital Media Officer to be assigned to the DOJ Body-Worn Camera Grant program.
- ERP Interfund charges have increased by \$1,109,013.

Police

Police Improvements Fund

Program by Expenditure Category	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Capital Improvements	\$0	\$0	\$4,026,594	\$550,000
Total	\$0	\$0	\$4,026,594	\$550,000

Program by Fund

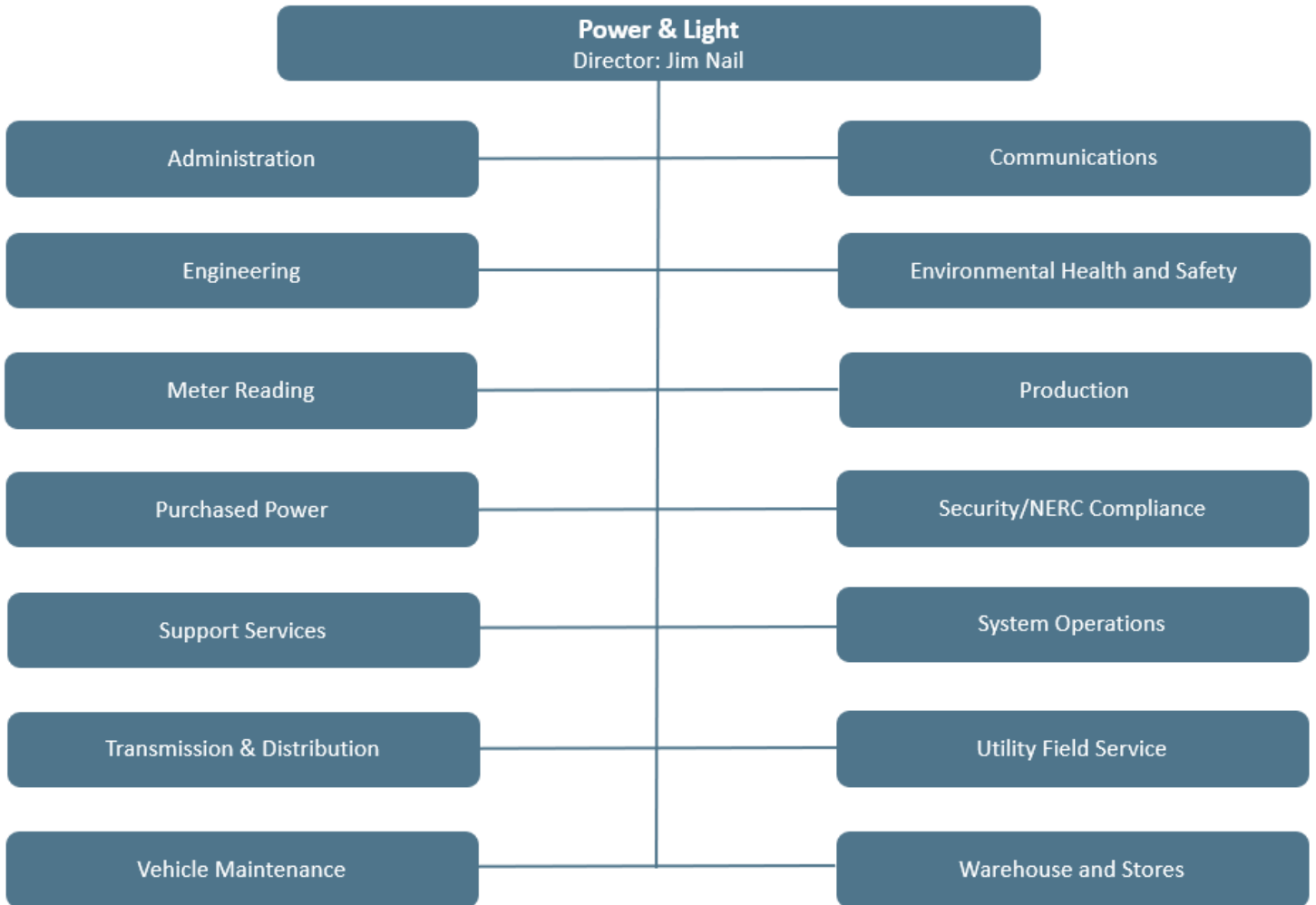
Police Use Tax Fund (052)	\$0	\$0	\$4,026,594	\$550,000
---------------------------	-----	-----	-------------	-----------

Capital Projects for FY 2024-25

Project Title and Number	Amount	
Bearcat Replacement #1062401	\$	550,000
	\$	550,000



This page intentionally left blank.



Power and Light

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Department Programs	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Administration (6110)	\$1,216,923	\$2,090,163	\$1,563,163	\$1,751,901
Accounting/Finance (6112)	287,403	-	4,902	-
Communications (6175)	1,477,902	1,964,905	1,660,248	1,875,878
Engineering (6160)	2,674,482	3,962,960	3,174,678	4,007,037
Environmental Health & Safety (6111)	661,018	970,492	886,029	973,578
Meter Reading (6126)	2,164,207	2,400,777	2,125,959	2,404,806
Production (6140)	3,345,706	4,146,458	3,476,506	4,094,053
Purchased Power (6145)	74,400,086	68,030,000	74,660,000	73,030,000
Security/NERC (6180)	712,789	855,614	707,999	827,671
Support Services (6130)	909,380	1,017,345	947,930	1,040,147
System Operations (6170)	3,374,451	3,807,167	3,828,837	3,875,316
Transmission & Distribution (6150)	13,478,859	15,193,871	14,971,109	16,160,282
Utility Field Service (6125)	1,144,940	1,176,048	1,147,588	1,154,567
Vehicle Maintenance (6123)	1,663,115	2,315,173	2,222,182	1,970,465
Warehouse and Stores (6122)	3,141,485	4,679,982	4,170,757	5,021,399
Non-Departmental (6520)	26,014,508	25,710,528	26,071,056	25,277,262
Capital Projects (7020)	4,174,418	14,747,000	6,835,594	17,774,000
Debt	8,596,760	8,632,100	8,632,100	8,635,400
Total	\$149,438,432	\$161,700,582	\$157,086,636	\$169,873,760

Department by Expenditure Category

Salaries	\$19,350,686	\$20,919,741	\$19,683,732	\$21,400,231
Benefits	\$8,552,954	\$9,406,101	\$9,234,500	\$9,651,078
Retiree Health Insurance	\$1,454,378	\$1,462,037	\$1,460,000	\$1,602,037
Internal Services	\$8,333,301	\$8,150,026	\$8,293,416	\$7,411,970
Professional Services	\$1,339,819	\$2,245,105	\$1,868,926	\$2,264,400
Equipment	\$164,383	\$1,356,440	\$903,254	\$410,300
Other Operating Expenses	\$97,441,750	\$94,776,031	\$100,139,131	\$100,724,344
Total - Operations & Maintenance	136,637,271	138,315,482	141,582,959	143,464,360
Capital Improvements	-	-	-	17,774,000
Debt	8,626,743	8,638,100	8,668,084	8,635,400
Total - All Expenditures	\$145,264,014	\$146,953,582	\$150,251,043	\$169,873,760

Department by Fund

Power and Light Fund (020)	\$145,264,014	\$146,953,582	\$150,251,043	\$169,873,760
----------------------------	---------------	---------------	---------------	---------------

Full-Time Equivalent Employees*

Power and Light Fund (020)	175.58	178.45	178.45	180.30
----------------------------	--------	--------	--------	--------

DEPARTMENT MISSION

The mission of Power and Light is to provide reliable, safe and cost-effective electricity to the customers of Independence.

SIGNIFICANT OPERATIONAL CHANGES

Succession Planning continues to be problematic.

Significant employee turnover, due to retirements and resignation, continues to be an issue.

Supply chain issues causing significant increases in pricing and delays in receiving materials.

Inability to procure pad-mounted transformers is limiting new development for housing and business.

ACTION PLAN CONNECTION**An Engaged Community:**

Partnering with community leaders and city leadership concerning future opportunities for IPL ownership and governance.

Utilizing city communications department on informative public outreach and communications.

An Innovative Economy:

Working with community developers to provide successful approaches on providing timely electric service connections and upgrades, specifically during supply chain issues and growth opportunities.

A Safe, Welcoming Community:

Worked with city leaders to improve lighting following a major project on portions of 40 Highway.

Implementing a new AI driven software enabling more adaptive utilization of tree trimming crews to improve reliability.

A Financially Sustainable Organization:

Restructure rates and fees for sustainable revenues to support Operations and responsible Capital investments.

Developing options for future generation/capacity needs.

A Well Planned City:

Expanding transmission and distribution capabilities to support growth on the east side of town.

Assisting with corridor improvement plans.

A High Performing Organization:

Working on building cross-departmental relationships and aligning IPL goals to meet the City's long term strategic goals.

Power and Light Administration

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salaries	\$622,181	\$868,219	\$949,400	\$725,199
Benefits	240,568	363,544	330,800	326,702
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	-
Professional Services	93,557	269,200	19,890	250,000
Equipment	-	2,400	3,609	-
Other Operating Expenses	260,617	586,800	259,464	450,000
Total	\$1,216,923	\$2,090,163	\$1,563,163	\$1,751,901

Program by Fund

Power and Light Fund (020-6110)	\$1,216,923	\$2,090,163	\$1,563,163	\$1,751,901
---------------------------------	-------------	-------------	-------------	-------------

Total Full Time Equivalent Positions	5.00	8.00	8.00	7.00
---	-------------	-------------	-------------	-------------

MISSION

The mission of Administration is to provide leadership of the Department to ensure reliable and environmentally-friendly electric service to the citizens of Independence at the lowest possible cost, consistent with sound business practices. Also to ensure all financial and statistical records of the utility are kept and reported in accordance with governmental best practices and regulations so that the results are transparent to rate payers.

ACCOMPLISHMENTS

Diamond Reliable Public Power Provider (RP3) designation from the American Public Power Association for providing reliable and safe electric service.

Excellence in Reliability Certificate from the American Public Power Association for reliable performance in 2023. The certificate recognizes hometown utilities that have provided exceptionally reliable service and power to their communities, shown by comparing their outage records against nationwide data gathered by the U.S. Energy Information Administration (EIA).

Gold Safety Award of Excellence designation from the American Public Power Association and MPUA's Safety Award - given to participating eligible utilities based on their incident rate, and overall state of their safety programs and culture. Additionally: MPUA Honor award given to Rick Lunceford (IPL's Safety & Training Specialist) for his contributions to the safety culture which ultimately led to IPL's safety success and the receipt of multiple Safety Awards.

Tree Line USA Award from the Arbor Day Foundation recognizes public and private utilities for practices that protect and enhance America's urban forest as well as delivering safe and reliable electricity while maintaining healthy community trees.

MRO NERC Audit – IPL completed its most recent audit, completed once every three years, with zero deficiencies and only one minor recommendation.

SIGNIFICANT BUDGET CHANGES

The Finance and Accounting Division was eliminated in FY 2024 and all salaries & expenses disbursed to Administration.

Power and Light

Finance and Accounting

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$200,042	\$0	\$0	\$0
Benefits	87,059	-	4,600	-
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	-
Professional Services	-	-	-	-
Equipment	-	-	-	-
Other Operating Expenses	302	-	302	-
Total	\$287,403	\$0	\$4,902	\$0
Program by Fund				
Power and Light Fund (020-6112)	\$287,403	\$0	\$4,902	\$0
Total Full Time Equivalent Positions	2.00	0.00	0.00	0.00

MISSION

ACCOMPLISHMENTS

SIGNIFICANT BUDGET CHANGES

The Finance and Accounting Division has been eliminated and all salaries & expenses disbursed to Administration.

Power and Light Communications

Program by Expenditure Category	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Salary	\$745,868	\$766,134	\$850,000	\$918,185
Benefits	300,674	317,343	297,900	314,993
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	-
Professional Services	-	65,000	-	25,000
Equipment	8,905	62,165	61,000	20,500
Other Operating Expenses	422,454	754,263	451,348	597,200
Total	\$1,477,902	\$1,964,905	\$1,660,248	\$1,875,878

Program by Fund

Power and Light Fund (020-6175)	\$1,477,902	\$1,964,905	\$1,660,248	\$1,875,878
---------------------------------	-------------	-------------	-------------	-------------

Total Full Time Equivalent Positions

6.00	6.00	6.00	7.00
------	------	------	------

MISSION

Responsible for planning, engineering, administration, installation, and maintenance of City & IPL internal communication systems, fiber optic facilities, primary and backup data facilities, and ancillary support systems. Areas of responsibility include City traffic signals, school crossing signals, fiber optic systems, UPS power systems, network and telephone systems, land based mobile radio, wireless, microwave, SCADA Remote Terminal Units (RTUs), relay protection communication links and CCTV/security cameras for the electric utility.

ACCOMPLISHMENTS

Completed phase 2 loop closure of the fiber optic network expansions for City Water Plant in Sugar Creek, MO. Providing redundant communications for the facility.
 Completed fiber expansion to Blue Springs Schools located in Independence city limits in partnership with Blue Springs School District, expanding IPL's fiber optic footprint.
 Fiber relocation project for Cargo Largo expansion completed on time.
 Completed Sub M Scada Relay expansions and upgrades for SCADA / EMS Systems.
 Completed upgrade of APC UPS facilities for city/IPL backup center, adding maintenance bypass switches allow for routine maintenance without service interruptions.
 Completed Telenium, Genetec Application Servers and archiver replacements in Operations Technology environment.
 Completed traffic detection camera upgrades for 3 intersections, replacing end of life equipment.
 Completed Traffic control cabinet upgrades for 2 locations, retiring TS1 discontinued cabinets.

CITY OF INDEPENDENCE, MO

Completed IPL Sub Station Fiber Maintenance Network installation for CCTV & SCADA enhancements.

Completed 10G Connection to 1102 Grand Neutrality Center for future internet needs.

SIGNIFICANT BUDGET CHANGES

Removing additional \$125k funding item for traffic signal knock downs, previously budgeted for in 23-24.

Power and Light Engineering

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	1,617,612	2,164,610	1,463,600	2,012,548
Benefits	671,561	711,850	622,800	832,589
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	-
Professional Services	290,293	625,600	821,962	750,000
Equipment	6,507	61,200	20,399	42,000
Other Operating Expenses	88,509	399,700	245,916	369,900
Total	2,674,482	3,962,960	3,174,678	4,007,037
Program by Fund				
Power and Light Fund (020-6160)	2,674,482	3,962,960	3,174,678	4,007,037
Total Full Time Equivalent Positions	19.00	20.00	20.00	20.00

MISSION

The mission of Engineering is to design transmission, substation and distribution systems and manage construction projects in the most efficient manner to enable the City's high voltage electrical power systems to maintain the highest level of reliability.

ACCOMPLISHMENTS

Replacement of 69 kV Breakers in Sub M.

Began Engineering overview for transmission, substation and distribution facilities to serve Northpoint development located on East Side of Independence.

Extended distribution facilities to serve the first two buildings in the Northpoint development.

Staff serves on the State Board of Missouri Society of Professional Engineers (MSPE).

Staff serves on the National Council of Examiners for Engineering and Surveying Fundamentals of Engineering Committee (NCEES FE) preparing national engineering examinations.

Power and Light

Environmental Health and Safety

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$317,634	\$331,097	\$341,500	\$350,343
Benefits	139,025	136,595	131,400	125,235
Retiree Health Insurance	-	-	-	-
Internal Services	1,250	-	1,500	-
Professional Services	65,723	253,000	174,774	225,000
Equipment	-	-	-	-
Other Operating Expenses	137,386	249,800	236,855	273,000
Total	\$661,018	\$970,492	\$886,029	\$973,578
Program by Fund				
Power and Light Fund (020-6111)	\$661,018	\$970,492	\$886,029	\$973,578
Total Full Time Equivalent Positions				
	3.00	3.00	3.00	3.00

MISSION

The mission of the Environmental Health & Safety Division is to ensure environmental protection and safety compliance through proactive planning, auditing, training, reporting, and emergency response in order to minimize accidents, injuries and environmental impacts.

ACCOMPLISHMENTS

Maintained a perfect record of compliance and Conducted over 280 Environmental Compliance sampling and reporting events during the year.

Maintained a strong reporting and safety culture by implementing the Deming Circle or Plan, Do, Check, Act Cycle in our Health & Safety Program.

Received the Award for Safety Excellence for the second consecutive year from the American Public Power Association. This is awarded annually to a select few power companies, out of the Nations over 2,000 Municipal Utilities, that demonstrate outstanding commitment to the safety of their employees.

Division serves on a number of internal & external committees including COI Employee Engagement, IPL Health & Safety Advisory Committee, T&D Safety Committee and APPA's Electric Vehicle Group.

Power and Light Meter Reading

	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Program by Expenditure Category				
Salary	\$1,499,171	\$1,583,774	\$1,381,132	\$1,584,795
Benefits	581,156	679,405	645,600	726,413
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	-
Professional Services	-	-	-	-
Equipment	46,836	49,800	48,063	-
Other Operating Expenses	37,043	87,798	51,165	93,598
Total	\$2,164,207	\$2,400,777	\$2,125,959	\$2,404,806
Program by Fund				
Power and Light Fund (020-6126)	\$2,164,207	\$2,400,777	\$2,125,959	\$2,404,806
Total Full Time Equivalent Positions	18.00	17.00	17.00	17.00

MISSION

The mission of Meter Reading is to accurately read electric watt-hour and water consumption meters so that customers are billed correctly for their electric and water consumption.

ACCOMPLISHMENTS

Continual Upgrading of Itron handheld computers.
Maintained reading schedule with staff shortages.

Power and Light Production

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$2,070,354	\$2,088,203	\$2,024,600	\$2,194,492
Benefits	843,422	908,855	894,900	954,161
Retiree Health Insurance	-	-	-	-
Internal Services	-	1,800	-	1,980
Professional Services	56,612	115,250	70,000	100,000
Equipment	-	16,000	10,428	10,000
Other Operating Expenses	375,318	1,016,350	476,578	833,420
Total	\$3,345,706	\$4,146,458	\$3,476,506	\$4,094,053
Program by Fund				
Power and Light Fund (020-6140)	\$3,345,706	\$4,146,458	\$3,476,506	\$4,094,053
Total Full Time Equivalent Positions				
	18.00	18.00	18.00	18.00

MISSION

The mission of Production is to maintain and operate power production equipment so that electricity is generated safely, efficiently and reliably when called for by the Southwest Power Pool.

ACCOMPLISHMENTS

All available units ran when called upon by Southwest Power Pool in extreme cold weather period. Reclassified one Instrument Pneumatics Technician FTE to Journeyman Power Plant Electrician FTE during this fiscal year.

Power and Light Purchased Power

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$0	\$0	\$0	\$0
Benefits	-	-	-	-
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	-
Professional Services	449,272	360,000	360,000	360,000
Equipment	-	-	-	-
Other Operating Expenses	73,950,814	67,670,000	74,300,000	72,670,000
Total	\$74,400,086	\$68,030,000	\$74,660,000	\$73,030,000
Program by Fund				
Power and Light Fund (020-6145)	\$74,400,086	\$68,030,000	\$74,660,000	\$73,030,000
Total Full Time Equivalent Positions	0.00	0.00	0.00	0.00

MISSION

The mission of Purchased Power is to manage agreements - including the cost of energy, demand and transmission charges - with other utilities and the Southwest Power Pool so that electricity is acquired at the lowest cost.

SIGNIFICANT BUDGET CHANGES

Higher energy market prices are generating increased revenues.

Revenues are offset by increased energy costs, driven primarily by natural gas prices.

Dogwood gas prepay contract completed which will deliver annual savings for purchases of natural gas during the summer months.

Power and Light Security/NERC

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$486,476	\$500,421	\$477,000	\$540,560
Benefits	208,169	223,775	165,000	220,475
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	-
Professional Services	-	56,705	-	-
Equipment	4,003	5,000	2,500	-
Other Operating Expenses	14,143	69,713	63,499	66,636
Total	\$712,789	\$855,614	\$707,999	\$827,671
Program by Fund				
Power and Light Fund (020-6180)	\$712,789	\$855,614	\$707,999	\$827,671
Total Full Time Equivalent Positions	4.00	4.00	4.00	4.00

MISSION

The mission of Security/NERC is the responsibility of managing compliance with almost two thousand North American Electric Reliability Corporation (NERC) Critical Infrastructure Protection (CIP) and Operations & Planning Reliability Standard Requirements. Security/NERC also provides Cyber Security oversight and internal audit for IPL System Operations industrial control systems. Security/NERC represents City interests with Federal, Regional and local regulatory organizations and U.S. electric utilities.

ACCOMPLISHMENTS

No NERC penalties since 2011.

Completed successful 3-year audit in 2024 with no violations.

Division serves on several MRO Groups, TAPS Small Entity Group and NERC/NAESB Committee, SPP Reliability Compliance Advisory Group and Security Advisory Group, NERC Electricity-Information Sharing and Analysis Center, and COI Technical Services Cybersecurity Advisory Committee.

Power and Light Support Services

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$316,562	\$324,964	\$326,300	\$333,105
Benefits	139,358	149,456	153,700	155,942
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	-
Professional Services	145,354	177,350	160,000	177,400
Equipment	1,589	27,500	27,000	27,500
Other Operating Expenses	306,516	338,075	280,930	346,200
Total	\$909,380	\$1,017,345	\$947,930	\$1,040,147
Program by Fund				
Power and Light Fund (020-6130)	\$909,380	\$1,017,345	\$947,930	\$1,040,147
Total Full Time Equivalent Positions	3.00	3.00	3.00	3.00

MISSION

The Support Services division is responsible for working with the public and local businesses, and administers the rebate program.

ACCOMPLISHMENTS

Successfully partnered with Habitat for Humanity to provide weatherization measures which include heating and cooling systems, hot water heaters, caulking and sealing for income eligible residents. Provided \$125,000 in commercial rebates to assist business owners with lowering their energy costs through led lighting and heating and cooling upgrades.

Division serves on the APPA Executive Board for the RP3 committee, APPA Smart Energy Program Executive Committee, Heartland Utility for Energy Efficiency Board, Electric Board Chair.

Support Services continues to provide education to schools and community organizations on Energy Efficiency, Electrical Safety, and the various programs that we offer to help save our rate payers money.

Support Services manages the IShare and IRAP programs that provide electric utility payment assistance to rate payers that are having difficulties paying their bill due to financial hardships.

Power and Light System Operations

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$2,187,005	\$2,399,707	\$2,315,100	\$2,345,723
Benefits	856,746	929,279	982,900	977,393
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	-
Professional Services	31,950	73,000	34,000	107,000
Equipment	94,511	102,875	39,000	56,800
Other Operating Expenses	204,239	302,307	457,837	388,400
Total	\$3,374,451	\$3,807,167	\$3,828,837	\$3,875,316

Program by Fund

Power and Light Fund (020-6170)	\$3,374,451	\$3,807,167	\$3,828,837	\$3,875,316
---------------------------------	-------------	-------------	-------------	-------------

Total Full Time Equivalent Positions	18.00	19.00	19.00	19.00
---	--------------	--------------	--------------	--------------

MISSION

Responsible for the 24/7 monitoring and control of the City's high voltage electrical system in an efficient, cost effective, and reliable manner. Major areas of responsibility include operation of the transmission system, operating and maintaining technology to support department operational software, and regulatory cyber security/reliability compliance efforts, dispatching of crews to address customer electric service issues and dispatching of the generation resources.

ACCOMPLISHMENTS

Triennial NERC regulatory audit with no findings of non-compliance.

New System Operator certified by NERC and qualified for control system duty.

Replaced end of life security server hardware, disaster recovery server hardware, Outage Management System hardware and historian firewall for Production division.

Annual Cyber Security Vulnerability assessment and mitigation of vulnerabilities enhancing security of SCADA/EMS and Operational Technology (OT) environment.

Cyber Security Coordinator CISSP certification.

Continued security improvements/enhancements (joint projects with Technology Services).

SIGNIFICANT BUDGET CHANGES

Replacement of obsolete network switches used within SCADA control centers.

Transition SCADA communication from serial to ethernet.

Additional staff training due to employee turnover.

Vendor hardware and software maintenance cost increases of up to 7%.

Power and Light

Transmission and Distribution

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$6,946,857	\$7,555,259	\$7,084,400	\$7,924,095
Benefits	2,679,854	3,095,875	3,069,500	3,259,450
Retiree Health Insurance	-	2,037	-	2,037
Internal Services	-	-	-	-
Professional Services	176,816	200,000	225,000	250,000
Equipment	-	245,300	308,000	223,500
Other Operating Expenses	3,675,332	4,095,400	4,284,209	4,501,200
Total	\$13,478,859	\$15,193,871	\$14,971,109	\$16,160,282
	\$6,946,857	\$7,555,259	\$7,084,400	\$7,924,095
Program by Fund				
Power and Light Fund (020-6150)	\$13,478,859	\$15,193,871	\$14,971,109	\$16,160,282
Total Full Time Equivalent Positions	57.00	57.00	57.00	58.00

MISSION

The mission of Transmission and Distribution is to maintain, repair and the City's electrical transmission and distribution systems in order to maintain the reliability of the systems.

ACCOMPLISHMENTS

Tree Line USA Award from the Arbor Day Foundation recognizes public and private utilities for practices that protect and enhance America's urban forest as well as delivering safe and reliable electricity while maintaining healthy community trees.

Completed new distribution feeder to North Point's two new buildings.

Completed numerous backyard pole line upgrades.

Substation K feeder circuits K-5 & K-8 repair along 39th St. from Arrowhead to Bolger.

24 HWY shared path improvements in conjunction with MODOT.

Significant failing transmission poles changed out.

Completion of electric service to Adirondack apartments and New Town next phase.

Division served on Missouri Public Utility Alliance (MPUA) Mutual Aid & Line workers committees.

Division participated in Mutual Aid for other communities nationally through our involvement with American Public Power Association.

Power and Light Utility Field Service

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$799,183	\$754,409	\$739,900	\$772,981
Benefits	336,850	359,339	364,100	361,486
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	-
Professional Services	-	-	-	-
Equipment	35	43,200	36,300	-
Other Operating Expenses	8,872	19,100	7,288	20,100
Total	\$1,144,940	\$1,176,048	\$1,147,588	\$1,154,567
Program by Fund				
Power and Light Fund (020-6125)	\$1,144,940	\$1,176,048	\$1,147,588	\$1,154,567
Total Full Time Equivalent Positions	6.00	7.00	7.00	7.00

MISSION

The Utility Field Service Division is responsible for turning both electric and water services on and off, field services of delinquent accounts, and reading meters for customer transfers.

ACCOMPLISHMENTS

Continued to fulfill Division's mission by consistently ensuring that customer power and water requests were completed in a timely manner.

Power and Light Vehicle Maintenance

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$660,464	\$670,429	\$709,700	\$744,679
Benefits	298,291	324,144	346,200	350,686
Retiree Health Insurance	-	-	-	-
Internal Services	-	48,700	190,000	194,100
Professional Services	-	-	-	-
Equipment	-	691,000	344,357	30,000
Other Operating Expenses	704,359	580,900	631,925	651,000
Total	\$1,663,115	\$2,315,173	\$2,222,182	\$1,970,465
Program by Fund				
Power and Light Fund (020-6123)	\$1,663,115	\$2,315,173	\$2,222,182	\$1,970,465
Total Full Time Equivalent Positions	7.00	7.00	7.00	7.00

MISSION

The mission of Vehicle Maintenance is to procure and maintain the Power and Light fleet so that personnel have available and safe vehicles to perform their jobs.

ACCOMPLISHMENTS

Completed purchase of a digger derrick, three service trucks, a mini excavator, tracked bucket machine and a small bucket truck.

Division has ensured through various partnerships and forecasting our employees have the vehicles and equipment they need to accomplish their daily duties safely.

SIGNIFICANT BUDGET CHANGES

Supply chain issues continue to be significant in higher pricing and delays in receiving materials.

Decrease in budget due to capital outlay vehicles moved to capital improvement budget for FY 2025.

Power and Light Warehouse and Stores

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$817,752	\$847,927	\$890,400	\$908,518
Benefits	412,737	457,955	490,000	473,481
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	-
Professional Services	-	-	-	-
Equipment	1,997	50,000	2,598	-
Other Operating Expenses	1,908,999	3,324,100	2,787,759	3,639,400
Total	\$3,141,485	\$4,679,982	\$4,170,757	\$5,021,399
Program by Fund				
Power and Light Fund (020-6122)	\$3,141,485	\$4,679,982	\$4,170,757	\$5,021,399
Total Full Time Equivalent Positions	9.00	9.00	9.00	9.00

MISSION

The mission of the Warehouse and Stores is to order, receive, issue and maintain material and tools for line crews, maintenance personnel and outside contractors.

ACCOMPLISHMENTS

Secured hard to source materials such as Transformers and Meters by leveraging relationships with vendors.

Entered a guaranteed contract for Transformers with Arkansas Electric to supply us with certain KVA transformers to help us maintain needed stock for day-to-day operations and ongoing projects.

Started the process for replacing the outdated malfunctioning HVAC units at the Service Center.

Replaced the awnings on the front of the Service Center and restriped the west customer/employee parking lot as well as refreshed the interior paint on the entryways and hallways inside the Service Center.

Power and Light Non-Departmental

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$63,524	\$64,588	\$130,700	\$45,008
Benefits	757,483	748,689	735,100	572,074
Retiree Health Insurance	1,454,378	1,460,000	1,460,000	1,600,000
Internal Services	8,332,051	8,099,526	8,101,916	7,215,890
Professional Services	30,242	50,000	3,300	20,000
Equipment	-	-	-	-
Other Operating Expenses	15,346,846	15,281,725	15,604,057	15,824,290
Debt	29,984	6,000	35,984	-
Total	\$26,014,508	\$25,710,528	\$26,071,056	\$25,277,262
Program by Fund				
Power and Light Fund (020-6520)	\$26,014,508	\$25,710,528	\$26,071,056	\$25,277,262
Total Full Time Equivalent Positions	0.58	0.45	0.45	1.30

MISSION

Provides funding for City and department wide activities not attributed to Power and Light programs.

Power and Light Capital Projects

Program by Expenditure Category	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Proposed Budget
Capital Improvements (020)	\$4,174,418	\$14,747,000	\$6,835,594	\$0
Capital Improvements (021)	\$0	\$0	\$0	\$17,774,000
Total	\$4,174,418	\$14,747,000	\$6,835,594	\$17,774,000

Capital Projects for FY 2024-25

Project Title and Number	Amount
IPL Service Center PBX Upgrade to IP Flex #202210	\$15,000
Substation Battery Charger #202511	50,000
Traffic Signal Detection Systems #202208	60,000
Sub M Breaker Replacement #202403	100,000
Transmission Pole Replacement Program #202111	100,000
Service Center Exterior Upgrades #202512	105,000
Operations APC UPS Battery Replacement #202108	145,000
Substation modeling #202109	150,000
Emergency Replacement of Transmission Poles #202505	250,000
Desert Storm Switchgear Cabinets #202205	250,000
Fiber Optic Network #70200828	250,000
Sub Fiber Optic Network Equip Replacement #202101	335,000
Substation & Transmission Upgrade & Replacement #202508	424,000
Emergent Maintenance Production #202507	440,000
Service Center Upgrades #202406	500,000
T&D Road Improvement Projects #202509	500,000
T&D System Improvements #202510	500,000
Substation H Switchgear Upgrades #202513	500,000
Fleet Vehicle & Equipment 10 Year Replacements - 2 Ford F-550 Bucket Trucks and 1 Altec Bucket Truck	850,000
T&D Truck Shed #202503	1,000,000
Construct 6 New Distribution Feeders - New Sub S #202316	1,250,000
Blue Valley Chimney Demolition #202504	1,500,000
Purchase Evergy 69kv Line Sub A to New Sub S #202401	2,500,000
Construct new Transmission Sys to Serve New Sub S #202315	2,500,000
Construction of New Substation S #202314	3,500,000
	\$17,774,000

Power and Light Debt

		FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category		Actual Expenditures	Adopted Budget	Estimated Expenditures	Proposed Budget
Debt Service		\$8,596,760	\$8,632,100	\$8,632,100	\$8,635,400
Program by Fund					
Power and Light Fund (020)		\$8,596,760	\$8,632,100	\$8,632,100	\$8,635,400
Debt Issuance					
<u>Issue 2012A</u>					
Principal	\$0	\$0	\$0	\$0	
Interest	-	-	-	-	
Fees	1	-	-	-	
Total	\$1	\$0	\$0	\$0	
<u>Issue 2012F</u>					
Principal	\$0	\$0	\$0	\$0	
Interest	-	-	-	-	
Fees	3,001	-	-	-	
Total	\$3,001	\$0	\$0	\$0	
<u>Issue 2016D</u>					
Principal	\$0	\$0	\$0	\$0	
Interest	1,789,994	1,790,000	1,790,000	1,790,000	
Fees	5,499	3,000	3,000	3,000	
Total	\$1,795,493	\$1,793,000	\$1,793,000	\$1,793,000	
<u>Issue 2022B</u>					
Principal	\$3,210,000	\$3,555,000	\$3,555,000	\$3,730,000	
Interest	3,579,592	3,281,100	3,281,100	3,103,400	
Fees	8,674	3,000	3,000	9,000	
Total	\$6,798,265	\$6,839,100	\$6,839,100	\$6,842,400	
Total					
Principal	\$3,210,000	\$3,555,000	\$3,555,000	\$3,730,000	
Interest	\$5,369,585	\$5,071,100	\$5,071,100	\$4,893,400	
Fees	\$17,174	\$6,000	\$6,000	\$12,000	
Total	\$8,596,760	\$8,632,100	\$8,632,100	\$8,635,400	



This page intentionally left blank.

General Fund Non-Departmental

	FY 2022-23 Actual Expenditures	FY 2023-24 Adopted Budget	FY 2023-24 Estimated Expenditures	FY 2024-25 Adopted Budget
Department Programs				
General Fund	\$217,275	\$381,600	\$286,000	\$1,906,599
Community Engagement (4205)	230,305	258,638	250,248	295,740
Total	\$447,581	\$640,238	\$536,248	\$2,202,339

Department by Expenditure Category

Salaries	\$0	\$0	\$0	\$0
Benefits	(2)	-	-	-
Retiree Health Insurance	-	-	-	-
Internal Services	1,088	1,448	1,448	4,600
Professional Services	31,462	20,000	44,000	42,300
Equipment	1,795	-	12,400	-
Other Operating Expenses	413,238	618,790	478,400	518,840
Debt Service	-	-	-	1,636,599
Total	\$447,581	\$640,238	\$536,248	\$2,202,339

Department by Fund

General Fund (002)	\$447,581	\$640,238	\$536,248	\$2,202,339
--------------------	-----------	-----------	-----------	-------------

Full-Time Equivalent Employees

General Fund (002)	0.00	0.00	0.00	0.00
--------------------	------	------	------	------

MISSION

This cost center was traditionally been used for costs considered not to belong to a department. Beginning in FY19 most of these costs - primarily retiree health insurance and workers compensation insurance premiums - have been placed in the department budgets.

General Fund Non-Departmental

	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Transfers Out (002-6600)	217,275	360,000	286,000	10,000
Transfers Out for Capital Projects			-	260,000
GF Non-Departmental (6502)	-	21,600	-	-
Debt Services (002-6373, 6374, 6505)	-	-	-	1,636,599
Total	\$217,275	\$381,600	\$286,000	\$1,906,599
Program by Fund				
General Fund (002)	\$217,275	\$381,600	\$286,000	\$1,906,599

MISSION

This cost center was traditionally been used for costs considered not to belong to a department. Beginning in FY19 most of these costs - primarily retiree health insurance and workers compensation insurance premiums - have been placed in the department budgets.

City Memberships

Program by Expenditure Category	FY 2022-23	FY 2023-24	FY 2023-24	FY 2024-25
	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salary	\$0	\$0	\$0	\$0
Benefits	(2)	-	-	-
Retiree Health Insurance	-	-	-	-
Internal Services	1,088	1,448	1,448	4,600
Professional Services	31,462	20,000	44,000	42,300
Equipment	1,795	-	12,400	-
Other Operating Expenses	195,963	237,190	192,400	248,840
Total	\$230,305	\$258,638	\$250,248	\$295,740
Program by Fund				
General Fund (002-4205)	\$230,305	\$258,638	\$250,248	\$295,740

MISSION

The purpose of Community Engagement is to provide funding for various civic, government, and economic development partnerships that are not department-specific. This org key was formerly known as City Memberships. These General Fund expenditures are managed by the City Managers' office.

LINE ITEM DETAILS

Object	Object Description	Amount	Detailed Description
5203	Overnight Travel & Meetings	\$2,000	Lagers Conference for President and City Clerk
5204	Events and Meetings	43,250	City, CMO and Community Events; Volunteer breakfast and recognition
5204	Events and Meetings	14,000	Employee Engagement Committee
5205	Advertising & Public Notic.	1,200	Advertising & Printing
5205	Advertising & Public Notic.	2,500	Misc.
5213	Dues and Memberships	143,390	Mid America Regional Yearly Dues; MARC Emergency Services; Independence Chamber Membership; Employee of the Month Plaques, KC Chamber Renewal; SantaCaliGon Festival (misc. items, fencing, barricades, etc.); Human Relations Commission; MARC Supervisory training.
5240	Other Services	42,500	Youth Court
		\$248,840	

Staywell Health Fund

Internal Service Fund

	FY 2021-22	FY 2022-23	FY 2022-23	FY 2023-24
Program by Expenditure Category	Actual Expenditures	Adopted Budget	Estimated Expenditures	Adopted Budget
Salaries	\$389,540	\$568,500	\$298,667	\$740,500
Benefits	-	-	-	-
Retiree Health Insurance	-	-	-	-
Internal Services	-	-	-	-
Professional Services	(67,470)	60,900	100,000	60,900
Equipment	-	-	-	-
Other Operating Expenses	23,871,123	22,207,600	21,001,300	24,400,000
Total	\$24,193,193	\$22,837,000	\$21,399,967	\$25,201,400
Program by Fund				
Staywell Fund (091)	\$24,193,193	\$22,837,000	\$21,399,967	\$25,201,400
Total Full Time Equivalent Positions	0.00	0.00	0.00	0.00

MISSION

Internal Service Funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other governmental units on a cost-reimbursed basis. This fund is used to account for the costs of the City's self-insured healthcare plan. The salary and benefits budget reflects the City portion of the Health Savings Accounts.

Appendix

The City differentiates its capital program between Capital Outlay items and a Capital Improvement Plan (CIP). Capital outlay includes any assets or equipment purchases budgeted over \$5,000 with a useful life of more than one year. The \$5,000 threshold applies to a per unit cost and not the total for a group of assets. Like the CIP, capital outlay items are requested to be outlined in a six-year plan. Items included in capital outlay include vehicles, computers, laptops, equipment less than \$100,000 (including excavators, compressors, pumps, radios, etc.).

Although some capital outlay items may be purchased on a replacement schedule, these items are still considered one-time expenditures in nature as they are not the same assets purchased year after year.

The first exhibit shows capital outlay items that are included in the FY2024-25 budget plus an additional exhibit that provides items shown in future years. The first exhibit will be utilized during the budget year by the purchasing team when requisitions are submitted to determine if items were in the Adopted Budget.

FY 2024-25 Budgeted Capital Outlay Items

Dept Name	Fund	Org Key	Object	Item Description	QTY	Per Unit Cost	Total
MS	030	0305215	5405	Blowers	2	5,000	10,000
MS	030	0305215	5405	Pumps	2	25,000	50,000
MS	030	0305215	5405	Valves	4	5,000	20,000
MS	030	0305230	5405	16' Enclosed Trailer	2	15,000	30,000
MS	030	0305230	5405	Plate Compactor	1	12,000	12,000
MS	030	0305230	5405	Lateral Puch Camera	1	11,000	11,000
MS	030	0305230	5405	Breaker Attachment	1	15,000	15,000
MS	030	0305230	5405	Ibak CCTV software for 3 CCTV truck	3	20,000	60,000
MS	030	0305230	5404	F250 w/ 8' utility bed for SSES crew	1	85,000	85,000
MS	013	0135262	5405	Flail mower attachment	1	20,000	20,000
MS	013	0135262	5405	Brush hog attachment	1	20,000	20,000
MS	013	0135262	5405	Equipment trailer	1	20,000	20,000
MS	002	0025011	5406	Traffic Signal Components Replacement Traffic Sign Replacement Program &	1	25,000	25,000
MS	002	0025011	5406	Retroreflectometer Purchase	1	20,000	20,000
MS	002	0025011	5406	Replace Loop Detection with Video Detection	1	68,000	68,000
MS	011	0115112	5405	Ford Passenger/Cargo Van	1	65,000	65,000
MS	040	0404822	5405	Freestanding Kiosks	3		110,000
MS	040	0404822	5405	Thru the wall payment kiosk	1	32,000	32,000
MS	040	0404811	5405	Survey Grade GPS Equipment	1	20,000	20,000
MS	040	0404830	5405	Well Flow Meters	6	11,666	70,000

CITY OF INDEPENDENCE, MO

MS	040	0404830	5405	Chlorine Analyzer Replacement	4	5,000	20,000
MS	040	0404830	5404	Bobcat Track Skid Steer	1	65,000	65,000
				3/4 Ton, 4X4 Crew Truck (F250/2500, Standard			
MS	040	0404840	5404	Bed)	1	50,000	50,000
MS	040	0404840	5404	Tap Machine	1	7,000	7,000
MS	040	0404821	5404	Ford Transit T350 high roof van	1	80,000	80,000
MS	040	0404821	5405	Water Meters	10	7,500	75,000
MS	040	0404821	5405	Versa Probes	1	6,000	6,000

Total Municipal Services 1,066,000

IPD	016	0164564	5404	Equipped Police Vehicles (type varies)	17	70,000	1,190,000
IPD	016	0164564	5402	Mobile Data Terminals	33	5,940	196,000
IPD	016	0164564	5404	Mobile (in-car) Radios	30	5,592	168,000
IPD	016	0164562	5405	Handheld Portable Radios	15	5,221	78,500
IPD	016	0164564	5404	Starchase Systems	4	7,000	28,000

Total Independence Police Department 1,660,500

PRT	012	0126041	5404	Mower Replacement Program for Park Mtn	5	9,500	47,500
PRT	012	0126041	5404	Truck Replacement Program for Park Mtn	0	0	0
PRT	012	0126046	5406	Independence Athletic Complex Asphalt repairs	1	25,000	25,000
PRT	012	0126040	5406	George Owens Asphalt Work & ADA Parking Loop	1	25,000	25,000
PRT	002	0026014	5402	Mower Replacement Program for ROW	1	9,500	9,500

Total Parks, Recreation & Tourism 107,000

TS	095	0954220	5402	Aruba Switches	2	5,000	10,000
----	-----	---------	------	----------------	---	-------	--------

Total Technology Services 10,000

IPL	020	0206123	5404	Mower	2	15,000	30,000
IPL	020	0206130	5405	Perimeter Gate Upgrade	1	27,500	27,500
IPL	020	0206140	5405	Substation Security Improvements	1	10,000	10,000
IPL	020	0206150	5405	Replacement Machinery & Equipment	4	5,875	23,500
IPL	020	0206150	5405	Underground Switching/Fusing Cabinets	20	10,000	200,000
IPL	020	0206160	5402	PL Data Center Hardware Needs - Resiliency	1	42,000	42,000
IPL	020	0206170	5402	SCADA Firewalls at Substations	8	7,100	56,800
				Comm Shop Servers (CXM, Telenium, Genetec)			
IPL	020	0206175	5402	HOST's & Storage	1	15,500	15,500
IPL	020	0206175	5402	Network (Switches/Routers, etc. - Substations)	1	5,000	5,000

Total Independence Power & Light 410,300

IFD	017	4671	5401	Driveway repairs	4	25,000	100,000
IFD	017	4671	5401	HVAC Maintenance and replacement	3	10,000	30,000
IFD	017	4671	5401	Station Wellness Equipment and Maintenance	10	6,500	65,000
IFD	017	4671	5401	Garage Door Replacement and Repair	3	10,000	30,000
IFD	017	4671	5401	Fuel Dispensing Stations	2	36,000	72,000

IFD	017	4671	5401	Survey/Testing for Stations	2	100,000	200,000
IFD	017	4671	5401	Desk, ergonomic attachment and desk chair	2	6,500	13,000
IFD	017	4671	5402	Image Trends Software	1	150,000	150,000
IFD	017	4671	5402	MDT	1	5,000	5,000
IFD	017	4671	5402	Mobile Data Terminals and mounts	3	6,200	18,600
IFD	017	4671	5402	Upfit costs for New Squads	2	50,000	100,000
IFD	017	4671	5401	Roof on the Training Tower, Station 9 and Station 10	3	37,000	111,000
IFD	017	4671	5404	Replacement of Command Vehicles	2	85,000	320,000
IFD	017	4671	5405	Portable and mobile radios	15	6,000	90,000
IFD	017	4671	5405	Cardiac Monitor	1	48,000	48,000
IFD	017	4671	5405	Mobile Radio Replacement	5	10,000	50,000
IFD	017	4671	5405	Battery Powered Ventilation Fans	4	6,500	26,000
IFD	017	4671	5405	Miscellaneous Replacement	1	25,000	25,000
IFD	017	4671	5405	Emergency Medical Equipment	1	70,000	70,000

Total Independence Fire Department 1,523,600

Total Capital Outlay 4,777,400

Beginning on the next page is the capital outlay exhibit for FY 2025/26 – 2029/30.

Six Year Capital Outlay Plan

Depart Name	Fund	Item Description	# of Items in Inventory	Year 2: FY 2025-26				Year 3: FY 2026-27			
				Qty	Per Unit Cost	Total	Est. Useful Life	Qty	Per Unit Cost	Total	Est. Useful Life
MS	030	Blowers	2								
MS	030	Pumps	0					2	25,000	50,000	30
MS	030	Valves	0					4	5,000	20,000	30
MS	030	Three phase power at Saddle Ridge Pump Station	0					1	20,000	20,000	50
MS	030	B3 pumps and variable frequency drives	3	3	75,000	225,000	15				
MS	030	Rock Creek Treatment Facility rooftop crane	0								
MS	030	Rock Creek Treatment Facility Chiller/AC	1								
MS	030	Rock Creek Treatment Facility non-pot pumps	2								
MS	030	1/2 ton pickup	9	1	45,000	45,000	10				
MS	030	Ibak camera tractor	6					2	15,000	30,000	4
MS	030	1/2 ton pickup w/ utility bed	0					1	65,000	65,000	10
MS	030	Mini excavator	3								
MS	030	IBAK Camera Head	5					2	20,000	40,000	4
MS	030	16' Enclosed Trailer	0								
MS	030	Plate Compactor	1								
MS	030	Lateral Puch Camera	2					1	12,000	12,000	8
MS	030	Breaker Attachment	1								
MS	030	Ibak CCTV software for 3 CCTV truck	0								
MS	030	F250 w/ 8' utility bed for SSES crew	1								
MS	013	Flail mower attachment	0								
MS	013	Brush hog attachment	1								
MS	013	Equipment trailer	5								
MS	013	Tool Truck	2	1	95,000	95,000	10				
MS	013	Small dump truck	3					1	95,000	95,000	10
MS	013	F150 truck	2								
MS	013	Mini excavator	3								
MS	002	Traffic Signal Components Replacement	1	1	25,000	25,000	1	1	25,000	25,000	1
MS	002	Traffic Sign Replacement Program & Retroreflectometer Purchase	1	1	20,000	20,000	1	1	20,000	20,000	1

Plan by Department

Year 4: FY 2027-28				Year 5: FY 2028-29				Year 6: FY 2029-30						
Qty	Per Unit Cost	Total	Est. Useful Life	Qty	Per Unit Cost	Total	Est. Useful Life	Qty	Per Unit Cost	Total	Est. Useful Life	New Inventor #	Average Unit Cost	Total
												4	5,000	10,000
												1	25,000	100,000
												1	5,000	40,000
												1	20,000	20,000
												6	75,000	225,000
1	60,000	60,000	20									1	60,000	60,000
								1	80,000	80,000	20	2	80,000	80,000
				2	65,000	130,000	15					4	65,000	130,000
								1	50,000	50,000	10	9	47,500	95,000
												6	15,000	30,000
1	100,000	100,000	10									1	65,000	65,000
												3	100,000	100,000
												5	20,000	40,000
												2	15,000	30,000
												1	12,000	12,000
												4	11,500	23,000
												2	15,000	15,000
												1	20,000	60,000
												1	85,000	85,000
												1	20,000	20,000
								1	20,000	20,000	5	2	20,000	40,000
				1	95,000	95,000	10					6	20,000	20,000
	0				0			1	95,000	95,000	10	4	95,000	190,000
1	60,000	60,000	8	1	60,000	60,000	8			0		5	95,000	190,000
1	95,000	95,000	10									4	60,000	120,000
												4	95,000	95,000
1	25,000	25,000	1	1	25,000	25,000	1	1	25,000	25,000	1	6	25,000	150,000
1	20,000	20,000	1	1	20,000	20,000	1	1	20,000	20,000	1	6	20,000	120,000

Depart Name	Fund	Item Description	# of Items in Inventory	Year 2: FY 2025-26				Year 3: FY 2026-27			
				Qty	Per Unit Cost	Total	Est. Useful Life	Qty	Per Unit Cost	Total	Est. Useful Life
MS	002	Replace Loop Detection with Video Detection	0	1	68,000	68,000	1	1	68,000	68,000	1
MS	002	Trailer mounted changeable message board	3					2	25,000	50,000	12
MS	011	Brine Extreme truck fill skid with shed	1					1	27,500	27,500	12
MS	011	Broom Attachment for skid steer	2					1	8,500	8,500	5
MS	011	Felling tilt top trailer	2								
MS	011	Ford Passenger/Cargo Van	1								
MS	011	Ford F-550 Heavy Duty Pickup	5	2	75,000	150,000	10				
MS	011	Bobcat Mini Excavator	1								
MS	030	F450 with Crane	1								
MS	030	6" trash pump	0								
MS	040	Freestanding Kiosks	0								
MS	040	Thru the wall payment kiosk	0								
MS	040	Survey Grade GPS Equipment	1								
MS	040	Well Flow Meters	42	6	7,000	42,000	15	6	7,500	45,000	15
MS	040	Chlorine Analyzer Replacement	36	5	5,000	25,000	10	5	5,000	25,000	10
MS	040	Phosphate Pumps	2								
MS	040	Sludge Grinder Pump	2								
MS	040	CB Mixer Gear Drive	8	1	7,000	7,000	2	1	7,000	7,000	2
MS	040	Sump Pumps	4	1	15,000	15,000	3				
MS	040	Bobcat Track Skid Steer	1								
MS	040	3/4 Ton Crew Truck (Ford F250, w/ 8' Service Body)	3	1	85,000	85,000	15	1	85,000	85,000	15
MS	040	3/4 Ton, 4X4 Crew Truck (F250/2500, Standard Bed)	6								
MS	040	16,000# Rated tandem Axle Trailer (Replacement)	6	1	30,000	30,000	15				
MS	040	Mini-Excavator (Replacement)	2								
MS	040	Tap Machine	2								
MS	040	Ford Transit T350 high roof van	0								
MS	040	Water Meters	6					10	7,500	75,000	15
MS	040	Versa Probes	8	2	12,000	24,000	5	2	12,000	24,000	5
MS	040	B-1 Drilling & Tapping Machines	7	1	7,000	7,000	4				
Municipal Services Total				385,000				261,000			

Year 4: FY 2027-28				Year 5: FY 2028-29				Year 6: FY 2029-30						
Qty	Per Unit Cost	Total	Est. Useful Life	Qty	Per Unit Cost	Total	Est. Useful Life	Qty	Per Unit Cost	Total	Est. Useful Life	New Inventor #	Average Unit Cost	Total
1	68,000	68,000	1	1	68,000	68,000	1	1	68,000	68,000	1	5	68,000	408,000
												3	25,000	50,000
												2	27,500	27,500
												2	8,500	8,500
1	30,000	30,000	10									2	30,000	30,000
												0	65,000	65,000
2	75,000	150,000	10									5	75,000	300,000
								1	90,000	90,000	10	1	90,000	90,000
	0			1	85,000	85,000	10			0		1	85,000	85,000
	0			1	50,000	50,000	10			0		1	50,000	50,000
				1	40,000	40,000						4	38,334	150,000
								1	32,000	32,000		2	32,000	64,000
1	25,000	25,000										2	22,500	45,000
6	8,000	48,000	15	6	8,000	48,000	15	6	8,500	51,000	15	42	8,444	304,000
5	6,000	30,000	10	5	6,000	30,000	10	5	6,000	30,000	10	38	5,500	160,000
1	10,000	10,000	10	1	10,000	10,000	10					2	10,000	20,000
1	25,000	25,000	3									3	25,000	25,000
1	7,000	7,000	2	1	7,000	7,000	2					8	7,000	28,000
1	15,000	15,000	3					1	15,000	15,000	3	5	15,000	45,000
												1	65,000	65,000
												2	85,000	170,000
												6	50,000	50,000
1	30,000	30,000	15									6	30,000	60,000
				1	80,000	80,000	8					2	80,000	80,000
								1	7,000	7,000	10	1	7,000	14,000
												1	80,000	80,000
												20	7,500	150,000
2	14,000	28,000	5	2	16,000	32,000	5	2	18,000	36,000	5	8	13,000	150,000
1	7,500	7,500	4					1	8,000	8,000	4	7	7,500	22,500
375,500				382,000				269,000				2,207,500		

Depart Name	Fund	Item Description	# of Items in Inventory	Year 2: FY 2025-26				Year 3: FY 2026-27			
				Qty	Per Unit Cost	Total	Est. Useful Life	Qty	Per Unit Cost	Total	Est. Useful Life
Police	016	Equipped Police Vehicles (type varies)	226	15	72,100	1,081,500		15	74,263	1,113,945	
Police	016	Mobile Data Terminals	116	30	6,237	187,110	8	20	6,549	130,980	8
Police	016	Mobile (in-car) Radios	220	20	5,872	117,440	10	15	6,165	92,475	10
Police	016	Handheld Portable Radios	250	5	5,482	27,410	8	5	5,756	28,780	8
Police	016	Starchase Systems									
Police Total				1,413,460				1,366,180			
PRT	012	Mower Replacement Program for Park Mtn	46	5	10,000	50,000		5	10,500	52,500	
PRT	012	Truck Replacement Program for Park Mtn	42	1	56,000	56,000		1	57,000	57,000	
PRT	002	Mower Replacement Program for ROW	5	1	10,000	10,000		1	10,500	10,500	
Parks, Recreation & Tourism				116,000				120,000			
TS	095	Aruba Switches	57	25	5,000	125,000	5	25	5,000	125,000	5
Technology Services				125,000				125,000			
IP&L	020	Ford Explorer	18	4	30,000	120,000	10				
IP&L	020	Ford F-550	7	1	80,000	80,000	10				
IP&L	020	Ford F-150	8	1	45,000	45,000	10				
IP&L	020	Mini Excavator	2								
IP&L	020	Forklift	8	1	45,000	45,000	10				
IP&L	020	Ford Fusion	2	1	30,000	30,000	10				
IP&L	020	Ford Trans Connect	1								
IP&L	020	Mower	5								
IP&L	020	Hand Held Itron Computers	20								
IP&L	020	VersaProbes	20								
IP&L	020	Security Video Equipment	8								
IP&L	020	Perimeter Gate Upgrade	7								
IP&L	020	Substation Security Improvements	3								
IP&L	020	Replacement Machinery & Equipment	20	4	6,375	25,500	5	4	6,875	27,500	5
IP&L	020	Underground Switching/Fusing Cabinets	103	20	10,000	200,000	20	20	10,000	200,000	20

Year 4: FY 2027-28				Year 5: FY 2028-29				Year 6: FY 2029-30						
Qty	Per Unit Cost	Total	Est. Useful Life	Qty	Per Unit Cost	Total	Est. Useful Life	Qty	Per Unit Cost	Total	Est. Useful Life	New Inventor #	Average Unit Cost	Total
15	76,491	1,147,365		15	78,786	1,181,790		15	81,149	1,217,235		210	75,465	6,931,835
20	6,876	137,520	8	20	7,220	144,400	8	15	7,581	113,715	8	120	6,734	909,725
10	6,473	64,730	10	15	6,797	101,955	10	20	7,137	142,740	10	220	6,339	687,340
10	6,044	60,440	8	10	6,346	63,460	8	10	6,663	66,630	8	250	5,919	325,220
												4	7,000	28,000
1,410,055				1,491,605				1,540,320				8,882,120		
5	11,000	55,000		5	11,500	57,500		5	12,000	60,000		51	10,750	322,500
1	58,000	58,000		1	59,000	59,000		1	60,000	60,000		41	58,000	290,000
1	11,000	11,000		1	11,500	11,500		1	12,000	12,000		6	10,750	64,500
124,000				128,000				132,000				677,000		
25	5,000	125,000	5									75	5,000	385,000
125,000												385,000		
				3	30,000	90,000	10	2	35,000	70,000	10	18	31,667	280,000
2	85,000	170,000	10					1	85,000	85,000	10	7	83,333	335,000
				2	45,000	90,000	10	3	45,000	135,000	10	8	45,000	270,000
1	60,000	60,000	10					1	80,000	80,000	10	2	70,000	140,000
												8	45,000	45,000
								1	40,000	40,000	10	2	35,000	70,000
				1	30,000	30,000	10					1	30,000	30,000
												5	15,000	30,000
				20	6,500	130,000	5					20	6,500	130,000
				20	6,000	120,000	5					20	6,000	120,000
1	40,000	40,000	8									8	40,000	40,000
1	27,500	27,500	20									7	27,500	55,000
												3	10,000	10,000
4	7,375	29,500	5									20	6,625	106,000
20	10,000	200,000	20									103	10,000	800,000

Depart Name	Fund	Item Description	# of Items in Inventory	Year 2: FY 2025-26				Year 3: FY 2026-27			
				Qty	Per Unit Cost	Total	Est. Useful Life	Qty	Per Unit Cost	Total	Est. Useful Life
IP&L	020	PL Data Center Hardware Needs - Resiliency	1	1	44,100	44,100	4	1	46,000	46,000	4
IP&L	020	SCADA/EMS Servers	10								
IP&L	020	SCADA/EMS GPS Clocks	4	4	7,200	28,800	7				
IP&L	020	SCADA Firewalls at Substations	0	9	7,300	65,700	5				
IP&L	020	SCADA/OMS Firewalls	4	4	12,400	49,600	5				
IP&L	020	DMZ mid-range Firewalls	6					4	24,900	99,600	5
IP&L	020	OT Servers (OMS)	2								
IP&L	020	OT Servers (Security)	2								
IP&L	020	OT Servers (Tape Backup)	2								
IP&L	020	Tape Library Autoloaders	2					2	9,600	19,200	5
IP&L	020	POC/BOC Server and Control Rm KVM Switch	5	2	5,400	10,800	6				
IP&L	020	Furniture - Office/Cubicle	13	2	7,900	15,800	10				
IP&L	020	Comm Shop Servers (CXM, Telenium, Genetec) HOST's & Storage	6	4	16,000	64,000	3				
IP&L	020	Network (Switches/Routers, etc. - Substations)	18								
IP&L	020	Motorola Maintenance Equipment (IP223's-ADH4) TELEX	4	4	2,000	8,000	5				
IP&L	020	Cisco Catalyst Equipment (Internet connection)	2					2	20,000	40,000	5
IP&L	020	Mhost Network Storage	2					2	20,000	40,000	5
IP&L	020	Genetec Application Servers and/or Archivers	3								
IP&L	020	Ethernet Deployment									
IP&L	020	Supplemental Aruba Switches	3	3	12,600	37,800	5				
Independence Power & Light Total				870,100				472,300			
Fire	017	Driveway repairs	10	4	25,000	100,000	4	3	25,000	75,000	4
Fire	017	HVAC Maintenance and replacement	10	3	10,000	30,000	3	3	10,000	30,000	3
Fire	017	Station Wellness Equipment and Maintenance	10	5	4,000	20,000	2	5	4,000	20,000	2
Fire	017	Garage Door Replacement and Repair	25	3	12,000	36,000	5	3	14,000	42,000	5
Fire	017	Fuel Dispensing Stations	1								

Year 4: FY 2027-28				Year 5: FY 2028-29				Year 6: FY 2029-30						
Qty	Per Unit Cost	Total	Est. Useful Life	Qty	Per Unit Cost	Total	Est. Useful Life	Qty	Per Unit Cost	Total	Est. Useful Life	New Inventor #	Average Unit Cost	Total
1	48,300	48,300	4	1	51,000	51,000	4	1	54,000	54,000	4	6	47,567	285,400
10	16,400	164,000	5									10	16,400	164,000
												4	7,200	28,800
								17	8,200	139,400	5	17	7,533	261,900
												4	12,400	49,600
												4	24,900	99,600
				2	31,500	63,000	5					2	31,500	63,000
				2	31,500	63,000	5					2	31,500	63,000
				2	15,800	31,600	5					2	15,800	31,600
												2	9,600	19,200
												5	5,400	10,800
												13	7,900	15,800
1	17,000	17,000	3									6	16,167	96,500
								18	5,000	90,000	5	18	5,000	95,000
												4	2,000	8,000
												2	20,000	40,000
												2	20,000	40,000
				3	15,000	45,000	3					3	15,000	45,000
												3	12,600	37,800
756,300				713,600				693,400				3,916,000		
4	25,000	100,000	4	4	25,000	100,000	4	4	25,000	100,000	4	11	25,000	575,000
3	10,000	30,000	3	3	10,000	30,000	3	3	10,000	30,000	3	11	10,000	180,000
5	4,000	20,000	2	5	4,000	20,000	2	5	4,000	20,000	2	11	4,417	165,000
3	16,000	48,000	5	3	18,000	54,000	5	3	20,000	60,000	5	11	15,000	270,000
												2	36,000	72,000

Depart Name	Fund	Item Description	# of Items in Inventory	Year 2: FY 2025-26				Year 3: FY 2026-27			
				Qty	Per Unit Cost	Total	Est. Useful Life	Qty	Per Unit Cost	Total	Est. Useful Life
Fire	017	Survey/Testing for Stations	10	1	100,000	100,000	30	1	100,000	100,000	30
Fire	017	Desk, ergonomic attachment and desk chair	15	1	6,500	6,500	10	1	6,500	6,500	10
Fire	017	Image Trends Software	1	1	150,000	150,000	1	1	150,000	150,000	1
Fire	017	MDT	20								
Fire	017	Mobile Data Terminals and mounts	20								
Fire	017	Upfit costs for New Squads	17	1	7,500	7,500	5	1	7,500	7,500	5
Fire	017	Roof on the Training Tower, Station 9 and Station 10	11	1	20,000	20,000	20	1	20,000	20,000	20
Fire	017	Replacement of Command Vehicles	20	2	85,000	170,000	8	2	88,000	176,000	8
Fire	017	Portable and mobile radios	70	10	6,500	65,000	6	10	7,000	70,000	6
Fire	017	Cardiac Monitor	17					6	48,000	288,000	10
Fire	017	Mobile Radio Replacement	40								
Fire	017	Battery Powered Ventilation Fans	4								
Fire	017	Miscellaneous Replacement	1	1	25,000	25,000	1	1	25,000	25,000	1
Fire	017	Emergency Medical Equipment	1								
Municipal Services Total				385,000				261,000			

Year 4: FY 2027-28				Year 5: FY 2028-29				Year 6: FY 2029-30						
Qty	Per Unit Cost	Total	Est. Useful Life	Qty	Per Unit Cost	Total	Est. Useful Life	Qty	Per Unit Cost	Total	Est. Useful Life	New Inventor #	Average Unit Cost	Total
1	100,000	100,000	30	1	100,000	100,000	30	1	100,000	100,000	30	10	100,000	700,000
2	6,500	13,000	10	1	6,500	6,500	10	7	6,500	45,500		15	6,500	91,000
1	150,000	150,000	1	1	150,000	150,000	1	1	150,000	150,000	1	1	150,000	900,000
												1	5,000	5,000
												20	6,200	18,600
1	7,800	7,800	5	1	7,800	7,800	5	1	8,000	8,000	5	7	14,760	138,600
1	22,000	22,000	20	1	25,000	25,000	20	1	25,000	25,000	20	8	24,830	223,000
2	90,000	180,000	8	2	91,000	182,000	8					20	87,800	1,028,000
10	7,500	75,000	6	10	7,500	75,000	6	10	7,500	75,000	6	76	7,000	450,000
6	49,000	294,000	10	6	50,000	300,000	10	2	51,000	102,000	10	17	49,200	1,032,000
								10	15,000	150,000	6	20	12,500	200,000
2	7,000	14,000	5	2	7,300	14,600	5	2	7,500	15,000	5	4	7,075	69,600
1	25,000	25,000	1	1	25,000	25,000	1	1	25,000	25,000	1	1	25,000	150,000
												1	70,000	70,000
												1	70,000	70,000
1,078,800				1,089,900				905,500				6,337,800		



This page intentionally left blank.

Capital Improvement Planning

A capital improvement program is one of the most important responsibilities of a local government official as it coordinates planning, financial capacity, and physical development of a community. A fully developed plan saves taxpayers money by improving the cost-effectiveness of how the city spends limited resources and dollars. The CIP provides a link between the various master plans, the City's comprehensive plan, Imagine Independence 2040 – A Community Vision, and the annual budget. A complete and properly developed CIP has the following benefits:

- Facilitates coordination between capital needs and operating budgets.
- Enhances the community's credit rating and control of its tax rate.
- Deters sudden changes in debt service requirements.
- Identifies the most economical means to finance capital projects.
- Increases opportunities for obtaining federal and state aid.
- Relates public facilities to public and private development plans, often encouraging economic development.
- Focuses attention on community objectives and fiscal capacity.
- Keeps the public informed about future needs and projects.
- Reduces costs by identifying and consolidating duplicative expenditures across municipal departments.
- Encourages careful project planning and design to avoid costly mistakes and to help a community reach desired goals.
- Increases community resilience.
- Provides documentation to the constituency that the responsibilities for maintaining and enhancing the city's assets is being addressed.

Relationship between the CIP and the Operating Budget

The operating budget and CIP are closely related. The CIP is a program that matches the City's major capital needs with the financial ability to meet those needs. As a plan, it is subject to change and not every identified CIP may be funded in a budget year. However, a sound and reliable CIP is critical to maintaining a fiscally healthy City.

CIP projects that are proposed to be budgeted in each fund are intended to be included in the annual budget in the appropriate year(s). Funds for such projects are not available unless and until they are included by specific ordinance in the annual budget approved by the City Council. The needs greatly outpace the resources available to address all needs adequately, so many projects are deferred each year. Projects with revenue sources showing as "Unidentified" have no established funding source and must compete for the same pool of limited resources each year.

In many cases, the completion of capital projects will impact a department's operating budget as projects are completed and require maintenance and upkeep. Some facilities may require additional utilities, such as electricity and water, above current consumption levels – any impact may not be readily evident when projects are funded and then constructed over several years. Consequently, the impacts of capital projects on the annual operating budget are estimated when available and noted in the CIP under each project. Most projects will not have an operating impact in the year during which they are funded since this is typically the construction/installation phase. Also, if a project is a renovation which does not include expansion and the operating costs are already captured in the department's annual operating budget, no additional operating costs will be listed.

The City updates its six-year CIP annually. Departments begin the process of updating their CIP ahead of operating budget development. Once operational expenses are identified and reserve levels are established for each fund, departments may then identify the amount available to fund CIP and capital outlay expenditures in the upcoming budget year. Currently, the City allows departments to “rollover” previously appropriated funds for CIP projects to the next budget year. Capital needs greatly outpace the resources available to address projects adequately, so many projects are deferred each year. Projects with revenue sources showing as “Unidentified” have no set funding source and must compete for the same limited resources each year.

CIP Funding Sources

The City of Independence uses many funding sources to finance capital projects. The planned uses of these sources are reflected in the Capital Improvement Program. The following describes the City's major funding sources:

PAY-AS-YOU-GO

This funding originates from revenue generated from the General Fund, Special Revenue Funds, or from enterprise fund appropriations made in the City's annual operating budget. Typically, these appropriations are transferred to the Capital Projects Fund for accounting purposes if the project period lasts more than one fiscal year. CIP projects that are proposed to be funded via the annual operating budget are intended to be included in the annual budget in the appropriate year. Funds for such projects are not available unless and until they are approved by the City Council.

Factors which favor pay-as-you-go financing including the following:

1. Current revenues and fund balances are available.
2. Phasing-in of projects is feasible.
3. Additional debt levels would adversely affect the City's credit rating.
4. Market conditions are unfavorable or suggest difficulties in marketing new debt.

GENERAL OBLIGATION BOND

The City may borrow money from lenders, pledging the full faith and credit of the City to pay the loan through property tax revenue. This method generally requires both the approval of voters through a referendum and the approval of the Local Government Commission. The City sells general obligation bonds to pay for expenses associated with capital projects. Bond sales are held as needed.

The Missouri Constitution permits a city, by vote of two-thirds of the voting electorate, to incur general obligation indebtedness for city purposes not to exceed 10% of the assessed value of taxable tangible property. The city may issue additional debt not to exceed 10% of assessed valuation (20% total) for street and sewer improvements or purchasing or constructing water or electric utility plants.

REVENUE BOND

The City may borrow money from lenders, pledging the revenues generated from the specific operations of the project to pay the debt. Like general obligation bonds, the City sells revenue bonds as needed to pay for expenses associated with capital projects.

DEBT PROCEEDS

In many instances, the city funds a major capital improvement with short or long-term debt. The City will identify a stream of revenue within its budget for paying debt service.

Factors which favor debt financing include the following:

1. Revenues available for debt issues are considered sufficient and reliable so that long-term financing can be marketed with an appropriate credit rating, which can be maintained.
2. Market conditions present favorable interest rates.
3. A project is mandated by state or federal government and current revenues, or fund balances are insufficient to pay project costs.
4. A project is immediately required to meet or relieve capacity needs.
5. The life of the project or asset financed is five years or longer.
6. The life of the project or asset is less than five years, but short-term financing that does not exceed the useful life of the project or asset is feasible.
7. Cost savings can be achieved by completing improvements as a single large project rather than as a multi-year series of pay-as-you-go smaller projects.

IMPACT FEES

Impact fees are one-time charges levied against new development based on the impact on city infrastructure as determined by the land use of the project. The impact fees will be used as a funding source for a proportionate cost of capital facilities and land made necessary by new construction. Impact fees cannot be used for routine or periodic maintenance, or improvements made to the existing infrastructure where the improvements are not related to new development.

INTERGOVERNMENTAL REVENUES

This category of revenues identifies funding from Jackson County, State of Missouri, and the Federal Government. The funding sources include the State's revolving loan fund for wastewater treatment plants, state and federal funding for transportation and transit-related improvements. Project pages also show Community Development Block Grant and HOME funds in Housing CIP projects for informational purposes.

RESERVE FUNDS

USE OF FUND BALANCE

Circumstances may arise which warrant the use of Unassigned or Unrestricted Fund Balances and working capital balances. These include revenue shortfalls, unanticipated cost increases, emergencies, grant matching, early debt retirement, major projects and expenditures beyond those created by only natural disasters. In such cases, any expenditures from the Unassigned or Unrestricted Fund Balance must be approved by the Council. The rationale for the expenditure must be documented as part of Council action. Any unrestricted and unassigned funds more than target minimums may be expended to fund on-recurring expenditures.

MINIMUM UNRESTRICTED AND UNASSIGNED FUND BALANCE & WORKING CAPITAL

The City of Independence has determined it a sound financial practice to maintain adequate fund balances and working capital. Accordingly, the city will endeavor to maintain a minimum City of Independence, MO CIP Planning Policy Unrestricted and Unassigned Fund Balance in the General Fund equal to 16% of annual operating revenues less one-time funds like grants or transfers. Please see the appendix for current unreserved fund requirements by fund and the specific risk-based methodology for fund balances in the Enterprise Funds.

OTHER

Capital projects may be fully or partially funded through miscellaneous revenue sources not referenced above. Examples of other funding sources include program revenues, donations, land sales or contributions, payments in lieu of taxes, private contributions, loan repayments, and rental income.

UNIDENTIFIED

Projects that do not have an identified source of future revenue to fund them are listed here. These projects usually compete for a small pool of general fund dollars, though some may later be determined to be eligible for use of impact fees or certificates of participation. These projects are also candidates for inclusion in future general obligation bond referendums.



Capital Improvement Program 2025 – 2030



INDEPENDENCE
★ MISSOURI ★

A GREAT AMERICAN STORY



2025-2030

Capital Improvements Program

City of Independence, Missouri

March 2024

City Council

Rory Rowland, *Mayor*

John Perkins, *District 1*

Brice Stewart, *District 2*

Vacant, *District 3*

Dan Hobart, *District 4*

Jared Fears, *At-Large*

Dr. Bridget McCandless, *At-Large*

Planning Commission

Cindy McClain, *Chair*

Edward Nesbitt, *Vice-Chair*

Virginia Ferguson

Laurie Dean Wiley

Heather Wiley

Eric Ashbaugh

Daniel O'Neil

Zachary Walker, City Manager

Introduction

The Capital Improvements Program (CIP) is a major financial, public infrastructure and equipment planning tool for municipalities. The CIP is a long-range plan that identifies capital projects and equipment, provides a planning schedule, and identifies options to fund the projects and equipment. The development of a CIP provides information regarding planned public improvements and equipment with anticipated funding. The CIP provides a link between the various master plans, the City's comprehensive plan, and the annual budget.

The Planning Commission's role in the CIP process is to provide a recommendation of public improvements to the City Manager by April 1st of each fiscal year that further implements the vision, goals, and strategies of the Independence For All Strategic Plan and Imagine Independence 2040 Comprehensive Plan.

The CIP sets forth proposed projects for constructing, maintaining, upgrading, and replacing the City's physical infrastructure and equipment necessary for continued operations and providing City services during the next six fiscal years beginning in July 2024 through June 2030. Projects listed in the CIP report are not necessarily listed in priority order and are not to be construed as a promise to any person or group that it will be completed within a specific time frame. A CIP is not a static document, but rather, a fluid document that can be changed as the infrastructure requirements change, development occurs, and funding opportunities become available.

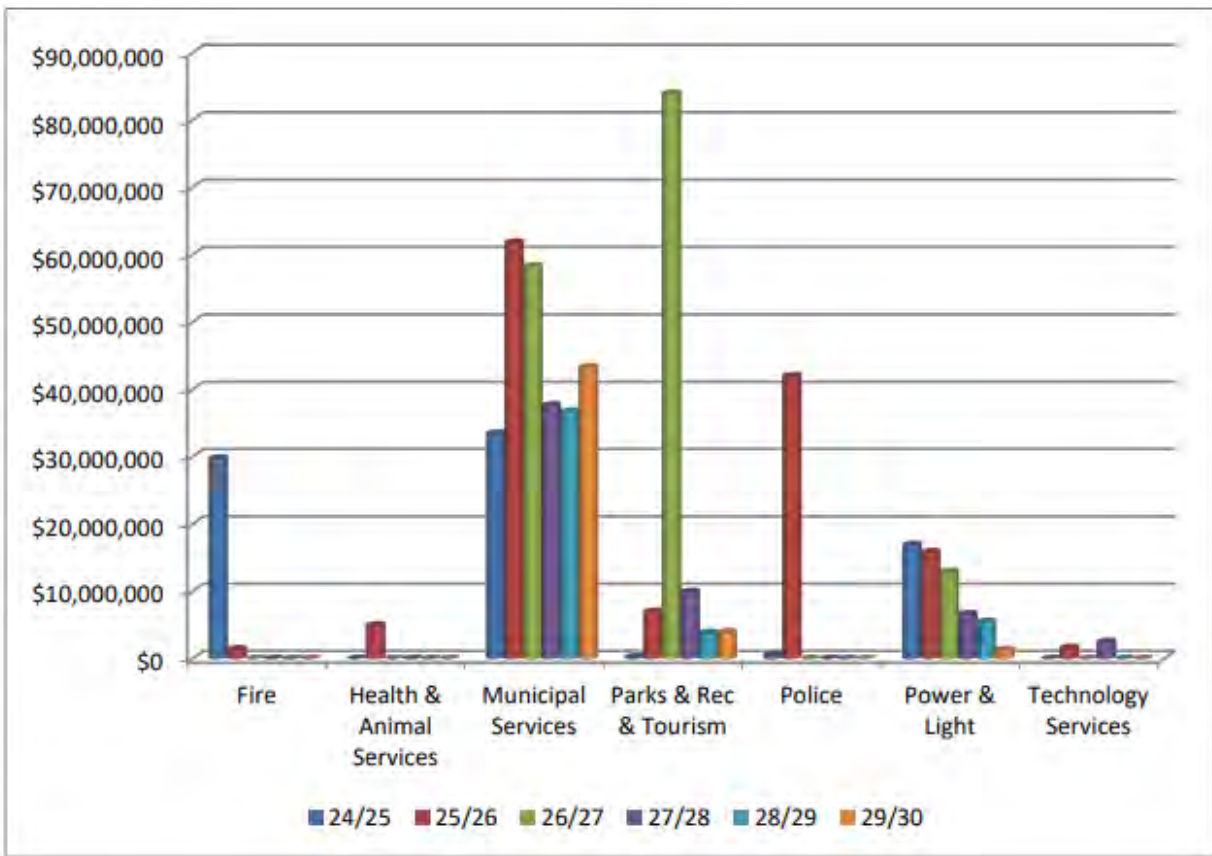
Capital Improvement Project Defined

In developing a CIP, it is important to distinguish between operating and capital expenses. Generally, these items are defined based on their cost and frequency of occurrence. Operating items are those that represent ongoing operating expenses, such as maintenance, outside of one-time capital expenditures. Presented below are the definitions developed specifically for the City of Independence for capital expenses that should be included in the CIP budget:

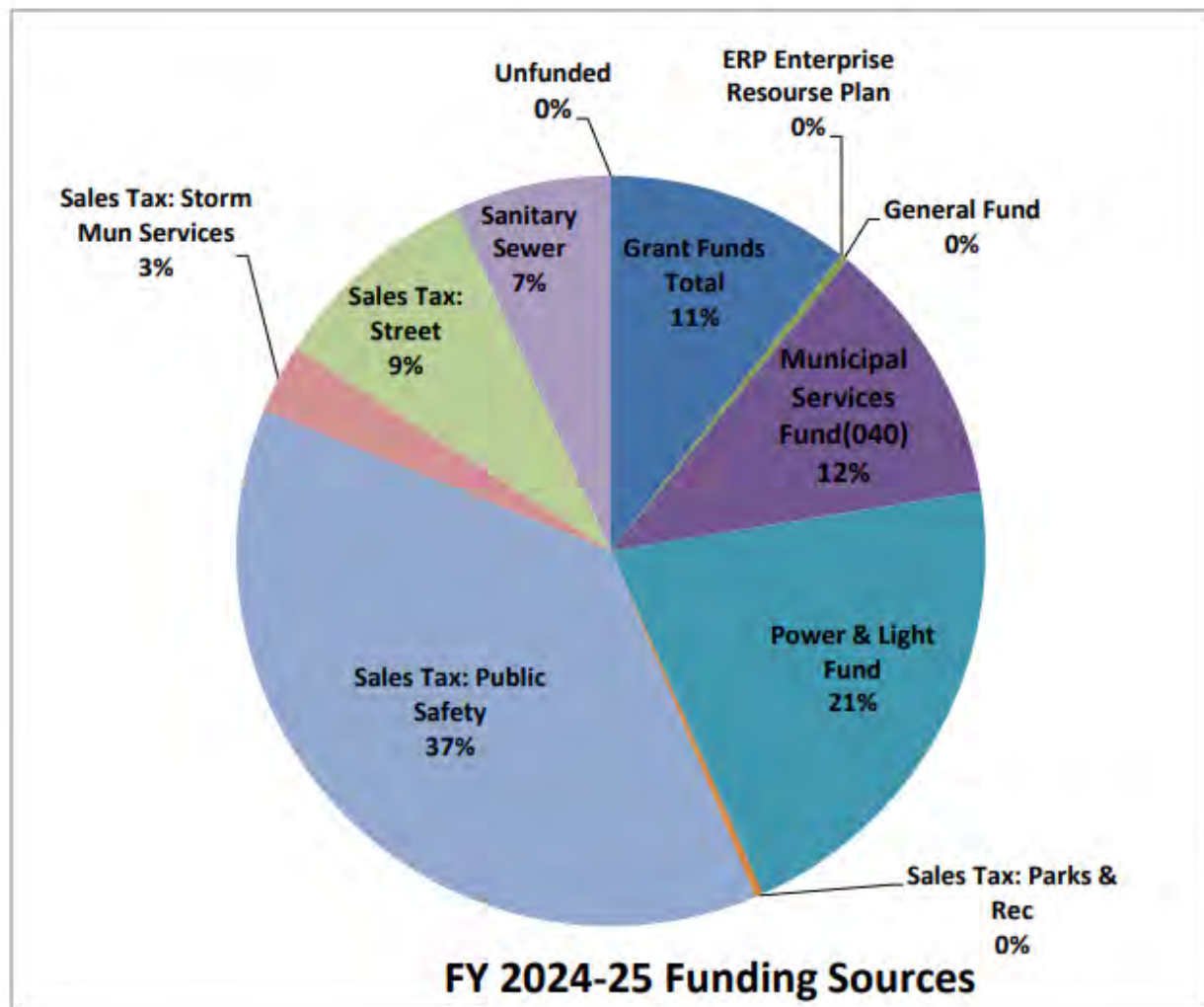
- Any construction of a new public facility (e.g., a public building, a public street, water and sewer lines, parks, play field, or the like) or an addition to, or extension of, such a facility.
- A nonrecurring rehabilitation or replacement of existing public facilities, or major repair of all or a part of a public facility, provided that the cost is \$100,000 or more.
- Purchase of major equipment of \$100,000 or more (either one item or a number of items with a cumulative one-time purchase of \$100,000 or over) and a useful life of 5 years or more.
- Planning, feasibility, engineering, or design studies and services immediately related to
- an individual capital improvement project

Summary

The CIP contains 148 identified projects with a total projected cost of \$522 million. The category with the largest number of projects in the next two years is the Municipal Services Department with 86 projects. For all projects, estimated FY 2024-25 expenditures total approximately \$80.9 million and FY 2025-26 expenditures total approximately \$134.7 million. The largest projects in FY 2024-25 include the Fire Station 8 Replacement at \$13,500,000 and the Springbranch Garage Complex at \$5,040,000.



Funding for CIP projects are derived from various sources including General Fund, Federal and State grants (ARP, ARPA, CMAQ, CRP, FLAP, HUB, RAISE, STP and TAP), ERP Enterprise Resource Planning funds, Municipal Services Fund, Power and Light Funds, Sales Tax (Park and Recreation, Public Safety, Storm, and Street) Funds, Sanitary Sewer Funds, and funds yet to be identified as Unfunded. The largest funding sources in FY 2024-25 are the various sales taxes followed by the Power and Light Fund.



Fiscal Year 2024-25 Highlights

- Fire Department projects include the replacement of station 8, currently at Powell and Truman Road, and replaced with a new 20,000 square foot station on 78 Hwy combined with the existing training facility.
- The Municipal Services Department now covers projects for Street, Storm, Sewer, and Water, and includes the annual Pavement Preventative Maintenance Operations project that will utilize treatment options to optimize the budget including crack sealing, surface sealing and traditional mill and overlay.
- The Rockwood Storm Drainage Improvements project is anticipated to include improvements to 3,500 feet of undersized, eroded streambank and deteriorated storm drainage facilities.
- The Upper Adair Sewer Interceptor Design project seeks to re-route sanitary sewer flows crossing I-70 from areas southwest of I-70 and Noland Road to reduce capacity issues. The project will also review temporary storage needs to avoid downstream sewage overflows and backups.
- The Water Main Replacement Program will be an ongoing project to fund necessary

modifications to the City's water distribution system resulting from improvements made in conjunction with other new City infrastructure such as street improvements and main replacements. The Future Production Wells project will seek to construct and develop future water production wells at the Courtney Bend Water Plant.

- Parks and Recreation projects includes the overlay of the Independence Athletic Complex parking lot along with renovations to the Rotary Park playground.
- Police Department projects include a replacement of the existing Bearcat that is used for special operation and barricades.
- Independence Power and Light projects include the Construction of a New Substation S project to serve the large Northpoint development project between RD Mize Rd on the south and Hwy 78 on the north, east of Little Blue Parkway. The purchase of Evergy's Substation A to Substation S which is a 69-thousand-volt transmission line.

Priority Based Budgeting

This year's CIP has utilized a Priority Based Budgeting and scoring method which is explained in the following pages. Projects have been scored from attributes determined by this new method. Following that, a Funding Source Summary report has been provided along with a Project by Department list which provides an overview of each Departments yearly funding expenditures. Next a Capital Project Type cart, an Alignment to Strategic Plan chart, and an Estimated Service Life of Existing Asset cart. Lastly, a detailed overview of each project follows. These overviews provide information for projects starting in FY 2024-25 out to FY 2029-30, including project name, sponsoring department, total cost, attribute scoring and amount and years of expenditures.

Priority Based Budgeting is a Government Finance Officers Association and International City/County Managers Association best practice and has been utilized in cities across the county including Kansas City, MO, Johnson County, KS, Lawrence, KS, and Shawnee, KS.

In contrast to traditional budgeting models, priority-based budgets align resources and funding with community priorities and outcomes. This shifts the focus to accountability for a program's results, creating transparency and a better understanding of the true cost of each program. The following pages will provide an overview of how the City of Independence has shifted to a different model this year in evaluating capital projects driven by alignment to the strategic plan.

Overview of the City of Independence Defined Results

Community-Oriented Results

An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.

- Outreach - Continue to strengthen and innovate in how we deliver information to the community and our partners.
- Community Engagement - Broaden and deepen engagement of the community in city government, innovating methods for inviting input from the community and stakeholders.
- Business and Institutional Partnerships – Explore opportunities for partnerships with key business groups and non-profit organizations.
- Public Agencies Collaboration - Foster successful collaboration with other public agencies and build on these successes.

An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.

- **Business Growth** – Support retention and growth of both the traded and local business sectors while welcoming and encouraging new and existing businesses, in coordination with the Independence Economic Development Partnership.
- **Workforce Development** – Support education and workforce development initiatives to improve the skills of our citizens.
- **Infrastructure Investments** – Strategically invest in infrastructure as a mechanism to encourage economic development and economic redevelopment.

A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.

- **Health & Safety Action** – Work with our partners to improve education, public awareness, and to coordinate programs concerning public health, animal welfare, emergency services, criminal justice, and important social services.
- **Public Safety** – Support high-quality public safety programs, emergency preparedness, facilities, and leadership.
- **Friendly Community** – Ensure Independence continues to welcome diversity through policies, public awareness, and community engagement.

A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.

- **High Quality Urban Approach** – Continue to support high-quality planning, ranging from building design to neighborhood layouts, while pursuing urban approaches to issues such as multimodal transportation, infill, density, connected trails and parks, and walkable neighborhoods.
- **Vibrant Commercial Districts and Neighborhood Centers** – Promote and support healthy, vibrant commercial districts and neighborhood centers – including higher densities and intensification of use in these key areas.
- **Stabilize and Revitalize Neighborhoods** – Partner with citizens and businesses to promote and maintain a safe, healthy, and desirable living and working environment through the administration of property maintenance, zoning, and right-of-way codes.
- **Improve public infrastructure and the condition of public facilities.**
- **Housing and Transportation Choices** – Vigorously encourage, through a wide variety of actions, the development of sustainable and lasting housing options for all individuals and families and improve mobility options that accommodate all travel modes.

Governance-Oriented Results:

A High-Performance Organization. We operate as an ethical, high-performance organization anticipating future needs, utilizing best practices, and striving for continuous improvement.

- **Performance Metrics** – Utilize key performance and cost measures to monitor, track, and improve the planning and delivery of City programs and services and to promote greater accountability, effectiveness, and efficiency.

- Values-Driven Culture – Promote a values-driven organizational culture that reinforces ethical behavior, exercises transparency, and maintains the community’s trust.
- Employee Excellence – Recruit, retain, and value a diverse, well-trained, qualified and motivated team capable of delivering superior performance. Be accountable and expect accountability from others. Make demonstrated use of good judgement a part of the evaluation process for promotions.
- Best Practices, Creativity, and Foresight – Utilize best practices, innovative approaches, and constantly anticipate new directions and changes relevant to the governance of the City. Be adaptable and flexible with an outward focus on the customer and an external understanding of the issues as others may see them.

A Financially Sustainable Organization. We create long-term financial stability by using equitable and sustainable sources of funding for City services, and we deliver them in a lean and efficient manner.

- Capture Sustainable Sources of Funding – Obtain permanent, viable funding for City services.
- Control Long-Term Costs – Ensure City finances are stable and sustainable.
- Financial Planning and Reporting – Identify and update policies, procedures, and systems to ensure transparent and efficient financial information

Scoring Process

The scoring process happens in four stages:

1. Define Basic Program Attributes and Outcomes
2. Department Scoring
3. Peer Review
4. Final Review

Basic Program Attributes and Outcomes:

Define a list of comprehensive, long-lasting attributes and outcomes that reflect the organizations stated objectives and priorities.

Used to assess a project impact with the community or organization.

Basic and Outcome attributes are described below. Outcome attributes are divided into two criteria, either Governance, including *good governance* or Community, including *livable community, robust resilient economy, engaged community, sustainable infrastructure, and safe and healthy community*.

Basic Program Attributes

- **Risk Mitigation & Resilience**
- **Asset Condition**
- **Portion of the Community Served**
- **Cost Recovery of the Program**
- **Mandate to Provide the Program**

Department Scoring:

- Utilizes the expertise of departments to assess how a project impacts the applicable Community or Governance results and all Basic Program Attributes and Outcomes

- Assessment Scale:
 - [Project has] Extreme alignment with achieving the Result
 - [Project has] Strong alignment with achieving the Result
 - [Project has] Some alignment with achieving the Result
 - [Project has] Minor alignment with achieving the Result
 - [Project has] No alignment with achieving the Result
 - Basic Program Attributes
- Basic Program Attributes:
 - Risk Mitigation & Resilience:
 - 0 Asset does not impact risk mitigation or increase resilience
 - 2 Asset has some impact on risk mitigation & increases resilience
 - 4 Asset has extreme impact on risk mitigation & increases resilience
 - Asset Condition:
 - 0 Existing asset(s) to be replaced is less than 50% of ESL
 - 2 Existing asset(s) to be replaced is between 50-100% of ESL
 - 4 Existing asset(s) to be replaced EXCEEDS ESL
 - Portion of the Community Served:
 - 0 Less than 10% of the population is benefiting
 - 2 Less than 50% of the population is benefiting
 - 4 Majority of the population is benefiting
 - Cost Recovery of the Program:
 - 0 No
 - 4 Yes
 - Mandate to Provide the Program:
 - 0 No Mandate
 - 2 Self Mandate or Ordinance
 - 4 State or Federal Mandate

City of Independence, Missouri
Capital Improvements Program
 24/25 thru 29/30

Funding Source Summary

Source	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
ERP Enterprise Resource Planning	-	1,630,000	-	2,500,000	-	-	4,130,000
General Fund	310,000	280,000	-	-	-	-	590,000
Grant: ARP	1,000,000	-	-	-	-	-	1,000,000
Grant: ARPA	5,187,554	3,400,000	-	-	-	-	8,587,554
Grant: CMAQ	719,085	-	-	-	-	-	719,085
Grant: CRP	-	3,500,000	-	-	-	-	3,500,000
Grant: FLAP	100,000	1,039,000	-	-	-	-	1,139,000
Grant: HUB	1,000,000	-	-	-	-	-	1,000,000
Grant: RAISE	400,000	-	8,720,000	-	-	-	9,120,000
Grant: STP	-	5,524,000	-	-	-	-	5,524,000
Grant: TAP	145,086	900,000	750,000	-	-	-	1,795,086
Municipal Services Fund (040)	9,380,000	9,640,000	15,000,000	8,600,000	8,250,000	11,600,000	62,470,000
Power and Light Fund	17,774,000	16,398,440	13,743,806	7,250,631	6,130,290	1,675,000	62,972,167
Sales Tax: Park & Recreation	580,000	250,000	400,000	400,000	-	-	1,630,000
Sales Tax: Public Safety	30,325,000	1,425,000	-	-	-	-	31,750,000
Sales Tax: Stormwater	2,395,463	2,650,000	1,550,000	1,500,000	1,800,000	1,950,000	11,845,463
Sales Tax: Street	7,380,915	7,975,000	8,405,000	5,475,000	5,725,000	5,475,000	40,435,915
Sanitary Sewer	5,505,000	5,815,000	4,650,000	5,100,000	3,750,000	3,750,000	28,570,000
Tourism Fund	25,000	-	-	-	-	-	25,000
Unfunded	-	74,842,506	102,742,532	26,532,344	21,048,710	24,402,580	249,568,672
Grand Total	82,227,103	135,268,946	155,961,338	57,357,975	46,704,000	48,852,580	526,371,942

Project by Department by Fiscal Year

Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
Fire		\$29,775,000	\$1,425,000	\$ -	\$ -	\$ -	\$ -	\$31,200,000
2324-1	Station 8 Replacement	13,500,000	-	-	-	-	-	13,500,000
2324-2	Add Station 11	7,000,000	-	-	-	-	-	7,000,000
2324-3	Replace Station 5	7,000,000	-	-	-	-	-	7,000,000
A101	Aerial Fire Apparatus	925,000	925,000	-	-	-	-	1,850,000
F102	Pumper	550,000	-	-	-	-	-	550,000
F201	Pumper F201	500,000	500,000	-	-	-	-	1,000,000
M101	Parking area addition	300,000	-	-	-	-	-	300,000
Health & Animal Services		\$ -	\$5,000,000	\$ -	\$ -	\$ -	\$ -	\$ 5,000,000
26GO013	Animal Shelter	-	5,000,000	-	-	-	-	5,000,000
Municipal Services		\$33,473,103	\$61,822,830	\$58,294,940	\$37,661,790	\$36,735,020	\$43,258,420	\$271,246,103
112111	23rd Street Complete Streets	1,295,086	300,000	750,000	-	-	-	2,345,086
112201	Pavement Preventative Maintenance Operations	4,600,000	4,600,000	4,600,000	4,600,000	4,600,000	4,600,000	27,600,000
112203	Emergency Transportation Projects	175,000	175,000	175,000	175,000	175,000	175,000	1,050,000
112204	Traffic Signal Structure Replacement	250,000	-	250,000	-	250,000	-	750,000
112208	US 24 Hwy Phase 2 & 3	1,000,000	-	-	-	-	-	1,000,000
112401	Truman Connected Phase II	990,000	3,500,000	-	-	-	-	4,490,000
112402	Noland Multimodal Corridor	800,000	500,000	11,400,000	-	-	-	12,700,000
112403	Winner Rd Complete Streets	700,000	6,969,000	-	-	-	-	7,669,000
112406	Independence Historic Trails Phase I	100,000	1,039,000	-	-	-	-	1,139,000
112501	Fairmount Loop Trail	150,000	1,200,000	-	-	-	-	1,350,000
112502	Bridge Program	100,000	150,000	100,000	100,000	100,000	100,000	650,000
112503	Sidewalks Program	100,000	-	100,000	100,000	100,000	100,000	500,000
112504	Dump Truck 112504	225,000	225,000	500,000	500,000	500,000	500,000	2,450,000
130508	Trenchless Technology	200,000	200,000	200,000	200,000	200,000	200,000	1,200,000
131802	Emergency Construction Projects	250,000	250,000	300,000	300,000	300,000	300,000	1,700,000
132201	Leslie to Crane & Hereford Phase 1 & 2	1,511,000	1,000,000	-	-	-	-	2,511,000

CITY OF INDEPENDENCE, MO

Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
132202	Rockwood Storm Drainage Improvements	2,602,017	-	-	-	-	-	2,602,017
132401	Woodbury at E 25th St S	500,000	-	-	-	-	-	500,000
132402	Rock Creek Watershed Pipe Repair & Replacement	2,100,000	3,000,000	-	-	-	-	5,100,000
132501	Bundschu Regional Detention Basin	160,000	800,000	-	-	-	-	960,000
132601	Highway 40 & Pittman Drainage Improvements	-	100,000	300,000	-	-	-	400,000
132602	2205 Ellisonway Drainage Improvements	-	420,000	-	-	-	-	420,000
132701	Salisbury Hills Neighborhood Stormwater	-	-	100,000	-	800,000	-	900,000
132702	Wedgewood - S.Crysler	-	-	150,000	900,000	-	-	1,050,000
132703	700 N Osage Stormwater	-	-	500,000	-	-	-	500,000
132801	Whitte Farms Stormwater	-	-	-	100,000	-	800,000	900,000
132901	Tamaqua Channel	-	-	-	-	400,000	-	400,000
132902	Virginia Heights Channel Improvements	-	-	-	-	100,000	550,000	650,000
133001	Hunter S. of Walnut	-	-	-	-	-	100,000	100,000
26GO005	Street Reconstruction and Overlay	-	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	60,000,000
26GO006	Heidelberger Bridge	-	460,000	-	-	-	-	460,000
26GO007	Kentucky Ave. Bridge over Rock Creek	-	2,000,000	-	-	-	-	2,000,000
26GO008	Lexington Bridge	-	1,680,410	-	-	-	-	1,680,410
26GO009	Overton Bridge	-	250,000	-	-	-	-	250,000
26GO010	Culvert Repairs & Replacement	-	709,420	709,420	709,420	709,420	709,420	3,547,100
26GO011	Curb & Sidewalk Installation/Maintenance	-	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	20,000,000
27GO004	Crysler Ave. Bridge	-	-	1,010,520	-	-	-	1,010,520
27GO005	Valley View Bridge	-	-	1,500,000	-	-	-	1,500,000
28GO003	Lee's Summit Bridge over UPRR	-	-	-	55,455	-	-	55,455
28GO004	Main St. Bridge over UPRR	-	-	-	77,315	-	-	77,315

Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
28GO005	Noland Rd. Bridge over KCS	-	-	-	144,600	-	-	144,600
29GO003	Kentucky Ave. Bridge over Mill Creek	-	-	-	-	225,600	-	225,600
29GO004	Lake City Bridge	-	-	-	-	275,000	-	275,000
301201	Burr Oak East	-	1,000,000	-	-	-	-	1,000,000
302004	Neighborhood Projects	150,000	500,000	250,000	250,000	500,000	500,000	2,150,000
302101	Sanitary Sewer Evaluation Survey (SSES)	100,000	-	250,000	-	250,000	250,000	850,000
302103	Pump Stations - Improvements & Maintenance	150,000	-	-	250,000	250,000	250,000	900,000
302105	Piping Rehabilitation	-	200,000	200,000	200,000	-	-	600,000
302201	Upper Adair Interceptor Design	1,000,000	-	1,000,000	-	-	-	2,000,000
302203	Sanitary Sewer Main Relocation from Streambanks	300,000	-	250,000	-	250,000	250,000	1,050,000
302301	Sludge Thickening Process Improvements	800,000	-	-	-	-	-	800,000
302501	Camera Truck 302501	375,000	-	-	-	-	-	375,000
302601	Yard Truck	-	125,000	-	-	-	-	125,000
302602	Secondary Piping Improvements	-	150,000	-	-	-	-	150,000
302603	VFD Replacement at RCPS and SCPS	-	350,000	-	-	-	-	350,000
302604	Golden Acres Sanitary Sewer Improvements	-	500,000	-	-	-	-	500,000
302605	24th & Scott	-	150,000	500,000	-	-	-	650,000
302606	Dump Truck 302606	-	200,000	-	-	-	-	200,000
302701	Sanitary Sewer Master Plan	-	-	250,000	-	-	-	250,000
302702	Nutrient Removal	-	-	1,000,000	1,500,000	2,000,000	2,000,000	6,500,000
302703	Switch Gear Installation for RCTP, RCPS, SCPS	-	-	450,000	-	-	-	450,000
302801	Lower Rock Creek Sanitary Sewer Improvements	-	-	-	1,000,000	-	-	1,000,000
302802	Camera Truck	-	-	-	400,000	-	-	400,000
302803	Backup Generator for RCTP, RCPS, SCPS	-	-	-	1,000,000	-	-	1,000,000
30GO003	RD Mize Bridge over Trace Trail	-	-	-	-	-	2,854,000	2,854,000

CITY OF INDEPENDENCE, MO

Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
30G0004	Wilson Ave. Bridge	-	-	-	-	-	500,000	500,000
30G0005	Southside Blvd. Bridge	-	-	-	-	-	420,000	420,000
400708	Treatment Plant Discharge	-	-	5,000,000	-	-	-	5,000,000
401003	Future Production Wells	608,511	-	468,085	-	561,702	561,702	2,200,000
401402	Lagoon Cleanout	-	-	500,000	-	-	-	500,000
401505	Distribution System Improvements	-	-	-	100,000	-	-	100,000
402108	Basin Drive Improvements	250,000	-	-	-	-	-	250,000
402403	Sludge House Piping Improvements	100,000	-	-	-	-	-	100,000
402501	Horizontal Collector Wheel Rehab	750,000	-	-	-	-	-	750,000
402502	Chlorinator Improvements	100,000	-	-	-	-	-	100,000
402503	Evaporator Improvements	100,000	-	-	-	-	-	100,000
402504	M-291 Wellfield Header	300,000	-	3,000,000	-	-	-	3,300,000
402506	Vehicle Replacement	41,489	-	31,915	-	38,298	38,298	150,000
402601	Sodium Hypochlorite Generation	-	300,000	-	1,500,000	-	-	1,800,000
402602	Ammonia Feeder Improvements	-	200,000	-	-	-	-	200,000
402603	Paint West Washwater Tower	-	1,000,000	-	-	-	-	1,000,000
402901	Filter Backwash Basin	-	-	-	-	650,000	-	650,000
403001	Treated Water Storage Reservoir	-	-	-	-	-	3,000,000	3,000,000
572202	Springbranch Garage Complex	5,040,000	5,120,000	-	-	-	-	10,160,000
9749	Main Replacement Program	5,000,000	6,000,000	6,000,000	7,000,000	7,000,000	8,000,000	39,000,000
9757	Trenchless Technology (Existing Project)	500,000	500,000	500,000	500,000	500,000	500,000	3,000,000
Parks, Recreation and Tourism		\$ 655,000	\$ 6,992,676	\$83,922,592	\$ 9,945,554	\$ 3,838,690	\$ 3,919,160	\$109,273,672
122401	Indep Athletic Complex Overlay Parking Lot	100,000	-	-	-	-	-	100,000
122402	PRT Trash Truck	180,000	-	-	-	-	-	180,000

122502	Renovate Rotary Park Playground	175,000	-	-	-	-	-	175,000
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
122503	Pedestrian Bridge at Rock Creek Trail	200,000	-	-	-	-	-	200,000
122602	Sermon Center Roof Replacement	-	250,000	250,000	250,000	-	-	750,000
122701	AO Replace Pool Tanks	-	-	150,000	150,000	-	-	300,000
26GO001	Athletic Fields/Courts	-	1,358,100	-	-	-	-	1,358,100
26GO002	Cemetery Revitalization	-	184,576	-	-	-	-	184,576
26GO003	Truman Memorial Building Repair Water Filtration	-	200,000	-	-	-	-	200,000
26GO004	Historic Sites Maintenance	-	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000
26GO014	Public Building Maintenance	-	3,000,000	-	-	-	-	3,000,000
27GO001	Recreation Center Complex	-	-	75,000,000	-	-	-	75,000,000
27GO002	George Owens Nature Park Revitalization	-	-	1,165,000	-	-	-	1,165,000
27GO003	Independence Athletic Complex	-	-	5,357,592	-	-	-	5,357,592
28GO001	Independence Uptown Market	-	-	-	650,000	-	-	650,000
28GO002	Various Park Site Amenities	-	-	-	6,895,554	-	-	6,895,554
29GO001	Various Playground Revitalization	-	-	-	-	1,591,890	-	1,591,890
29GO002	Spraygrounds Renovations	-	-	-	-	246,800	-	246,800
30GO001	Spring Cabin Relocation	-	-	-	-	-	700,000	700,000
30GO002	Trails Revitalization	-	-	-	-	-	1,219,160	1,219,160
Police		\$ 550,000	\$42,000,000	\$ -	\$ -	\$ -	\$ -	\$ 42,550,000
0162401	Bearcat Replacement	550,000	-	-	-	-	-	550,000
26GO012	Justice Center Campus	-	42,000,000	-	-	-	-	42,000,000
Power and Light		\$17,774,000	\$16,398,440	13,743,806	\$ 7,250,631	\$ 6,130,290	\$ 1,675,000	\$ 62,972,167
202101	Substation Fiber Optic Network Equip. Replacement	335,000	30,000	30,000	30,000	30,000	30,000	485,000
202108	Operations APC UPS Battery Replacement	145,000	15,000	15,000	15,000	15,000	15,000	220,000

CITY OF INDEPENDENCE, MO

202109	Substation Modeling	150,000	300,000	-	-	-	-	450,000
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202111	Transmission Pole Replacement Program	100,000	100,000	200,000	-	-	300,000	700,000
202205	Desert Storm Switchgear Cabinets	250,000	250,000	250,000	250,000	-	-	1,000,000
202208	Traffic Signal Detection Systems	60,000	15,000	15,000	10,000	10,000	10,000	120,000
202210	IPL Service Center PBX Upgrade to IP Flex	15,000	-	-	-	-	-	15,000
202314	Construction of a New Substation S	3,500,000	3,000,000	1,500,000	1,500,000	-	-	9,500,000
202315	Construct New Transmission Sys to Serve New Sub S	2,500,000	1,500,000	1,500,000	-	-	-	5,500,000
202316	Construct 6 New Distribution Feeders - New Sub S	1,250,000	1,500,000	1,500,000	-	-	-	4,250,000
202401	Purchase Evergy 69kV Line Sub A to New Sub S	2,500,000	1,000,000	-	-	-	-	3,500,000
202403	Sub M Breaker Replacement	100,000	-	-	-	-	-	100,000
202406	Service Center Upgrades	500,000	500,000	500,000	-	-	-	1,500,000
202503	T&D Truck Shed	1,000,000	-	-	-	-	-	1,000,000
202504	Blue Valley Chimney Demolition	1,500,000	-	-	-	-	-	1,500,000
202505	Emergency Replacement of Transmission Poles	250,000	250,000	250,000	250,000	-	-	1,000,000
202507	Emergent Maintenance Production	440,000	484,000	532,400	585,640	-	-	2,042,040
202508	Substation & Transmission Upgrade & Replacement	424,000	449,440	476,406	504,991	535,290	-	2,390,127
202509	T&D Road Improvement Projects	500,000	-	-	-	-	-	500,000
202510	T&D System Improvements	500,000	500,000	500,000	500,000	500,000	-	2,500,000
202511	Substation Battery Charger	50,000	50,000	50,000	50,000	50,000	50,000	300,000
202512	Service Center Exterior Upgrades	105,000	280,000	75,000	-	-	-	460,000
202513	Substation H Switchgear Upgrades	500,000	-	-	-	-	-	500,000

Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202514	Fleet Vehicle & Equipment 10 Year Replacements	850,000	550,000	850,000	625,000	610,000	390,000	3,875,000
202602	Replace 4 - 100 MVA 161/69kV Substation Transformers.	-	5,500,000	5,000,000	250,000	250,000	250,000	11,250,000
202701	SCADA EMS Software Upgrade 2027	-	-	225,000	-	-	-	225,000
202801	H-5 Combustion Turbine Inspection	-	-	-	1,800,000	-	-	1,800,000
202804	Sub E to Sub B 69kV Line	-	-	150,000	750,000	1,000,000	-	1,900,000
202902	H-6 Combustion Turbine Inspection	-	-	-	-	2,000,000	-	2,000,000
202903	SCADA EMS Software/Hardware Upgrade 2029	-	-	-	-	500,000	-	500,000
202904	LED Streetlight Replacements	-	-	-	-	500,000	500,000	1,000,000
70200828	Fiber Optic Network	250,000	125,000	125,000	130,000	130,000	130,000	890,000
Technology Services		\$ -	\$1,630,000	\$ -	\$2,500,000	\$ -	\$ -	\$ 4,130,000
TS01	Checkpoint	-	740,000	-	-	-	-	740,000
TS02	Arctic Wolf	-	890,000	-	-	-	-	890,000
TS03	Data Center Replacement	-	-	-	2,500,000	-	-	2,500,000
Grand Total		\$80,997,103	\$34,718,946	\$155,111,338	\$56,732,975	\$46,094,000	\$48,462,580	\$526,371,942

Aerial Fire Apparatus Project Data Summary

User Group: Fire

Total Cost: \$1,850,000

FTE: 0

Personnel: \$0

NonPersonnel: \$1,850,000

Quartile: More Aligned

Final Score (out of 100): 65.00

Description: Replacement of Aerial Fire Apparatus with minimum needed equipment. Continued replacement of aging Aerial trucks as it meets the criteria for replacement.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
A101	Aerial Fire Apparatus	925,000	925,000	-	-	-	-	1,850,000

Pumper F201**Project Data Summary****User Group:** Fire**Total Cost:** \$1,000,000**FTE:** 0**Personnel:** \$0**NonPersonnel:** \$1,000,000**Quartile:** More Aligned**Final Score (out of 100):** 65.00**Description:** Replacement of Pumper with minimum needed equipment. Continued replacement of aging Pumper as it meets the criteria for replacement.**BPA**

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
F201	Pumper F201	500,000	500,000	-	-	-	-	1,000,000

Pumper**Project Data Summary****User Group:** Fire**Total Cost:** \$550,000**FTE:** 0**Personnel:** \$0**NonPersonnel:** \$550,000**Quartile:** More Aligned**Final Score (out of 100):** 65.00**Description:** Replacement of Pumper / Fire Apparatus

Continued replacement of pumpers as aged apparatus meets criteria for replacement.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
F102	Pumper	550,000	-	-	-	-	-	550,000

Replace Station 5 Project Data Summary

User Group: Fire

Total Cost: \$7,000,000

FTE: 0

Personnel: \$0

NonPersonnel: \$7,000,000

Quartile: Most Aligned

Final Score (out of 100): 85.00

Description: Replacement of Station 5 that is currently located at approx 35th and Sterling to an area close to this current location. 10,000sqft station. Land will need to be acquired.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	Self Mandate or Ordinance
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Extreme
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
2324-3	Replace Station 5	7,000,000	-	-	-	-	-	7,000,000

Parking area addition

Project Data Summary

User Group: Fire

Total Cost: \$300,000

FTE: 0

Personnel: \$0

NonPersonnel: \$300,000

Quartile: Least Aligned

Final Score (out of 100): 35.71

Description: Parking area addition to Fire Station 1. Add additional parking to the east and west side of Fire Station 1 with security fencing and lighted parking area on the west side.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 50% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	N/A
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	N/A
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
M101	Parking area addition	300,000	-	-	-	-	-	300,000

Station 8 Replacement
Project Data Summary

User Group: Fire

Total Cost: \$13,500,000

FTE: 0

Personnel: \$0

NonPersonnel: \$13,500,000

Quartile: Most Aligned

Final Score (out of 100): 85.00

Description: Replacement of Station 8 that is currently at Powell and Truman Rd. New Station 8 will be relocated to 21011 78hwy and combined with a Training Facility at the existing site. Station will be approximately 20,000sqft.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	Self Mandate or Ordinance
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Extreme
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
2324-1	Station 8 Replacement	13,500,000	-	-	-	-	-	13,500,000

Add Station 11**Project Data Summary****User Group:** Fire**Total Cost:** \$7,000,000**FTE:** 0**Personnel:** \$0**NonPersonnel:** \$7,000,000**Quartile:** Most Aligned**Final Score (out of 100):** 85.00

Description: Build new Station 11 in the area of 39th St and 1-470. This additional station will fill needed coverage in that area of the city. 10,000sqft station. This project may require additional land purchase which may modify the total project cost.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	Self Mandate or Ordinance
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Extreme
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
2324-2	Add Station 11	7,000,000	-	-	-	-	-	7,000,000

Animal Shelter**Project Data Summary****User Group:** Health & Animal Services**Total Cost:** \$5,000,000**FTE:** 0**Personnel:** \$0**NonPersonnel:** \$5,000,000**Quartile:** Least Aligned**Final Score (out of 100):** 50.00**Description:** Replacement of the existing animal shelter facility. Project will occur as part of the proposed GO bond issue to be approved by voters.**BPA**

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 50% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
26GO013	Animal Shelter	-	5,000,000	-	-	-	-	5,000,000

Dump Truck 302606**Project Data Summary****User Group:** Municipal Services**Total Cost:** \$200,000**FTE:** 0**Personnel:** \$0**NonPersonnel:** \$200,000**Quartile:** Less Aligned**Final Score (out of 100):** 55.00

Description: This will replace asset #3771 which is a dump truck in the sanitary sewer maintenance division fleet. This dump truck is used daily by the maintenance crews for sanitary sewer repairs and improvements. This unit was placed in service in 2006. Replacing this truck will reduce maintenance costs and improve reliability of the fleet.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
302606	Dump Truck 302606	-	200,000	-	-	-	-	200,000

M-291 Wellfield Header**Project Data Summary****User Group:** Municipal Services**Total Cost:** \$3,300,000**FTE:** 0**Personnel:** \$0**NonPersonnel:** \$3,300,000**Quartile:** Less Aligned**Final Score (out of 100):** 55.00**Description:** This project will include the installation of an additional well header from the Courtney Bend plant's North well field. This second header will increase capacity and reliability of the well field.**BPA**

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
402504	M-291 Wellfield Header	300,000	-	3,000,000	-	-	-	3,300,000

Trenchless Technology (Existing Project)

Project Data Summary

User Group: Municipal Services

Total Cost: \$3,000,000

FTE: 0

Personnel: \$0

NonPersonnel: \$3,000,000

Quartile: Least Aligned

Final Score (out of 100): 45.00

Description: This is an existing project. The project utilizes trenchless technology to identify deteriorated sanitary pipe lining program and other various repair projects using trenchless technologies. Annual project, locations to be determined.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
9757	Trenchless Technology (Existing Project)	500,000	500,000	500,000	500,000	500,000	500,000	3,000,000

Lee's Summit Bridge over UPRR

Project Data Summary

User Group: Municipal Services

Total Cost: \$55,455

FTE: 0

Personnel: \$0

NonPersonnel: \$55,455

Quartile: More Aligned

Final Score (out of 100): 65.00

Description: Repair and maintenance on the Lee's Summit Bridge over UPRR. Project is part of existing city-wide deferred maintenance and will occur as part of the proposed GO bond issue to be approved by voters.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Extreme
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
28GO003	Lee's Summit Bridge over UPRR	-	-	-	55,455	-	-	55,455

Pump Stations - Improvements & Maintenance

Project Data Summary

User Group: Municipal Services

Total Cost: \$900,000

FTE: 0

Personnel: \$0

NonPersonnel: \$900,000

Quartile: Least Aligned

Final Score (out of 100): 40.00

Description: Preventative maintenance and pump station improvements to address necessary problems prior to the problem compounding, resulting in larger scoped improvements and additional costs.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
302103	Pump Stations - Improvements & Maintenance	150,000	-	-	250,000	250,000	250,000	900,000

Nutrient Removal Project Data Summary

User Group: Municipal Services

Total Cost: \$6,500,000

FTE: 0

Personnel: \$0

NonPersonnel: \$6,500,000

Quartile: More Aligned

Final Score (out of 100): 70.00

Description: Design and construction of nutrient removal systems for the Rock Creek Treatment Plant. Removal will include reductions in both nitrogen and phosphorus.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	State or Federal Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
302702	Nutrient Removal	-	-	1,000,000	1,500,000	2,000,000	2,000,000	6,500,000

Switch Gear Installation for RCTP, RCPS, SCPS

Project Data Summary

User Group: Municipal Services

Total Cost: \$450,000

FTE: 0

Personnel: \$0

NonPersonnel: \$450,000

Quartile: Less Aligned

Final Score (out of 100): 55.00

Description: Installation of all electrical improvements including the switch gear at RCPS, SCPS, RCTP

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
302703	Switch Gear Installation for RCTP, RCPS, SCPS	-	-	450,000	-	-	-	450,000

Main Replacement Program

Project Data Summary

User Group: Municipal Services

Total Cost: \$39,000,000

FTE: 0

Personnel: \$0

NonPersonnel: \$39,000,000

Quartile: Less Aligned

Final Score (out of 100): 55.00

Description: This project will provide for the replacement of water mains that have experienced an excessive number failures and interruptions. By replacing these troublesome mains we can reduce maintenance costs and service interruptions and improve reliability for the water distribution system.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
9749	Main Replacement Program	5,000,000	6,000,000	6,000,000	7,000,000	7,000,000	8,000,000	39,000,000

Crysler Ave. Bridge Project Data Summary

User Group: Municipal Services

Total Cost: \$1,010,520

FTE: 0

Personnel: \$0

NonPersonnel: \$1,010,520

Quartile: Most Aligned

Final Score (out of 100): 75.00

Description: Repair and maintenance on Chrysler Avenue Bridge. Project is part of existing city-wide deferred maintenance and will occur as part of the proposed GO bond issue to be approved by voters.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Extreme
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
27GO004	Crysler Ave. Bridge	-	-	1,010,520	-	-	-	1,010,520

Yard Truck
Project Data Summary
User Group: Municipal Services
Total Cost: \$125,000
FTE: 0
Personnel: \$0
NonPersonnel: \$125,000
Quartile: Least Aligned
Final Score (out of 100): 35.00
Description: UPDATE

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset does not impact risk mitigation or increase re-silience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
302601	Yard Truck	-	125,000	-	-	-	-	125,000

Secondary Piping Improvements Project Data Summary

User Group: Municipal Services

Total Cost: \$150,000

FTE: 0

Personnel: \$0

NonPersonnel: \$150,000

Quartile: Less Aligned

Final Score (out of 100): 55.00

Description: UPDATE

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
302602	Secondary Piping Improvements	-	150,000	-	-	-	-	150,000

Valley View Bridge

Project Data Summary

User Group: Municipal Services

Total Cost: \$1,500,000

FTE: 0

Personnel: \$0

NonPersonnel: \$1,500,000

Quartile: More Aligned

Final Score (out of 100): 65.00

Description: Repair and maintenance on the Valley View Bridge. Project is part of existing city-wide deferred maintenance and will occur as part of the proposed GO bond issue to be approved by voters.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Extreme
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
27GO005	Valley View Bridge	-	-	1,500,000	-	-	-	1,500,000

Emergency Construction Projects

Project Data Summary

User Group: Municipal Services

Total Cost: \$1,700,000

FTE: 0

Personnel: \$0

NonPersonnel: \$1,700,000

Quartile: Least Aligned

Final Score (out of 100): 40.00

Description: Funding for structurally failing culverts that need to be addressed on an emergency basis for the protection of life and/or property.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
131802	Emergency Construction Projects	250,000	250,000	300,000	300,000	300,000	300,000	1,700,000

Rock Creek Watershed Pipe Repair & Replacement

Project Data Summary

User Group: Municipal Services

Total Cost: \$5,100,000

FTE: 0

Personnel: \$0

NonPersonnel: \$5,100,000

Quartile: More Aligned

Final Score (out of 100): 65.00

Description: The repair and/or replacement of existing corrugated metal pipe (CMP) storm drainage pipes throughout the Rock Creek watershed.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
132402	Rock Creek Watershed Pipe							
	Repair & Replacement	2,367,857	2,732,143	-	-	-	-	5,100,000

Basin Drive Improvements

Project Data Summary

User Group: Municipal Services

Total Cost: \$250,000

FTE: 0

Personnel: \$0

NonPersonnel: \$250,000

Quartile: Less Aligned

Final Score (out of 100): 55.00

Description: The Courtney Bend Plant currently has 8 contact basins and 6 settling basins which provide softening, disinfectant contact time, and settling for the treatment process. The process equipment utilize mechanical drive units which need to be inspected and repaired or replaced to avoid catastrophic failures. This project will determine and provide the necessary improvements for these units.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
402108	Basin Drive Improvements	250,000	-	-	-	-	-	250,000

Sodium Hypochlorite Generation

Project Data Summary

User Group: Municipal Services

Total Cost: \$1,800,000

FTE: 0

Personnel: \$0

NonPersonnel: \$1,800,000

Quartile: Less Aligned

Final Score (out of 100): 55.00

Description: Investigate, design and construct a sodium hypochlorite disinfection system for the Courtney Bend Water Plant.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
402601	Sodium Hypochlorite Generation	-	300,000	-	1,500,000	-	-	1,800,000

Future Production Wells Project Data Summary

User Group: Municipal Services

Total Cost: \$2,200,000

FTE: 0

Personnel: \$0

NonPersonnel: \$2,200,000

Quartile: Less Aligned

Final Score (out of 100): 60.00

Description: Construct and develop future production wells at the Courtney Bend Water Plant.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
401003	Future Production Wells	500,000	-	500,000	-	600,000	600,000	2,200,000

Paint West Washwater Tower

Project Data Summary

User Group: Municipal Services

Total Cost: \$1,000,000

FTE: 0

Personnel: \$0

NonPersonnel: \$1,000,000

Quartile: Least Aligned

Final Score (out of 100): 50.00

Description: These improvements will need to be completed in order to maintain the current condition and extend the useful life of this tower.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	None
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
402603	Paint West Washwater							
	Tower	-	1,000,000	-	-	-	-	1,000,000

Filter Backwash Basin Project Data Summary

User Group: Municipal Services

Total Cost: \$650,000

FTE: 0

Personnel: \$0

NonPersonnel: \$650,000

Quartile: Less Aligned

Final Score (out of 100): 55.00

Description: Construct an equalization basin to receive the backwash water from the sand filters at the Courtney Bend Water Plant.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
402901	Filter Backwash Basin	-	-	-	-	650,000	-	650,000

Lake City Bridge Project Data Summary

User Group: Municipal Services

Total Cost: \$275,000

FTE: 0

Personnel: \$0

NonPersonnel: \$275,000

Quartile: More Aligned

Final Score (out of 100): 65.00

Description: Repair and maintenance on the Lake City Bridge. Project is part of existing city-wide deferred maintenance and will occur as part of the proposed GO bond issue to be approved by voters.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Extreme
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
29GO004	Lake City Bridge	-	-	-	-	275,000	-	275,000

Vehicle Replacement Project Data Summary

User Group: Municipal Services

Total Cost: \$150,000

FTE: 0

Personnel: \$0

NonPersonnel: \$150,000

Quartile: Least Aligned

Final Score (out of 100): 40.00

Description: UPDATE

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
402506	Vehicle Replacement	150,000	-	-	-	-	-	150,000

Noland Multimodal Corridor

Project Data Summary

User Group: Municipal Services

Total Cost: \$12,700,000

FTE: 0

Personnel: \$0

NonPersonnel: \$12,700,000

Quartile: Most Aligned

Final Score (out of 100): 80.00

Description: This project will create approximately 1.7 miles of multimodal transportation corridor along Noland Road from 24 Highway to Fair St. This project includes adding dedicated North and South bound bike lanes, upgrading more than three miles of derelict sidewalks into ADA compliance, adding and updating push button pedestrian signals, and improves transit stops throughout this area.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Extreme
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
112402	Noland Multimodal Corridor	800,000	500,000	11,400,000	-	-	-	12,700,000

Fairmount Loop Trail

Project Data Summary

User Group: Municipal Services

Total Cost: \$1,350,000

FTE: 0

Personnel: \$0

NonPersonnel: \$1,350,000

Quartile: Least Aligned

Final Score (out of 100): 40.00

Description: This project will provide multi-modal options to northwest Independence. This will include a multi-use trail on Ash Ave, a bicycle boulevard, a sidewalk on Kentucky Rd, and the resurfacing of the Fairmount trail. There will also be bus stop upgrades and stormwater mitigation

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is less than 50% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
112501	Fairmount Loop Trail	150,000	1,200,000	-	-	-	-	1,350,000

RD Mize Bridge over Trace Trail**Project Data Summary****User Group:** Municipal Services**Total Cost:** \$2,854,000**FTE:** 0**Personnel:** \$0**NonPersonnel:** \$2,854,000**Quartile:** More Aligned**Final Score (out of 100):** 65.00**Description:** Repair and maintenance on the RD Mize Bridge over Trace Trail. Project is part of existing city-wide deferred maintenance and will occur as part of the proposed GO bond issue to be approved by voters.**BPA**

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Extreme
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
30GO003	RD Mize Bridge over Trace Trail	-	-	-	-	-	2,854,000	2,854,000

Trenchless Technology

Project Data Summary

User Group: Municipal Services

Total Cost: \$1,200,000

FTE: 0

Personnel: \$0

NonPersonnel: \$1,200,000

Quartile: Least Aligned

Final Score (out of 100): 40.00

Description: Work will renovate existing conduits without excavation by the installation of a thermal activated epoxy infused liner.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
130508	Trenchless Technology	200,000	200,000	200,000	200,000	200,000	200,000	1,200,000

Whitte Farms Stormwater Project Data Summary

User Group: Municipal Services

Total Cost: \$900,000

FTE: 0

Personnel: \$0

NonPersonnel: \$900,000

Quartile: Least Aligned

Final Score (out of 100): 25.00

Description: Aging and inadequate drainage facilities has resulted in residential flooding of homes in this subdivision.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
132801	Whitte Farms Stormwater	-	-	-	100,000	-	800,000	900,000

700 N Osage Stormwater Project Data Summary

User Group: Municipal Services

Total Cost: \$500,000

FTE: 0

Personnel: \$0

NonPersonnel: \$500,000

Quartile: Least Aligned

Final Score (out of 100): 25.00

Description: Replace aging infrastructure in this Mill Creek Watershed site. Improvements would include new inlets and conduits.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
132703	700 N Osage Stormwater	-	-	500,000	-	-	-	500,000

Wilson Ave. Bridge
Project Data Summary

User Group: Municipal Services

Total Cost: \$500,000

FTE: 0

Personnel: \$0

NonPersonnel: \$500,000

Quartile: More Aligned

Final Score (out of 100): 65.00

Description: Repair and maintenance on the Wilson Ave. Bridge. Project is part of existing city-wide deferred maintenance and will occur as part of the proposed GO bond issue to be approved by voters.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Extreme
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
30GO004	Wilson Ave, Bridge	-	-	-	-	-	500,000	500,000

Truman Connected Phase II

Project Data Summary

User Group: Municipal Services

Total Cost: \$4,490,000

FTE: 0

Personnel: \$0

NonPersonnel: \$4,490,000

Quartile: More Aligned

Final Score (out of 100): 70.00

Description: This project provides new sidewalks, dedicated bike lanes, curb and gutters, sidewalks ramps, storm sewer improvements, and street trees along Sterling from Winner Rd to 23rd St.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset does not impact risk mitigation or increase resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Extreme
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
112401	Truman Connected Phase II	990,000	3,500,000	-	-	-	-	4,490,000

Bridge Program Project Data Summary

User Group: Municipal Services

Total Cost: \$650,000

FTE: 0

Personnel: \$0

NonPersonnel: \$650,000

Quartile: Less Aligned

Final Score (out of 100): 55.00

Description: This project will inventory bridges throughout the City to determine what maintenance is needed in the near future.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
112502	Bridge Program	100,000	150,000	100,000	100,000	100,000	100,000	650,000

US 24 Hwy Phase 2 & 3 Project Data Summary

User Group: Municipal Services

Total Cost: \$1,000,000

FTE: 0

Personnel: \$0

NonPersonnel: \$1,000,000

Quartile: More Aligned

Final Score (out of 100): 70.00

Description: This project would implement the removal of offset intersections at multiple locations; and, upgrade and/or replace sidewalks; and install a multimodal trail. Associated elements include new curb and gutter, truncated domes, asphalt pavement, curb inlets, storm improvement, pavement marking, ADA signal improvements, signing and street lighting.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
112208	US 24 Hwy Phase 2 & 3	1,000,000	-	-	-	-	-	1,000,000

Southside Blvd. Bridge

Project Data Summary

User Group: Municipal Services

Total Cost: \$420,000

FTE: 0

Personnel: \$0

NonPersonnel: \$420,000

Quartile: More Aligned

Final Score (out of 100): 65.00

Description: Repair and maintenance on the Southside Blvd. Bridge. Project is part of existing city-wide deferred maintenance and will occur as part of the proposed GO bond issue to be approved by voters.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Extreme
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
30GO005	Southside Blvd. Bridge	-	-	-	-	-	420,000	420,000

Distribution System Improvements

Project Data Summary

User Group: Municipal Services

Total Cost: \$100,000

FTE: 0

Personnel: \$0

NonPersonnel: \$100,000

Quartile: Less Aligned

Final Score (out of 100): 55.00

Description: This project would be ongoing and fund the installation of additional mains, hydrants, valves and other appurtenances which will in turn provide better fire protection, improve water quality, and lesson the impacts from unexpected main breaks and other service interruptions throughout the system.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
401505	Distribution System Improvements	-	-	-	100,000	-	-	100,000

Leslie to Crane & Hereford Phase 1 & 2

Project Data Summary

User Group: Municipal Services

Total Cost: \$2,511,000

FTE: 0

Personnel: \$0

NonPersonnel: \$2,511,000

Quartile: Less Aligned

Final Score (out of 100): 55.00

Description: Project will provide stormwater facilities for the residential neighborhood of Crackerneck Creek Watershed where there are little today and address a history of flooding and erosion.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 50% of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
132201	Leslie to Crane & Hereford Phase 1 & 2	1,511,000	1,000,000	-	--	-	--	2,511,000

Rockwood Storm Drainage Improvements

Project Data Summary

User Group: Municipal Services

Total Cost: \$2,602,017

FTE: 0

Personnel: \$0

NonPersonnel: \$2,602,017

Quartile: Less Aligned

Final Score (out of 100): 60.00

Description: Undersized culverts, eroded streambanks, and deteriorated storm drainage facilities have resulted in the need for over 3,500 feet of improvements in this Rock Creek Watershed residential neighborhood.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 50% of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
132202	Rockwood Storm Drainage Improvements	2,602,017	-	-	-	-	-	2,602,017

Neighborhood Projects

Project Data Summary

User Group: Municipal Services

Total Cost: \$2,150,000

FTE: 0

Personnel: \$0

NonPersonnel: \$2,150,000

Quartile: Least Aligned

Final Score (out of 100): 40.00

Description: 35th and Kiger. Project will improve system capacity and reduce sanitary sewer backups. Hanthone Drive and Gateway, near Tepee Avenue. Project will improve system capacity and reduce sanitary sewer backups.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
302004	Neighborhood Projects	150,000	500,000	250,000	250,000	500,000	500,000	2,150,000

Virginia Heights Channel Improvements

Project Data Summary

User Group: Municipal Services

Total Cost: \$650,000

FTE: 0

Personnel: \$0

NonPersonnel: \$650,000

Quartile: Least Aligned

Final Score (out of 100): 35.00

Description: Channel deteriorations and undersized drainage culverts will be the emphasis of this Rock Creek Watershed Project. The work is generally located at W 36th Terrace and Vernon Drive.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
132902	Virginia Heights Channel Improvements	-	-	-	-	100,000	550,000	650,000

Hunter S. of Walnut Project Data Summary

User Group: Municipal Services

Total Cost: \$100,000

FTE: 0

Personnel: \$0

NonPersonnel: \$100,000

Quartile: Least Aligned

Final Score (out of 100): 25.00

Description: Erosion and channel scouring upstream of Hunter Drive has resulted in a steep drop-off that could be a hazard to both vehicular and pedestrian traffic along the street. This Springbranch watershed project will mitigate this condition

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
133001	Hunter S. of Walnut	-	-	-	-	-	100,000	100,000

24th & Scott**Project Data Summary****User Group:** Municipal Services**Total Cost:** \$650,000**FTE:** 0**Personnel:** \$0**NonPersonnel:** \$650,000**Quartile:** Least Aligned**Final Score (out of 100):** 30.00**Description:** Relocate a gravity main, that currently runs under two house, to the public right of way**BPA**

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
302605	24th & Scott	-	150,000	500,000	-	-	-	650,000

Winner Rd Complete Streets

Project Data Summary

User Group: Municipal Services

Total Cost: \$7,669,000

FTE: 0

Personnel: \$0

NonPersonnel: \$7,669,000

Quartile: More Aligned

Final Score (out of 100): 65.00

Description: This project will improve both vehicular and non-motorized mobility for system users by connecting existing sidewalks, placing crosswalks and new pedestrian signals, and adding bike lanes to Winner Rd. from 24 Hwy to Hedges Avenue.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset does not impact risk mitigation or increase resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 50% of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Extreme
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
112403	Winner Rd Complete Streets	700,000	6,969,000	-	-	-	-	7,669,000

Woodbury at E 25th St S

Project Data Summary

User Group: Municipal Services

Total Cost: \$500,000

FTE: 0

Personnel: \$0

NonPersonnel: \$500,000

Quartile: Least Aligned

Final Score (out of 100): 25.00

Description: Located in the Crackerneck Creek Watershed, this neighborhood project will address the lack of storm drainage facilities

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
132401	Woodbury at E 25th St S	232,143	267,857	-	-	-	-	500,000

Bundschu Regional Detention Basin

Project Data Summary

User Group: Municipal Services

Total Cost: \$960,000

FTE: 0

Personnel: \$0

NonPersonnel: \$960,000

Quartile: Least Aligned

Final Score (out of 100): 25.00

Description: This regional stormwater detention basin will be located near Bundschu at N. Cherokee and will reduce flooding in the downstream residential area.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
132501	Bundschu Regional Detention Basin	160,000	800,000	-	-	-	-	960,000

2205 Ellisonway Drainage Improvements Project Data Summary

User Group: Municipal Services

Total Cost: \$0

FTE: 0

Personnel: \$0

NonPersonnel: \$0

Quartile: Least Aligned

Final Score (out of 100): 30.00

Description: Located in the Springbranch Watershed, along Ellisonway, north of 23rd Street, this project will address flooding in a residential neighborhood.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
132602	2205 Ellisonway Drainage Improvements	-	420,000	-	-	-	-	420,000

Independence Historic Trails Phase I

Project Data Summary

User Group: Municipal Services

Total Cost: \$1,139,000

FTE: 0

Personnel: \$0

NonPersonnel: \$1,139,000

Quartile: Less Aligned

Final Score (out of 100): 60.00

Description: The project scope is construct new concrete shared use trail, ADA-complaint ramps, retaining walls, and stormwater improvements along Liberty St from Lexington Ave to Bingham Waggoner Estate.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset does not impact risk mitigation or increase resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 50% of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
112406	Independence Historic Trails Phase I	100,000	1,039,000	-	-	-	-	1,139,000

Highway 40 & Pittman Drainage Improvements

Project Data Summary

User Group: Municipal Services

Total Cost: \$400,000

FTE: 0

Personnel: \$0

NonPersonnel: \$400,000

Quartile: Least Aligned

Final Score (out of 100): 35.00

Description: Undersized drainage facilities has resulted in the historic flooding of commercial business located at 40 Highway and Pittman in the Round Grove Watershed.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 50% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
132601	Highway 40 & Pittman Drainage Improvements	-	100,000	300,000	-	-	-	400,000

Highway 40 & Pittman Drainage Improvements

Project Data Summary

User Group: Municipal Services

Total Cost: \$400,000

FTE: 0

Personnel: \$0

NonPersonnel: \$400,000

Quartile: Least Aligned

Final Score (out of 100): 35.00

Description: Undersized drainage facilities has resulted in the historic flooding of commercial business located at 40 Highway and Pittman in the Round Grove Watershed.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 50% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
132601	Highway 40 & Pittman Drainage Improvements	-	100,000	300,000	-	-	-	400,000

Golden Acres Sanitary Sewer Improvements

Project Data Summary

User Group: Municipal Services

Total Cost: \$500,000

FTE: 0

Personnel: \$0

NonPersonnel: \$500,000

Quartile: Least Aligned

Final Score (out of 100): 30.00

Description: Sanitary sewer improvements in the Golden Acres neighborhood, which has multiple sewer mains underneath buildings and several parallel mains.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
302604	Golden Acres Sanitary Sewer Improvements	-	500,000	-	-	-	-	500,000

Burr Oak East**Project Data Summary****User Group:** Municipal Services**Total Cost:** \$1,000,000**FTE:** 0**Personnel:** \$0**NonPersonnel:** \$1,000,000**Quartile:** Least Aligned**Final Score (out of 100):** 30.00**Description:** The extension of a gravity sewer system in the Burr Oak east watershed where there are currently no gravity sanitary sewers available**BPA**

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
301201	Burr Oak East	-	1,000,000	-	-	-	-	1,000,000

Curb & Sidewalk Installation/Maintenance

Project Data Summary

User Group: Municipal Services

Total Cost: \$20,000,000

FTE: 0

Personnel: \$0

NonPersonnel: \$20,000,000

Quartile: More Aligned

Final Score (out of 100): 70.00

Description: Project is part of existing city-wide deferred maintenance and will occur as part of the proposed GO bond issue to be approved by voters.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Extreme
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
26GO011	Curb & Sidewalk Installation/Maintenance	-	4,000,000	4,000,000	4,000,000	4,000,000	4,000,000	20,000,000

VFD Replacement at RCPS and SCPS

Project Data Summary

User Group: Municipal Services

Total Cost: \$350,000

FTE: 0

Personnel: \$0

NonPersonnel: \$350,000

Quartile: Least Aligned

Final Score (out of 100): 35.00

Description: Variable flow drives (VFDs) at the pump stations regulates the pumps, helping to efficiently operate the pumps at the stations. This project will replace the VFDs at both pump stations.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
302603	VFD Replacement at RCPS and SCPS	-	350,000	-	-	-	-	350,000

Sanitary Sewer Master Plan Project Data Summary

User Group: Municipal Services

Total Cost: \$250,000

FTE: 0

Personnel: \$0

NonPersonnel: \$250,000

Quartile: Least Aligned

Final Score (out of 100): 45.00

Description: Update to the Collections System Master Plan. Typically performed every 5 years. Last master plan update was completed in 2022.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
302701	Sanitary Sewer Master Plan	-	-	250,000	-	-	-	250,000

Camera Truck 302802**Project Data Summary****User Group:** Municipal Services**Total Cost:** \$400,000**FTE:** 0**Personnel:** \$0**NonPersonnel:** \$400,000**Quartile:** Least Aligned**Final Score (out of 100):** 45.00

Description: This will replace asset #4523 which is a Closed Circuit TV van. This CCTV van produces high quality video and detailed pipe reports used by Sewer Maintenance crews as well city engineering staff for condition assessment of sewer infrastructure to plan maintenance and capital improvement projects.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
302802	Camera Truck 302802	-	-	-	400,000	-	-	400,000

Backup Generator for RCTP, RCPS, SCPS

Project Data Summary

User Group: Municipal Services

Total Cost: \$1,000,000

FTE: 0

Personnel: \$0

NonPersonnel: \$1,000,000

Quartile: Least Aligned

Final Score (out of 100): 45.00

Description: Development of a trailer-mounted generator for use at the Rock Creek Treatment Plant, Rock Creek Pump Station, and Sugar Creek Pump Station in the event of power outage from both power sources.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
302803	Backup Generator for RCTP, RCPS, SCPS	-	-	-	1,000,000	-	-	1,000,000

Springbranch Garage Complex Project Data Summary

User Group: Municipal Services

Total Cost: \$10,160,000

FTE: 0

Personnel: \$0

NonPersonnel: \$10,160,000

Quartile: Less Aligned

Final Score (out of 100): 60.00

Description: This project will consolidate the former garages of Water Pollution Control, Public Works Streets, and Fleet Maintenance into a single facility providing a location for all four services provided by the Municipal Services Department: Collection Systems maintenance, Stormwater maintenance, Central Garage, and Street Maintenance.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Some
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
572202	Springbranch Garage Complex	5,040,000	5,120,000	-	-	-	-	10,160,000

Tamaqua Channel

Project Data Summary

User Group: Municipal Services

Total Cost: \$400,000

FTE: 0

Personnel: \$0

NonPersonnel: \$400,000

Quartile: Least Aligned

Final Score (out of 100): 35.00

Description: This project will replace a structurally failed concrete channel in the Crackerneck Watershed. The channel is in the backyards of homes between Tamaqua Ridge and Trail Ridge Drives.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
132901	Tamaqua Channel	-	-	-	-	400,000	-	400,000

Traffic Signal Structure Replacement

Project Data Summary

User Group: Municipal Services

Total Cost: \$750,000

FTE: 0

Personnel: \$0

NonPersonnel: \$750,000

Quartile: Less Aligned

Final Score (out of 100): 55.00

Description: Throughout the City, traffic signal structures occasionally need to be replaced and/or upgraded in conjunction with other projects, or due to equipment failure because of the age of the equipment.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
112204	Traffic Signal Structure Replacement	250,000	-	250,000	-	250,000	-	750,000

Sidewalks Program Project Data Summary

User Group: Municipal Services

Total Cost: \$500,000

FTE: 0

Personnel: \$0

NonPersonnel: \$500,000

Quartile: More Aligned

Final Score (out of 100): 72.22

Description: As a part of the Deferred Maintenance Program, this project will construct sidewalk in areas with high pedestrian traffic where small gaps in sidewalk exist.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	N/A
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
112503	Sidewalks Program	100,000	-	100,000	100,000	100,000	100,000	500,000

Treatment Plant Discharge

Project Data Summary

User Group: Municipal Services

Total Cost: \$5,000,000

FTE: 0

Personnel: \$0

NonPersonnel: \$5,000,000

Quartile: More Aligned

Final Score (out of 100): 70.00

Description: Provide engineering and process facilities to handle the treatment residuals from the Courtney Bend Water Plant to comply with impending future regulations.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	State or Federal Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
400708	Treatment Plant Discharge	-	-	5,000,000	-	-	-	5,000,000

Street Reconstruction and Overlay

Project Data Summary

User Group: Municipal Services

Total Cost: \$60,000,000

FTE: 0

Personnel: \$0

NonPersonnel: \$60,000,000

Quartile: Most Aligned

Final Score (out of 100): 75.00

Description: Approximately 365 lane miles overlayed or repaired bringing citywide average PCI from a 55 to an 85. Project is part of existing city-wide deferred maintenance and will occur as part of the proposed GO bond issue to be approved by voters.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Extreme
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year

Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
26GO005	Street Reconstruction and Overlay	-	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	60,000,000

Piping Rehabilitation Project Data Summary

User Group: Municipal Services

Total Cost: \$600,000

FTE: 0

Personnel: \$0

NonPersonnel: \$600,000

Quartile: Least Aligned

Final Score (out of 100): 40.00

Description: Rehabilitation and/or replacement of internal & external piping at multiple department facilities.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
302105	Piping Rehabilitation	-	200,000	200,000	200,000	-	-	600,000

Salisbury Hills Neighborhood Stormwater Project Data Summary

User Group: Municipal Services

Total Cost: \$900,000

FTE: 0

Personnel: \$0

NonPersonnel: \$900,000

Quartile: Least Aligned

Final Score (out of 100): 30.00

Description: This project in the Springbranch Watershed encompasses four locations of residential flooding east of Hwy 291 and north of Salisbury Road.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
132701	Salisbury Hills Neighborhood Stormwater	-	-	100,000	-	800,000	-	900,000

Heidelberger Bridge Project Data Summary

User Group: Municipal Services

Total Cost: \$460,000

FTE: 0

Personnel: \$0

NonPersonnel: \$460,000

Quartile: Most Aligned

Final Score (out of 100): 75.00

Description: Repair and maintenance on the currently closed Heidelberger Bridge. Project is part of existing city-wide deferred maintenance and will occur as part of the proposed GO bond issue to be approved by voters.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Extreme
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
26GO006	Heidelberger Bridge	-	460,000	-	-	-	-	460,000

Kentucky Ave. Bridge over Rock Creek

Project Data Summary

User Group: Municipal Services

Total Cost: \$2,000,000

FTE: 0

Personnel: \$0

NonPersonnel: \$2,000,000

Quartile: Most Aligned

Final Score (out of 100): 75.00

Description: Repair and maintenance on the currently closed Kentucky Avenue Bridge over Rock Creek. Project is part of existing city-wide deferred maintenance and will occur as part of the proposed GO bond issue to be approved by voters.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Extreme
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
26GO007	Kentucky Ave. Bridge over Rock Creek	-	2,000,000	-	-	-	-	2,000,000

Lexington Bridge Project Data Summary

User Group: Municipal Services

Total Cost: \$1,680,410

FTE: 0

Personnel: \$0

NonPersonnel: \$1,680,410

Quartile: Most Aligned

Final Score (out of 100): 75.00

Description: Repair and maintenance on the currently closed Lexington Bridge. Project is part of existing city-wide deferred maintenance and will occur as part of the proposed GO bond issue to be approved by voters.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Extreme
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
26GO008	Lexington Bridge	-	1,680,410	-	-	-	-	1,680,410

Overton Bridge

Project Data Summary

User Group: Municipal Services

Total Cost: \$250,000

FTE: 0

Personnel: \$0

NonPersonnel: \$250,000

Quartile: Most Aligned

Final Score (out of 100): 75.00

Description: Repair and maintenance on the currently closed Overton Bridge. Project is part of existing city-wide deferred maintenance and will occur as part of the proposed GO bond issue to be approved by voters.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Extreme
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
26GO009	Overton Bridge	-	250,000	-	-	-	-	250,000

Pavement Preventative Maintenance Operations

Project Data Summary

User Group: Municipal Services

Total Cost: \$27,600,000

FTE: 0

Personnel: \$0

NonPersonnel: \$27,600,000

Quartile: Less Aligned

Final Score (out of 100): 55.00

Description: Streets included in the City's annual resurfacing projects are carefully evaluated and inspected. This year the City will be utilizing multiple treatment options in order to optimize the budget. Crack sealing will be used to protect pavement integrity. Crack sealing is the placement of a rubberized sealant in pavement cracks to provide a protective coating and seal out water. Surface sealing extends the life of existing pavements by filling surface cracks and voids, sealing against moisture, protecting the surface from oxidation and raveling, and adding texture and uniform appearance to the street. The traditional overlay, mill and fill, will be used for the streets that need pavement structure re-established. This project will also bring ADA ramps into compliance and fix curb along the selected routes. Pavement repairs will also be accomplished under this program.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
112201	Pavement Preventative Maintenance Operations	4,600,000	4,600,000	4,600,000	4,600,000	4,600,000	4,600,000	27,600,000

Sanitary Sewer Main Relocation from Streambanks

Project Data Summary

User Group: Municipal Services

Total Cost: \$1,050,000

FTE: 0

Personnel: \$0

NonPersonnel: \$1,050,000

Quartile: Least Aligned

Final Score (out of 100): 45.00

Description: Program to identify various sanitary sewer pipes and infrastructure citywide that is subject to flooding and erosion from waterways. This project will fund relocation of these mains.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 50% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
302203	Sanitary Sewer Main Relocation from Streambanks	300,000	-	250,000	-	250,000	250,000	1,050,000

23rd Street Complete Streets Project Data Summary

User Group: Municipal Services

Total Cost: \$2,345,086

FTE: 0

Personnel: \$0

NonPersonnel: \$2,345,086

Quartile: Less Aligned

Final Score (out of 100): 60.00

Description: This project will construct new sidewalks, pedestrian signal upgrades, sidewalk ramps and street trees on both sides of 23rd Street (M-78) between Lee's Summit Road and Missouri Highway 291. Future phases will extend pedestrian facilities east to Speck Road to serve the Independence Middle School complex and other activity centers. The goal is to better serve all transportation modes and provide more interconnectivity between pedestrian and bicyclists to bus routes along the principal arterial. Currently the corridor is designed to serve motorized vehicles; bicyclists have marked facilities, while pedestrians have an incomplete sidewalk on the north side of 23rd Street. No sidewalks exist on the south side. The system does not adequately accommodate mobility aid users, where several transit stops exist along the route but no sidewalk continuity. This project will create interconnectivity for all transportation modes and make it ADA compliant and transit-user friendly.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 50% of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
112111	23rd Street Complete Streets	1,295,086	300,000	750,000	-	-	-	2,345,086

Upper Adair Interceptor Design Project Data Summary

User Group: Municipal Services

Total Cost: \$2,000,000

FTE: 0

Personnel: \$0

NonPersonnel: \$2,000,000

Quartile: Least Aligned

Final Score (out of 100): 35.00

Description: Re-route sanitary sewer flows crossing I-70 from area southwest of I-70 and Noland Road to reduce capacity issues. Also, review extraneous flow basin for temporary storage to avoid downstream sewage overflows or backups.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 50% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
302201	Upper Adair Interceptor Design	1,000,000	-	1,000,000	-	-	-	2,000,000

Horizontal Collector Wheel Rehab

Project Data Summary

User Group: Municipal Services

Total Cost: \$750,000

FTE: 0

Personnel: \$0

NonPersonnel: \$750,000

Quartile: Less Aligned

Final Score (out of 100): 55.00

Description: The horizontal collector well provides more than 6 million gallons of water per day to the Courtney Bend Water Plant. This project will rehabilitate this well in order to maintain its efficiency and

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
402501	Horizontal Collector Wheel Rehab	750,000	-	-	-	-	-	750,000

Chlorinator Improvements

Project Data Summary

User Group: Municipal Services

Total Cost: \$100,000

FTE: 0

Personnel: \$0

NonPersonnel: \$100,000

Quartile: Less Aligned

Final Score (out of 100): 55.00

Description: This project will replace existing chlorinators at the Courtney Bend Water Plant. These units provide disinfection for all water produced at the plant. The existing units are nearing 20 years old and repair parts are becoming increasingly difficult to obtain. Replacing these units will reduce maintenance costs and provide more reliable units.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
402502	Chlorinator Improvements	100,000	-	-	-	-	-	100,000

Evaporator Improvements

Project Data Summary

User Group: Municipal Services

Total Cost: \$100,000

FTE: 0

Personnel: \$0

NonPersonnel: \$100,000

Quartile: Less Aligned

Final Score (out of 100): 55.00

Description: This project will replace existing chlorine evaporators at the Courtney Bend Water Plant. These units convert the chlorine for the disinfection process for all water produced at the plant. The existing units have reached the end of their expected service life. Replacing these units will reduce maintenance costs and provide more reliable units.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
402503	Evaporator Improvements	100,000	-	-	-	-	-	100,000

Main St. Bridge over UPRR

Project Data Summary

User Group: Municipal Services

Total Cost: \$77,315

FTE: 0

Personnel: \$0

NonPersonnel: \$77,315

Quartile: More Aligned

Final Score (out of 100): 65.00

Description: Repair and maintenance on the Main St. Bridge over UPRR. Project is part of existing city-wide deferred maintenance and will occur as part of the proposed GO bond issue to be approved by voters.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Extreme
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
28GO004	Main St. Bridge over UPRR	-	-	-	77,315	-	-	77,315

Ammonia Feeder Improvements

Project Data Summary

User Group: Municipal Services

Total Cost: \$200,000

FTE: 0

Personnel: \$0

NonPersonnel: \$200,000

Quartile: Less Aligned

Final Score (out of 100): 55.00

Description: This project will replace existing ammonia feeders at the Courtney Bend Water Plant. These units provide a key element of the disinfection process for all water produced at the plant. The existing units are nearing 20 years old and repair parts are becoming increasingly difficult to obtain. Replacing these units will reduce maintenance costs and provide more reliable units.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
402602	Ammonia Feeder Improvements	-	200,000	-	-	-	-	200,000

Noland Rd. Bridge over KCS**Project Data Summary****User Group:** Municipal Services**Total Cost:** \$144,600**FTE:** 0**Personnel:** \$0**NonPersonnel:** \$144,600**Quartile:** More Aligned**Final Score (out of 100):** 65.00**Description:** Repair and maintenance on the Noland Rd. Bridge over KCS. Project is part of existing city-wide deferred maintenance and will occur as part of the proposed GO bond issue to be approved by voters.**BPA**

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Extreme
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year

Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
28GO005	Noland Rd. Bridge over KCS	-	-	-	144,600	-	-	144,600

Dump Truck 112504**Project Data Summary****User Group:** Municipal Services**Total Cost:** \$2,450,000**FTE:** 0**Personnel:** \$0**NonPersonnel:** \$2,450,000**Quartile:** Least Aligned**Final Score (out of 100):** 45.00**Description:** UPDATE**BPA**

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year

Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
112504	Dump Truck 112504	225,000	225,000	500,000	500,000	500,000	500,000	2,450,000

Emergency Transportation Projects

Project Data Summary

User Group: Municipal Services

Total Cost: \$1,050,000

FTE: 0

Personnel: \$0

NonPersonnel: \$1,050,000

Quartile: Least Aligned

Final Score (out of 100): 40.00

Description: Emergency project funds are used for unanticipated emergency projects that are identified throughout the year. Funds are used for the emergency design and/or construction of these projects.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
112203	Emergency Transportation Projects	175,000	175,000	175,000	175,000	175,000	175,000	1,050,000

Wedgewood - S.Crysler Project Data Summary

User Group: Municipal Services

Total Cost: \$1,050,000

FTE: 0

Personnel: \$0

NonPersonnel: \$1,050,000

Quartile: Least Aligned

Final Score (out of 100): 25.00

Description: Due to a lack of a storm drainage system residential flooding has been occurring in this Chapel Watershed neighborhood

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
132702	Wedgewood - S.Crysler	-	-	150,000	900,000	-	-	1,050,000

Camera Truck 302501**Project Data Summary****User Group:** Municipal Services**Total Cost:** \$375,000**FTE:** 0**Personnel:** \$0**NonPersonnel:** \$375,000**Quartile:** Less Aligned**Final Score (out of 100):** 55.00

Description: This will replace asset #4403 which is a Closed Circuit TV van. This CCTV van produces high quality video and detailed pipe reports used by Sewer Maintenance crews as well city engineering staff for condition assessment of sewer infrastructure to plan maintenance and capital improvement projects.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
302501	Camera Truck 302501	375,000	-	-	-	-	-	375,000

Kentucky Ave. Bridge over Mill Creek

Project Data Summary

User Group: Municipal Services

Total Cost: \$225,600

FTE: 0

Personnel: \$0

NonPersonnel: \$225,600

Quartile: More Aligned

Final Score (out of 100): 65.00

Description: Repair and maintenance on the Kentucky Ave. Bridge over Mill Creek. Project is part of existing city-wide deferred maintenance and will occur as part of the proposed GO bond issue to be approved by voters.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Extreme
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
29GO003	Kentucky Ave. Bridge over Mill Creek	-	-	-	-	225,600	-	225,600

Sanitary Sewer Evaluation Survey (SSES)

Project Data Summary

User Group: Municipal Services

Total Cost: \$850,000

FTE: 0

Personnel: \$0

NonPersonnel: \$850,000

Quartile: Least Aligned

Final Score (out of 100): 40.00

Description: Project will include various tasks associated with sanitary sewer evaluation surveys (SSES). This will include flow metering and smoke testing to help reduce inflow and infiltration of the groundwater and stormwater into the sanitary sewer collections system.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
302101	Sanitary Sewer Evaluation Survey (SSES)	100,000	-	250,000	-	250,000	250,000	850,000

Lagoon Cleanout Project Data Summary

User Group: Municipal Services

Total Cost: \$500,000

FTE: 0

Personnel: \$0

NonPersonnel: \$500,000

Quartile: More Aligned

Final Score (out of 100): 70.00

Description: The lagoons at the plant receive the water from the filter backwashing process. Over time, these lagoons lose their available capacity due to the settlement of treatment residuals from the backwash water. This project will provide for the removal and land application of those residuals from the lagoons.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	State or Federal Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
401402	Lagoon Cleanout	-	-	500,000	-	-	-	500,000

Sludge House Piping Improvements

Project Data Summary

User Group: Municipal Services

Total Cost: \$100,000

FTE: 0

Personnel: \$0

NonPersonnel: \$100,000

Quartile: Less Aligned

Final Score (out of 100): 60.00

Description: This project involves updating and replacement of piping systems located within the sludge houses at the Courtney Bend Water Plant. A portion of this piping dates back to the 1950's and is in need of repair and/or replacement. This will help to ensure these facilities continue to operate reliably and efficiently.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
402403	Sludge House Piping Improvements	100,000	-	-	-	-	-	100,000

Sludge Thickening Process Improvements

Project Data Summary

User Group: Municipal Services

Total Cost: \$800,000

FTE: 0

Personnel: \$0

NonPersonnel: \$800,000

Quartile: Least Aligned

Final Score (out of 100): 35.00

Description: Removal of existing Dissolved Air Flotation (DAF) tanks and installation of new system. New system will be the recommendation by staff from the evaluation of alternates currently occurring.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
302301	Sludge Thickening Process Improvements	800,000	-	-	-	-	-	800,000

Treated Water Storage Reservoir

Project Data Summary

User Group: Municipal Services

Total Cost: \$3,000,000

FTE: 0

Personnel: \$0

NonPersonnel: \$3,000,000

Quartile: Less Aligned

Final Score (out of 100): 55.00

Description: This project will provide for the construction of a second finished water storage reservoir that will improve maintenance procedures, operations and overall reliability of the Courtney Bend Water Plant.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
403001	Treated Water Storage Reservoir	-	-	-	-	-	3,000,000	3,000,000

AO Replace Pool Tanks

Project Data Summary

User Group: Parks, Recreation and Tourism

Total Cost: \$300,000

FTE: 0

Personnel: \$0

NonPersonnel: \$300,000

Quartile: Least Aligned

Final Score (out of 100): 45.00

Description: Replacement of Adventure Oasis' pool tanks.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 50% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Some
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
122701	AO Replace Pool Tanks	-	-	150,000	150,000	-	-	300,000

Sermon Center Roof Replacement Project Data Summary

User Group: Parks, Recreation and Tourism

Total Cost: \$750,000

FTE: 0

Personnel: \$0

NonPersonnel: \$750,000

Quartile: Less Aligned

Final Score (out of 100): 55.00

Description: Replace roof at Sermon Center.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Some
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
122602	Sermon Center Roof Replacement	-	250,000	250,000	250,000	-	-	750,000

Cemetery Revitalization

Project Data Summary

User Group: Parks, Recreation and Tourism

Total Cost: \$184,576

FTE: 0

Personnel: \$0

NonPersonnel: \$184,576

Quartile: Least Aligned

Final Score (out of 100): 30.00

Description: Revitalization of the city-maintained cemetery. Project is part of existing city-wide deferred maintenance and will occur as part of the proposed GO bond issue to be approved by voters.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset does not impact risk mitigation or increase resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Some
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
26GO002	Cemetery Revitalization	-	184,576	-	-	-	-	184,576

Trails Revitalization Project Data Summary

User Group: Parks, Recreation and Tourism

Total Cost: \$1,219,160

FTE: 0

Personnel: \$0

NonPersonnel: \$1,219,160

Quartile: Least Aligned

Final Score (out of 100): 45.00

Description: Revitalization of existing trails. Project is part of existing city-wide deferred maintenance and will occur as part of the proposed GO bond issue to be approved by voters.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 50% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
30GO002	Trails Revitalization	-	-	-	-	-	1,219,160	1,219,160

George Owens Nature Park Revitalization

Project Data Summary

User Group: Parks, Recreation and Tourism

Total Cost: \$1,165,000

FTE: 0

Personnel: \$0

NonPersonnel: \$1,165,000

Quartile: Least Aligned

Final Score (out of 100): 50.00

Description: Revitalization of the existing George Owens Nature Park. Project is part of existing city-wide deferred maintenance and will occur as part of the proposed GO bond issue to be approved by voters.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
27GO002	George Owens Nature Park Revitalization	-	-	1,165,000	-	-	-	1,165,000

Athletic Fields/Courts**Project Data Summary****User Group:** Parks, Recreation and Tourism**Total Cost:** \$1,358,100**FTE:** 0**Personnel:** \$0**NonPersonnel:** \$1,358,100**Quartile:** Least Aligned**Final Score (out of 100):** 45.00**Description:** Revitalization of existing athletic fields and/or courts. Project is part of existing city-wide deferred maintenance and will occur as part of the proposed GO bond issue to be approved by voters..**BPA**

BPA	Score Option
Risk Mitigation & Resilience	Asset does not impact risk mitigation or increase resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
26GO001	Athletic Fields/Courts		1,358,100	-	-	-	-	1,358,100

Renovate Rotary Park Playground

Project Data Summary

User Group: Parks, Recreation and Tourism

Total Cost: \$175,000

FTE: 0

Personnel: \$0

NonPersonnel: \$175,000

Quartile: Most Aligned

Final Score (out of 100): 75.00

Description: Renovate Rotary Park Playground

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	Self Mandate or Ordinance
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	N/A
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Some
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
122502	Renovate Rotary Park Playground	175,000	-	-	-	-	-	175,000

Historic Sites Maintenance

Project Data Summary

User Group: Parks, Recreation and Tourism

Total Cost: \$10,000,000

FTE: 0

Personnel: \$0

NonPersonnel: \$10,000,000

Quartile: Less Aligned

Final Score (out of 100): 55.00

Description: Maintenance on the various historic site locations in City of Independence on a multi-year process. Project is part of existing city-wide deferred maintenance and will occur as part of the proposed GO bond issue to be approved by voters.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 50% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
26G0004	Historic Sites Maintenance	-	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	10,000,000

Spring Cabin Relocation

Project Data Summary

User Group: Parks, Recreation and Tourism

Total Cost: \$700,000

FTE: 0

Personnel: \$0

NonPersonnel: \$700,000

Quartile: Least Aligned

Final Score (out of 100): 40.00

Description: Relocation of the Spring Cabin. Project is part of existing city-wide deferred maintenance and will occur as part of the proposed GO bond issue to be approved by voters.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
30GO001	Spring Cabin Relocation	-	-	-	-	-	700,000	700,000

Various Playground Revitalization Project Data Summary

User Group: Parks, Recreation and Tourism

Total Cost: \$1,591,890

FTE: 0

Personnel: \$0

NonPersonnel: \$1,591,890

Quartile: Least Aligned

Final Score (out of 100): 50.00

Description: Revitalization of various existing playground locations in Independence. Project is part of existing city-wide deferred maintenance and will occur as part of the proposed GO bond issue to be approved by voters.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
29GO001	Various Playground Revitalization	-	-	-	-	1,591,890	-	1,591,890

Recreation Center Complex

Project Data Summary

User Group: Parks, Recreation and Tourism

Total Cost: \$75,000,000

FTE: 0

Personnel: \$0

NonPersonnel: \$75,000,000

Quartile: More Aligned

Final Score (out of 100): 65.00

Description: One new Recreation facility to replace Sermon and Palmer, and house PRT Admin & Recreation staff along with indoor pool, outdoor water feature, track, pickleball/volleyball/basketball courts, meeting space, weight room, fitness class rooms, etc. (details TBD). Project will occur as part of the proposed GO bond issue to be approved by voters.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset does not impact risk mitigation or increase resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Extreme
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
27GO001	Recreation Center Complex		75,000,000	-	-	-	-	75,000,000

Truman Memorial Building Repair Water Filtration Project Data Summary

User Group: Parks, Recreation and Tourism

Total Cost: \$200,000

FTE: 0

Personnel: \$0

NonPersonnel: \$200,000

Quartile: Least Aligned

Final Score (out of 100): 40.00

Description: Revitalization of the Truman Memorial Building water filtration system. Project is part of existing city-wide deferred maintenance and will occur as part of the proposed GO bond issue to be approved by voters.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 50% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Some
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
26GO003	Truman Memorial Building Repair Water Filtration	-	200,000	-	-	-	-	200,000

Independence Athletic Complex
Project Data Summary

User Group: Parks, Recreation and Tourism

Total Cost: \$5,357,592

FTE: 0

Personnel: \$0

NonPersonnel: \$5,357,592

Quartile: Least Aligned

Final Score (out of 100): 50.00

Description: Revitalization of the existing Independence Athletic Complex. Project is part of existing city-wide deferred maintenance and will occur as part of the proposed GO bond issue to be approved by voters.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset does not impact risk mitigation or increase re-silience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
27G0003	Independence Athletic Complex	-	-	5,357,592	-	-	-	5,357,592

Indep Athletic Complex Overlay Parking Lot

Project Data Summary

User Group: Parks, Recreation and Tourism

Total Cost: \$100,000

FTE: 0

Personnel: \$0

NonPersonnel: \$100,000

Quartile: Least Aligned

Final Score (out of 100): 50.00

Description: Overlay parking lot at the Indep Athletic Complex.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	N/A
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
122401	Indep Athletic Complex							
	Overlay Parking Lot	100,000	-	-	-	-	-	100,000

Independence Uptown Market Project Data Summary

User Group: Parks, Recreation and Tourism

Total Cost: \$650,000

FTE: 0

Personnel: \$0

NonPersonnel: \$650,000

Quartile: Least Aligned

Final Score (out of 100): 40.00

Description: Revitalization of the Independence Uptown Market. Project is part of existing city-wide deferred maintenance and will occur as part of the proposed GO bond issue to be approved by voters.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset does not impact risk mitigation or increase resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 50% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
28GO001	Independence Uptown Market	-	-	-	650,000	-	-	650,000

Various Park Site Amenities Project Data Summary

User Group: Parks, Recreation and Tourism

Total Cost: \$6,895,554

FTE: 0

Personnel: \$0

NonPersonnel: \$6,895,554

Quartile: Least Aligned

Final Score (out of 100): 50.00

Description: Revitalization to amenities at various park sites. Project is part of existing city-wide deferred maintenance and will occur as part of the proposed GO bond issue to be approved by voters.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
28GO002	Various Park Site Amenities	-	-	-	6,895,554	-	-	6,895,554

Spraygrounds Renovations

Project Data Summary

User Group: Parks, Recreation and Tourism

Total Cost: \$246,800

FTE: 0

Personnel: \$0

NonPersonnel: \$246,800

Quartile: Least Aligned

Final Score (out of 100): 45.00

Description: Renovations to existing spraygrounds. Project is part of existing city-wide deferred maintenance and will occur as part of the proposed GO bond issue to be approved by voters.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 50% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
29GO002	Spraygrounds Renovations	-	-	-	-	246,800	-	246,800

Public Building Maintenance

Project Data Summary

User Group: Parks, Recreation and Tourism

Total Cost: \$3,000,000

FTE: 0

Personnel: \$0

NonPersonnel: \$3,000,000

Quartile: Most Aligned

Final Score (out of 100): 43.75

Description: Public building maintenance at various locations. Project is part of existing city-wide deferred maintenance and will occur as part of the proposed GO bond issue to be approved by voters.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 50% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Governance

Governance	Score Option
A High-Performance Organization. We operate as an ethical, high performance organization anticipating future needs, utilizing best practices, and striving for continuous improvement.	Some
A Financially Sustainable Organization. We create long-term financial stability by using equitable and sustainable sources of funding for City services, and we deliver them in a lean and efficient manner.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
26GO014	Public Building Maintenance	-	3,000,000	-	-	-	-	3,000,000

Bearcat Replacement Project Data Summary

User Group: Police

Total Cost: \$550,000

FTE: 0

Personnel: \$0

NonPersonnel: \$550,000

Quartile: Least Aligned

Final Score (out of 100): 37.50

Description: Replace current Bearcat used for Special Operations / Barricades

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 50% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	N/A
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
0162401	Bearcat Replacement	550,000	-	-	-	-	-	550,000

Justic Center Campus Project Data Summary

User Group: Police

Total Cost: \$42,000,000

FTE: 0

Personnel: \$0

NonPersonnel: \$42,000,000

Quartile: Less Aligned

Final Score (out of 100): 60.00

Description: Proposed Justice Center Campus for the Independence Police Department. Project will occur as part of the proposed GO bond issue to be approved by voters.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Extreme
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Extreme
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
26GO012	Justic Center Campus	-	42,000,000	-	-	-	-	42,000,000

LED Streetlight Replacements

Project Data Summary

User Group: Power and Light

Total Cost: \$1,000,000

FTE: 0

Personnel: \$0

NonPersonnel: \$1,000,000

Quartile: Least Aligned

Final Score (out of 100): 45.00

Description: Replacement for LED streetlights that are reaching end of life.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	Self Mandate or Ordinance
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Some
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202904	LED Streetlight	-	-	-	-	500,000	500,000	1,000,000

Service Center Upgrades

Project Data Summary

User Group: Power and Light

Total Cost: \$1,500,000

FTE: 0

Personnel: \$0

NonPersonnel: \$1,500,000

Quartile: Least Aligned

Final Score (out of 100): 18.75

Description: Upgrade Locker Rooms/Restrooms, etc.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	N/A
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202406	Service Center Upgrades	500,000	500,000	500,000	-	-	-	1,500,000

Construct New Transmission Sys to Serve New Sub S

Project Data Summary

User Group: Power and Light

Total Cost: \$5,500,000

FTE: 0

Personnel: \$0

NonPersonnel: \$5,500,000

Quartile: Least Aligned

Final Score (out of 100): 50.00

Description: Build new transmission system to new substation S to serve the large NorthPoint Development between RD Mize Road on the south and Hwy 78 on the north and east of Blue Parkway.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	Self Mandate or Ordinance
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is less than 50% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	N/A
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	N/A
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202315	Construct New Transmission Sys to Serve New Sub S	2,500,000	1,500,000	1,500,000	-	-	-	5,500,000

IPL Service Center PBX Upgrade to IP Flex

Project Data Summary

User Group: Power and Light

Total Cost: \$15,000

FTE: 0

Personnel: \$0

NonPersonnel: \$15,000

Quartile: Least Aligned

Final Score (out of 100): 28.57

Description: Upgrade IPL Service Center PBX for IPL Flex System from AT&T.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	N/A
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	N/A
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202210	IPL Service Center PBX Upgrade to IP Flex	15,000	-	-	-	-	-	15,000

Service Center Exterior Upgrades

Project Data Summary

User Group: Power and Light

Total Cost: \$460,000

FTE: 0

Personnel: \$0

NonPersonnel: \$460,000

Quartile: Least Aligned

Final Score (out of 100): 18.75

Description: Upgrades required to maintain the exterior lots and structures for everyday use.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	N/A
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202512	Service Center Exterior Upgrades	105,000	280,000	75,000	-	-	-	460,000

Sub E to Sub B 69kV Line Project Data Summary

User Group: Power and Light

Total Cost: \$1,900,000

FTE: 0

Personnel: \$0

NonPersonnel: \$1,900,000

Quartile: Least Aligned

Final Score (out of 100): 28.57

Description: Begin preliminary layout, siting and easement acquisition for new 69 kV tie line between Sub E and Sub B.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 50% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is less than 50% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	N/A
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	N/A
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202804	Sub E to Sub B 69kV Line	-	-	150,000	750,000	1,000,000	-	1,900,000

Construct 6 New Distribution Feeders - New Sub S

Project Data Summary

User Group: Power and Light

Total Cost: \$4,250,000

FTE: 0

Personnel: \$0

NonPersonnel: \$4,250,000

Quartile: Least Aligned

Final Score (out of 100): 50.00

Description: Build 6 new distribution feeders out of new Sub S. Consider building 2 per year as the development grows.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	Self Mandate or Ordinance
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is less than 50% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	N/A
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	N/A
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202316	Construct 6 New Distribution Feeders - New Sub S	1,250,000	1,500,000	1,500,000	-	-	-	4,250,000

Replace 4 - 100 MVA 161/69kV Substation Transformers.**Project Data Summary****User Group:** Power and Light**Total Cost:** \$11,250,000**FTE:** 0**Personnel:** \$0**NonPersonnel:** \$11,250,000**Quartile:** Least Aligned**Final Score (out of 100):** 50.00**Description:** Plan to purchase replacement 100 MVA 161/69 kV transformers that are nearing end of life.**BPA**

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	N/A
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	N/A
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202602	Replace 4 - 100 MVA 161/69kV Substation Transformers.	-	5,500,000	5,000,000	250,000	250,000	250,000	11,250,000

SCADA EMS Software Upgrade 2027

Project Data Summary

User Group: Power and Light

Total Cost: \$225,000

FTE: 0

Personnel: \$0

NonPersonnel: \$225,000

Quartile: More Aligned

Final Score (out of 100): 64.29

Description: Software will be upgraded at the IPL primary and backup control sites, with the vendor's assistance, ensuring the City is running the latest software release.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	State or Federal Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	N/A
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	N/A
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202701	SCADA EMS Software Upgrade 2027	-	-	225,000	-	-	-	225,000

Fiber Optic Network Project Data Summary

User Group: Power and Light

Total Cost: \$890,000

FTE: 0

Personnel: \$0

NonPersonnel: \$890,000

Quartile: Less Aligned

Final Score (out of 100): 57.14

Description: Fiber Optic Network expansion to provide communications services and links of critical infrastructure to city facilities, its departments and business customers.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	N/A
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	N/A
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
70200828	Fiber Optic Network	250,000	125,000	125,000	130,000	130,000	130,000	890,000

Sub M Breaker Replacement Project Data Summary

User Group: Power and Light

Total Cost: \$100,000

FTE: 0

Personnel: \$0

NonPersonnel: \$100,000

Quartile: Least Aligned

Final Score (out of 100): 42.86

Description: Complete the replacement of 3 69kV mechanical breakers with new SF-6 breakers.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 50% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	N/A
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	N/A
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202403	Sub M Breaker Replacement	100,000	-	-	-	-	-	100,000

Traffic Signal Detection Systems

Project Data Summary

User Group: Power and Light

Total Cost: \$120,000

FTE: 0

Personnel: \$0

NonPersonnel: \$120,000

Quartile: Least Aligned

Final Score (out of 100): 42.86

Description: Replace radar traffic detection at three (3) intersections.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	N/A
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	N/A
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202208	Traffic Signal Detection Systems	60,000	15,000	15,000	10,000	10,000	10,000	120,000

Construction of a New Substation S

Project Data Summary

User Group: Power and Light

Total Cost: \$9,500,000

FTE: 0

Personnel: \$0

NonPersonnel: \$9,500,000

Quartile: Least Aligned

Final Score (out of 100): 50.00

Description: Build new substation to serve the large NorthPoint Development between RD Mize Road on the south and Hwy 78 on the north and east of Blue Parkway.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	Self Mandate or Ordinance
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is less than 50% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	N/A
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	N/A
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202314	Construction of a New Substation S	3,500,000	3,000,000	1,500,000	1,500,000	-	-	9,500,000

Substation & Transmission Upgrade & Replacement Project Data Summary

User Group: Power and Light

Total Cost: \$2,390,127

FTE: 0

Personnel: \$0

NonPersonnel: \$2,390,127

Quartile: More Aligned

Final Score (out of 100): 71.43

Description: Emerging capital substation and transmission projects.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	Self Mandate or Ordinance
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	N/A
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	N/A
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202508	Substation & Transmission Upgrade & Replacement	424,000	449,440	476,406	504,991	535,290	-	2,390,127

Blue Valley Chimney Demolition Project Data Summary

User Group: Power and Light

Total Cost: \$1,500,000

FTE: 0

Personnel: \$0

NonPersonnel: \$1,500,000

Quartile: Least Aligned

Final Score (out of 100): 22.22

Description: Remove Blue Valley Chimney.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset does not impact risk mitigation or increase resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202504	Blue Valley Chimney Demolition	1,500,000	-	-	-	-	-	1,500,000

Emergent Maintenance Production Project Data Summary

User Group: Power and Light

Total Cost: \$2,042,040

FTE: 0

Personnel: \$0

NonPersonnel: \$2,042,040

Quartile: Least Aligned

Final Score (out of 100): 35.71

Description: Various maintenance needs not quantified at this time but expected (historical).

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	Self Mandate or Ordinance
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	N/A
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	N/A
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202507	Emergent Maintenance Production	440,000	484,000	532,400	585,640	-	-	2,042,040

Transmission Pole Replacement Program

Project Data Summary

User Group: Power and Light

Total Cost: \$700,000

FTE: 0

Personnel: \$0

NonPersonnel: \$700,000

Quartile: Less Aligned

Final Score (out of 100): 57.14

Description: Inspection of all wood transmission poles completed in summer of 2021. Result is the need to replace 39 structures over the next 3 years (2023, 2024, 2025).

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	N/A
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	N/A
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202111	Transmission Pole							
	Replacement Program	100,000	100,000	200,000	-	-	300,000	700,000

Operations APC UPS Battery Replacement Project Data Summary

User Group: Power and Light

Total Cost: \$220,000

FTE: 0

Personnel: \$0

NonPersonnel: \$220,000

Quartile: Least Aligned

Final Score (out of 100): 31.25

Description: Replacement of UPS Cell 5 Year per Manufacturer POC-2023 BOC-2025

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	N/A
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202108	Operations APC UPS Battery Replacement	145,000	15,000	15,000	15,000	15,000	15,000	220,000

Emergency Replacement of Transmission Poles

Project Data Summary

User Group: Power and Light

Total Cost: \$1,000,000

FTE: 0

Personnel: \$0

NonPersonnel: \$1,000,000

Quartile: More Aligned

Final Score (out of 100): 64.29

Description: Transmission pole replacement inventory.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	Self Mandate or Ordinance
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	N/A
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	N/A
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202505	Emergency Replacement of Transmission Poles	250,000	250,000	250,000	250,000	-	-	1,000,000

T&D System Improvements**Project Data Summary****User Group:** Power and Light**Total Cost:** \$2,500,000**FTE:** 0**Personnel:** \$0**NonPersonnel:** \$2,500,000**Quartile:** More Aligned**Final Score (out of 100):** 71.43

Description: Provide for the necessary and required system maintenance of the T&D system. Includes repair and replacement of equip. that has been damaged or at the end of its useful life based on industry standards. This is for systematic, data driven improvements.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	Self Mandate or Ordinance
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	N/A
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	N/A
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202510	T&D System Improvements	500,000	500,000	500,000	500,000	500,000	-	2,500,000

SCADA EMS Software/Hardware Upgrade 2029

Project Data Summary

User Group: Power and Light

Total Cost: \$500,000

FTE: 0

Personnel: \$0

NonPersonnel: \$500,000

Quartile: More Aligned

Final Score (out of 100): 64.29

Description: Replace data acquisition and data historian servers at the IPL primary and backup control sites. With the vendor's assistance, staff will replace hardware and upgrade software to ensure Department is running the latest software release.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	State or Federal Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	N/A
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	N/A
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202903	SCADA EMS Software/Hardware Upgrade 2029	-	-	-	-	500,000	-	500,000

Desert Storm Switchgear Cabinets**Project Data Summary****User Group:** Power and Light**Total Cost:** \$1,000,000**FTE:** 0**Personnel:** \$0**NonPersonnel:** \$1,000,000**Quartile:** Least Aligned**Final Score (out of 100):** 42.86**Description:** Replacement for 5 switchgear cabinets each year.**BPA**

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	N/A
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	N/A
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202205	Desert Storm Switchgear Cabinets	250,000	250,000	250,000	250,000	-	-	1,000,000

Substation H Switchgear Upgrades

Project Data Summary

User Group: Power and Light

Total Cost: \$500,000

FTE: 0

Personnel: \$0

NonPersonnel: \$500,000

Quartile: Least Aligned

Final Score (out of 100): 37.50

Description: Upgrades to Substation H switchgear to allow for multiple unit configuration for gas compressor to CT feeds.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	Self Mandate or Ordinance
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	N/A
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	N/A
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202513	Substation H Switchgear Upgrades	500,000	-	-	-	-	-	500,000

Substation Fiber Optic Network Equip. Replacement

Project Data Summary

User Group: Power and Light

Total Cost: \$485,000

FTE: 0

Personnel: \$0

NonPersonnel: \$485,000

Quartile: More Aligned

Final Score (out of 100): 64.29

Description: GE JungleMux - Equipment Replacement Study

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	N/A
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	N/A
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202101	Substation Fiber Optic Network Equip. Replacement	335,000	30,000	30,000	30,000	30,000	30,000	485,000

Purchase Evergy 69kV Line Sub A to New Sub S

Project Data Summary

User Group: Power and Light

Total Cost: \$3,500,000

FTE: 0

Personnel: \$0

NonPersonnel: \$3,500,000

Quartile: Least Aligned

Final Score (out of 100): 35.71

Description: Purchase the Evergy Sub A to Sub S 69kV transmission line. Common Practice to own transmission lines that serve IPL Substations.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is less than 50% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	N/A
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	N/A
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202401	Purchase Evergy 69kV Line Sub A to New Sub S	2,500,000	1,000,000	-	-	-	-	3,500,000

Substation Modeling Project Data Summary

User Group: Power and Light

Total Cost: \$450,000

FTE: 0

Personnel: \$0

NonPersonnel: \$450,000

Quartile: Less Aligned

Final Score (out of 100): 57.14

Description: Spatial Modeling of all IPL Substations for Asset Management.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	N/A
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	N/A
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202109	Substation Modeling	150,000	300,000	-	-	-	-	450,000

H-5 Combustion Turbine Inspection**Project Data Summary****User Group:** Power and Light**Total Cost:** \$1,800,000**FTE:** 0**Personnel:** \$0**NonPersonnel:** \$1,800,000**Quartile:** Least Aligned**Final Score (out of 100):** 28.57**Description:** Hot gas inspection for H-5.**BPA**

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	N/A
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	N/A
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202801	H-5 Combustion Turbine Inspection	-	-	-	1,800,000	-	-	1,800,000

H-6 Combustion Turbine Inspection

Project Data Summary

User Group: Power and Light

Total Cost: \$2,000,000

FTE: 0

Personnel: \$0

NonPersonnel: \$2,000,000

Quartile: Least Aligned

Final Score (out of 100): 28.57

Description: Hot gas inspection for H-6.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	N/A
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	N/A
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202902	H-6 Combustion Turbine Inspection	-	-	-	-	2,000,000	-	2,000,000

T&D Road Improvement Projects

Project Data Summary

User Group: Power and Light

Total Cost: \$500,000

FTE: 0

Personnel: \$0

NonPersonnel: \$500,000

Quartile: More Aligned

Final Score (out of 100): 71.43

Description: Relocating/Upgrading existing equipment with road changes.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	State or Federal Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	N/A
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	N/A
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Extreme

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202509	T&D Road Improvement Projects	500,000	-	-	-	-	-	500,000

T&D Truck Shed**Project Data Summary****User Group:** Power and Light**Total Cost:** \$1,000,000**FTE:** 0**Personnel:** \$0**NonPersonnel:** \$1,000,000**Quartile:** Least Aligned**Final Score (out of 100):** 22.22**Description:** Truck Housing**BPA**

BPA	Score Option
Risk Mitigation & Resilience	Asset does not impact risk mitigation or increase resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	None
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	N/A
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202503	T&D Truck Shed	1,000,000	-	-	-	-	-	1,000,000

Arctic Wolf**Project Data Summary****User Group:** Technology Services**Total Cost:** \$890,000**FTE:** 0**Personnel:** \$0**NonPersonnel:** \$890,000**Quartile:** Most Aligned**Final Score (out of 100):** 68.75

Description: Arctic Wolf is the City's security operations center as a service. This service offers 24/7/365 security monitoring of the City's information technology systems. The vendor offers a significant discount when purchasing 5 years of service. The current contract ends on August 1, 2025

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	State or Federal Mandate
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Governance

Governance	Score Option
A High-Performance Organization. We operate as an ethical, high performance organization anticipating future needs, utilizing best practices, and striving for continuous improvement.	Extreme
A Financially Sustainable Organization. We create long-term financial stability by using equitable and sustainable sources of funding for City services, and we deliver them in a lean and efficient manner.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
TS02	Arctic Wolf	-	890,000	-	-	-	-	890,000

Data Center Replacement Project Data Summary

User Group: Technology Services

Total Cost: \$2,500,000

FTE: 0

Personnel: \$0

NonPersonnel: \$2,500,000

Quartile: Most Aligned

Final Score (out of 100): 50.00

Description: The existing data center has an expected usable lifespan that will last until August 2027. This is preparing for it's replacement.

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	Self Mandate or Ordinance
PORION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is less than 50% of ESL

Governance

Governance	Score Option
A High-Performance Organization. We operate as an ethical, high performance organization anticipating future needs, utilizing best practices, and striving for continuous improvement.	Extreme
A Financially Sustainable Organization. We create long-term financial stability by using equitable and sustainable sources of funding for City services, and we deliver them in a lean and efficient manner.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
TS03	Data Center Replacement	-	-	-	2,500,000	-	-	2,500,000

Checkpoint Project Data Summary

User Group: Technology Services

Total Cost: \$740,000

FTE: 0

Personnel: \$0

NonPersonnel: \$740,000

Quartile: Most Aligned

Final Score (out of 100): 68.75

Description: Security hardware, software and services. This includes firewalls, endpoint security software as well as other security tools. The vendor offers a significant discount when purchasing 5 years of service. The current contract ends on August 1, 2025

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has extreme impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	State or Federal Mandate
PORTION of the COMMUNITY SERVED	Less than 10% of the population is benefitting
COST RECOVERY of PROGRAM	Yes
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Governance

Governance	Score Option
A High-Performance Organization. We operate as an ethical, high performance organization anticipating future needs, utilizing best practices, and striving for continuous improvement.	Extreme
A Financially Sustainable Organization. We create long-term financial stability by using equitable and sustainable sources of funding for City services, and we deliver them in a lean and efficient manner.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
TS01	Checkpoint	-	740,000	-	-	-	-	740,000

PRT Trash Truck Project Data Summary

User Group: Parks, Recreation and Tourism

Total Cost: \$180,000

FTE: 0

Personnel: \$0

NonPersonnel: \$180,000

Quartile: Less Aligned

Final Score (out of 100): 60.00

Description: Staff recommends purchasing a trash truck to streamline trash removal in parks, homeless camp cleanups, and the 49 trash barrels on the Square, Englewood, Maywood, and Fairmount districts. It would also be utilized in special projects and assignments for other departments. A city-owned trash truck would improve service, reduce staff time, and increase safety by limiting the amount of employee contact with hazardous refuse. A contractor currently empties the 49 barrels at \$20,898 annually with a very low level of service. Estimated cost is \$180,000 for a new truck with a 15-year projected lifespan. Annual maintenance, fuel, landfill, and liner costs are projected to be \$21,000 annually. Funding: \$105,000 by Park Sales Tax, \$50,000 by General Fund, and \$25,000 by Tourism Fund with staff, maintenance, fuel, and landfill costs covered by Parks Sales Tax totaling \$16,000 and \$5,000 for liners covered by General Fund. General Fund cost recovery: 3 years. Action Plan items 4.3f and 6.4d

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced EXCEEDS ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Extreme
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
122402	PRT Trash Truck	180,000	-	-	-	-	-	180,000

Pedestrian Bridge at Rock Creek Trail

Project Data Summary

User Group: Parks, Recreation and Tourism

Total Cost: \$200,000

FTE: 0

Personnel: \$0

NonPersonnel: \$200,000

Quartile: Least Aligned

Final Score (out of 100): 25.00

Description: The pedestrian bridge on the Rock Creek Trail was removed for safety concerns. The creek bank eroded causing the bridge to sink. Repairs will require shoring the streambank, installing footers, headwalls, gabion baskets and rock before setting the bridge back into place. Estimated Cost: \$200,000 from the Parks Sales Tax Fund. Action Plan items 4.1 and 4.2

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	No Mandate
PORTION of the COMMUNITY SERVED	Less than 50% of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is less than 50% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	None
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Some
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	Some

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
122503	Pedestrian Bridge at Rock Creek Trail	200,000	+	-	=	-	-	200,000

Fleet Vehicle & Equipment 10 Year Replacements

Project Data Summary

User Group: Power and Light

Total Cost: \$3,875,000

FTE: 0

Personnel: \$0

NonPersonnel: \$3,875,000

Quartile: Least Aligned

Final Score (out of 100): 45.00

Description: FY 2024-2025 Vehicle Replacements - 2 Ford F-550 Bucket Trucks and 1 Altec Bucket Truck

BPA

BPA	Score Option
Risk Mitigation & Resilience	Asset has some impact on risk mitigation & increases resilience
MANDATED to PROVIDE PROGRAM	Self Mandate or Ordinance
PORTION of the COMMUNITY SERVED	Majority of the population is benefitting
COST RECOVERY of PROGRAM	No
Asset Condition and Estimated Life of Service (score item to be replaced)	Existing asset to be replaced is between 50-100% of ESL

Community

Community	Score Option
An Innovative Economy. We grow a diversified and innovative economy leveraging our community amenities, skilled and creative people, and educational resources to generate economic opportunities.	Some
A Safe, Welcoming Community. We embrace a safe, healthy, welcoming and inclusive community.	Some
A Well-Planned City. We consistently improve our community's appearance and quality of life as it grows and changes, honoring our unique history and sense of place as we plan for a livable, affordable, more connected city.	Some
An Engaged Community. We foster a culture of engagement and civic leadership based on innovation and best practices involving community members of all backgrounds and perspectives.	None

Project by Department by Fiscal Year								
Project #	Project Name	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Grand Total
202514	Fleet Vehicle & Equipment 10 Year Replacement	850,000	550,000	850,000	625,000	610,000	390,000	3,875,000



This page intentionally left blank.

Budget Packages

Included in FY 2024-25 Adopted Budget

Any new items or programs that do not fit into a department's base budget must be requested as a budget packages. Budget package requests are required for any:

- Personnel changes
 - Including salary increases (outside of union agreements), conversions and additional FTE.
 - If requesting new headcount, benefits should be included.
- Operating expenditure changes (not personnel) over \$5,000.
- Overtime increases of more than 10% at the department or fund level, against the prior year adopted budget.

Department	Fund(s)	Type	Package Title	Total Cost	FTE
City Clerk	002 General	Opex	Document Shredding/File Purge	10,000	
City Manager	002 General	Opex	Lobbying Services	25,000	
Comm Dev	002 General	Opex	Computer Replacement	4,000	
Municipal Court	002 General	Personnel	Salary Increase	25,400	0.0
Parks Rec Tourism	004 Tourism	Opex	Museum Fundraising	150,000	
Parks Rec Tourism	004 Tourism	Opex	Roof Repairs at MMRM	45,000	
Parks Rec Tourism	004 Tourism	Equip	Caboose Restoration	80,000	
Parks Rec Tourism	004 Tourism	Opex	Water Tower Demolition	75,000	
Health & Animal Serv	005 Health Prop	Opex	Kuranda Beds	9,944	
Health & Animal Serv	005 Health Prop	Opex	Play yard equipment	8,554	
Health & Animal Serv	005 Health Prop	Opex	Health uniform shirts	1,500	
Municipal Services	011 Streets	Opex	Transit XLT Van	14,235	
Municipal Services	012 Parks	Personnel	Seasonal Staff	36,380	1.3
Municipal Services	012 Parks	Personnel	Seasonal Staff	58,220	2.0
Municipal Services	013 Storm	Equip	Brush Hog Attachment	20,000	
Municipal Services	013 Storm	Equip	Flail Mower Attachment	20,000	
Municipal Services	013 Storm	Equip	Equipment Trailer	20,000	
Municipal Services	013 Storm	Opex	Professional Services for Road and Driveway Restoration	11,830	
Municipal Services	013 Storm	Opex	US Army Corps of Engineers	100,000	
Fire	017 Fire PST	Opex	EVT Training	6,000	
Fire	017 Fire PST	Opex	FDIC Conference	10,000	
Fire	017 Fire PST	Opex	Fire/Rescue Training	10,000	
Fire	017 Fire PST	Opex	Duct Cleaning	10,000	
Fire	017 Fire PST	Opex	Roof repair	35,000	
Fire	017 Fire PST	Opex	Fire Equipment	170,000	
Fire	017 Fire PST	Opex	Wellness Equipment	50,000	
Fire	017 Fire PST	Equip	Staff Vehicle Replacement	150,000	

CITY OF INDEPENDENCE, MO

Police	018 Use Tax	Equip	Axon Contract Year 2	1,215,871	
Power & Light	020 IPL	Personnel	District Planner I	124,000	1.0
Power & Light	020 IPL	Personnel	Electronics Technician	146,000	1.0
Municipal Services	040 Water	Opex	Chemicals	1,509,658	
Municipal Services	040 Water	Personnel	Pipe Worker (2)	172,800	2.0
Technology Services	095 ERP	Personnel	Systems Administrator I	91,000	1.0
Budget Package Total All Funds				4,415,391	8.3

Long-Term Debt Information

Long-Term Obligations and Commitments

At the end of fiscal year 2023, the City had a total of \$435.7 million of outstanding obligations. This was a decrease of \$19.3 million from the previous fiscal year. None of the debt is a general obligation of the City, and is limited to either an annual appropriation or specific revenue for repayment. Of the total debt, \$309.8 million, or 71.1%, are obligations of the business-type activities.

Audited amounts as of June 30, 2023

City Debt Obligations

The State Constitution permits a city, by vote of two-thirds of the voting electorate, to incur general obligation indebtedness for "city purposes," not to exceed 10% of the assessed value of taxable tangible property. The State Constitution also permits a city, by vote of two-thirds of the voting electorate under a special election or four-sevenths under a general election, to incur additional general obligation indebtedness not exceeding, in the aggregate, an additional 10% of the assessed value of taxable tangible property for the purpose of acquiring rights-of-way, constructing, extending, and improving streets and avenues and/or sanitary or storm sewer systems, and purchasing or constructing waterworks, electric or other plants, provided that the total general obligation indebtedness of the city does not exceed 20% of the assessed valuation of taxable property. As of June 30, 2023, the City has no general obligation debt outstanding.

The city currently has approximately \$1 billion of deferred capital maintenance and capital projects. The city anticipates requesting voter approval in April 2025 to address \$200 million of these deferred capital needs through general obligation debt.

Below is a table showing the City's current credit ratings from Standard & Poor's (S&P):

Entity	Rating
Power & Light	A
Water	AA-
Sewer	A+
Falls at Crackerneck Creek – Bass Pro TIF	BBB+
All other economic development projects	A-

Details of debt found within each Series' Final Official Statement can be located at the City's Investors' Relations site.

City of Independence, Missouri
Statement of Net Position
30-Jun-23

	Primary Government		
	Governmental	Business-	
	Activities	Type	Total
	Activities	Activities	
Current Liabilities:			
Accounts and contracts payable	17,219,588	9,113,848	26,333,436
Accrued items	5,286,465	3,824,252	9,110,717
Other current liabilities	1,399,594	1,495,763	2,895,357
Unearned revenue	6,543,820	1,177,689	7,721,509
Current portion of long-term obligations	22,734,603	17,961,444	40,696,047
Self-insurance claims payable	4,097,884	-	4,097,884
Liabilities payable from restricted assets	150,298	5,210,701	5,360,999
Total current liabilities	57,432,252	38,783,697	96,215,949
Noncurrent Liabilities:			
Noncurrent portion of long-term obligations	126,974,233	302,041,939	429,016,172
Lease liability	47,320	179	48,499
Subscription liability	417,035	245,978	663,013
Self-insurance claims payable	6,493,811	-	6,493,811
Total OPEB liability	114,259,942	52,716,096	166,976,038
Net Pension liability	33,170,538	15,388,650	48,559,188
Advances for construction	-	406,512	406,512
Total noncurrent liabilities	281,363,879	370,799,354	652,163,233
Total liabilities	338,796,131	409,583,051	748,379,182

**snip of Statement of Net Position on page 24 of the June 30, 2023, Audited Financial Statements in the city's Annual Comprehensive Financial Report*

The table on the following page is a summary of changes in long-term liabilities of the City for the year ended June 30, 2023:

Long-Term Debt – Governmental Activities
30-Jun-23

	Beginning Balance As Restated	Additions	Reductions	Ending Balance	Amount Due Within One Year
Governmental activities:					
Loans and notes payable:					
Loans payable	\$ 17,940,000	—	1,310,000	16,630,000	1,345,000
TIF loans	108,255,000	—	4,775,000	103,480,000	6,585,000
Financed purchase obligation	1,456,845	—	263,032	1,193,813	270,058
Neighborhood Improvement District (NID)	20,000	—	8,000	12,000	12,000
Premium (discount), net	4,882,687	—	345,288	4,537,399	(36)
Total loans and note payable	<u>132,554,532</u>	<u>—</u>	<u>6,701,320</u>	<u>125,853,212</u>	<u>8,212,022</u>
Other liabilities:					
Compensated absences	17,149,764	6,594,934	6,891,775	16,852,923	7,519,880
Total OPEB liability	117,512,374	3,155,800	409,066	120,259,108	5,999,166
Self-insurance claims payable	9,574,893	24,318,310	23,301,508	10,591,695	4,097,884
Net pension liability	18,476,896	14,693,642	—	33,170,538	—
Lease liability	72,739	2,827	23,747	51,819	18,949
Lease liability - internal service funds	—	40,962	11,230	29,732	14,282
Subscription liability	77,899	8,231	45,577	40,553	37,810
Subscription liability - internal service funds	1,356,247	833,430	842,891	1,346,786	932,494
Total other liabilities	<u>164,220,812</u>	<u>49,648,136</u>	<u>31,525,794</u>	<u>182,343,154</u>	<u>18,620,465</u>
Total Governmental Activities	<u>\$ 296,775,344</u>	<u>49,648,136</u>	<u>38,227,114</u>	<u>308,196,366</u>	<u>26,832,487</u>

Long-Term Debt – Proprietary
30-Jun-23

	Beginning Balance	Additions	Reductions	Ending Balance	Amount Due Within One Year
Business-type activities:					
Power and Light Fund:					
Revenue bonds	\$ 119,805,000	—	3,210,000	116,595,000	3,555,000
Premium on bonds payable	5,596,751	—	356,029	5,240,722	—
Total revenue bonds	<u>125,401,751</u>	<u>—</u>	<u>3,566,029</u>	<u>121,835,722</u>	<u>3,555,000</u>
Compensated absences	5,370,613	2,035,605	2,160,207	5,246,011	1,896,311
Total OPEB liability	40,741,965	—	5,006,838	35,735,127	1,782,659
Net pension liability	3,920,068	6,554,474	—	10,474,542	—
Subscription liability	—	492,172	128,559	363,613	117,635
Total Power and Light Fund	<u>175,434,397</u>	<u>9,082,251</u>	<u>10,861,633</u>	<u>173,655,015</u>	<u>7,351,605</u>
Water Fund:					
Revenue bonds	18,545,000	—	1,785,000	16,760,000	1,880,000
Premium on bonds payable	404,836	—	55,274	349,562	—
Total revenue bonds	<u>18,949,836</u>	<u>—</u>	<u>1,840,274</u>	<u>17,109,562</u>	<u>1,880,000</u>
Compensated absences	1,245,062	585,002	649,094	1,180,970	379,362
Total OPEB liability	12,655,200	—	2,432,873	10,222,327	509,944
Net pension liability	1,136,285	1,818,364	—	2,954,649	—
Total Water Fund	<u>33,986,383</u>	<u>2,403,366</u>	<u>4,922,241</u>	<u>31,467,508</u>	<u>2,769,306</u>
Sanitary Sewer Fund:					
Revenue Bonds	85,285,000	—	3,535,000	81,750,000	3,615,000
Premium on bonds payable	4,746,569	—	290,606	4,455,963	—
Discount on bonds payable	(35,189)	—	(1,599)	(33,590)	—
Total revenue bonds	<u>89,996,380</u>	<u>—</u>	<u>3,824,007</u>	<u>86,172,373</u>	<u>3,615,000</u>
Compensated absences	903,974	402,360	414,537	891,797	349,619
Total OPEB liability	9,071,577	454,899	—	9,526,476	475,231
Net pension liability	737,848	1,221,611	—	1,959,459	—
Lease liability	1,545	—	683	862	683
Total Sanitary Sewer Fund	<u>100,711,324</u>	<u>2,078,870</u>	<u>4,239,227</u>	<u>98,550,967</u>	<u>4,440,533</u>
Events Center Fund:					
Revenue bonds	86,710,000	—	3,295,000	83,415,000	3,400,000
Premium on bonds payable	1,373,237	—	107,441	1,265,796	—
Discount on bonds payable	—	—	—	—	—
Total Events Center Fund	<u>88,083,237</u>	<u>—</u>	<u>3,402,441</u>	<u>84,680,796</u>	<u>3,400,000</u>
Total business-type activities	<u>\$ 398,215,341</u>	<u>13,564,487</u>	<u>23,425,542</u>	<u>388,354,286</u>	<u>17,961,444</u>

**Summary of Governmental Loans
30-Jun-23**

Governmental activities loans payable at June 30, 2023 is comprised of the following:

\$17,940,000 Lease Purchase for Deferred Maintenance, annual installments of \$1,220,000 to \$1,575,000; interest at 2.420% - paid from Street Improvement Sales Tax Fund.

	\$ 16,630,000
Total Governmental Activities Loans Payable	<u>\$ 16,630,000</u>

The total loan is privately placed.

Neighborhood Improvement District bonds payable at June 30, 2023 are comprised of the following:

\$111,000 Series 2004 (Fall Drive Sanitary Sewer Project) annual installments of \$5,000 to \$6,000 through 2024; interest at 5.375% to 5.50% - paid from the Debt Service Fund.

	\$ 12,000
Total Neighborhood Improvement District	<u>\$ 12,000</u>

**Summary of Tax Increment Financing Fund Debt
June 30, 2023**

TIF Project	Obligations
North Independence	\$ 1,650,473
Falls at Crackerneck - Bass Pro	5,350,000
Old Landfill - Stone Canyon	7,198,625
Cinema East - Blue Ridge	3,237,066
Trinity	2,180,907
23rd & Noland - Project 2	208,400
Little Blue Parkway 1	758,097
Little Blue Parkway 3	1,318,423
Marketplace Shopping Center 1	764,403
Marketplace Shopping Center 2	3,649,517
	<u>\$ 26,315,911</u>

**Summary of MDFB Debt
June 30, 2023
Missouri Development Finance Board Loans Payable**

\$12,050,000 Series 2012 D (HCA - Centerpoint TIF) annual installments of \$575,000 to \$1,865,000 through 2027; interest at 3.00% to 4.00%	\$ 4,550,000
\$2,030,000 Series 2014 B (HCA - Centerpoint TIF) annual installments of \$105,000 to \$495,000 through 2027; interest at 2.00% to 4.00%	955,000
\$5,225,000 Series 2015 A (Santa Fe TIF) annual installments of \$100,000 to \$285,000 through 2044; interest at 3.00% to 4.00%	4,290,000
\$3,545,000 Series 2015 B (Santa Fe TIF) annual installments of \$55,000 to \$215,000 through 2044; interest at 3.00% to 5.25%	2,995,000
\$47,060,000 Series 2015 C (Crackerneck Creek TIF) annual installments of \$1,200,000 to \$5,670,000 through 2045; interest at 3.00% to 5.00%	47,060,000
\$2,390,000 Series 2015 D (Crackerneck Creek TIF) annual installments of \$1,180,000 to \$1,210,000 through 2024; interest at 2.75% to 3.00%	1,210,000
\$17,275,000 Series 2016 B (HCA - Centerpoint TIF) annual installments of \$970,000 to \$2,865,000 through 2028; interest at 3.00% to 5.00%	9,315,000
\$35,920,000 Series 2021 (Crackerneck Creek TIF) annual installments of \$75,000 to \$5,485,000 through 2051; interest at 3.00% to 5.00%	33,105,000
Total TIF Loans Payable	<u>\$ 103,480,000</u>

Restricted assets held in trust accounts of \$10,360,270 consist of funds available for costs related to the redevelopment of the Santa Fe, Crackerneck Creek and HCA areas.

**Summary of Capital Leases
June 30, 2023**

Financed purchase obligations at June 30, 2023 are comprised of the following:

PNC Equipment Finance (fire truck) annual installments of \$51,525 to \$71,106 through 2026; interest at 3.00% - paid from the Fire Sales Tax fund	\$ 207,177
Motorola Solutions (radio equipment) annual installments of \$158,096 to \$178,587 through 2027; interest at 2.48% - paid from the General fund and Police Sales Tax fund with allocations to the Enterprise funds and Storm Water Sales Tax fund	872,386
Caterpillar Financial Services (wheel loader) annual installments of \$34,830 to \$38,053 through 2025; interest at 3.025% - paid from the Street Improvements Sales Tax fund	114,250
Total Financed Purchase Obligations	<u>\$ 1,193,813</u>

**Business-Type Activities
Revenue Bonds**

**Summary of Electric Fund Debt
June 30, 2023**

Power and Light Fund:

\$47,180,000 Series 2016 D annual installments of \$4,505,000 to \$6,060,000 through 2046; interest at 3.375% to 4.00% \$ 47,180,000

\$72,625,000 Series 2022 A annual installments of \$3,210,000 to \$6,570,000 through 2037; interest at 4.00% to 5.00% 69,415,000

Total Power and Light Fund 116,595,000

**Summary of Water Fund Debt
June 30, 2023**

Water Fund:

\$36,240,000 Series 2013 D annual installments of \$1,480,000 to \$4,260,000 through 2029; interest at 2.00% to 5.00% 16,760,000

Total Water Fund 16,760,000

**Summary of Sanitary Sewer Fund Debt
June 30, 2023**

Sanitary Sewer Fund:

\$21,170,000 Series 2014 C annual installments of \$250,000 to \$6,150,000 through 2043; interest at 2.00% to 5.00% 18,635,000

\$24,760,000 Series 2021 A annual installments of \$1,185,000 to \$2,205,000 through 2037; interest at 4.00% to 5.00% 23,575,000

\$41,565,000 Series 2021 B annual installments of \$2,025,000 to \$2,810,000 through 2040; interest at 0.489% to 2.983% 39,540,000

Total Sanitary Sewer Fund 81,750,000

**Summary of Events Center Fund Debt
June 30, 2023**

Events Center Fund:

\$12,005,000 Series 2016 A annual installments of \$400,000 to \$710,000 through 2038; interest at 3.00%	8,895,000
\$9,730,000 Series 2021 annual installments of \$235,000 to \$1,825,000 through 2035; interest at 3.00% to 4.00%	9,195,000
\$67,850,000 Series 2022 annual installments of \$2,525,000 to \$7,955,000 through 2038; interest at 2.690%	65,325,000
Total Events Center Fund	83,415,000

Budget Procedures and Policies

The fiscal year of the city shall start on July 1st and end on June 30th.

1. Budget Preparation and Submission

- a. **City Charter, Section 8.2 Budget: Preparation and submission.** At least forty-five (45) days before the beginning of the fiscal year, the City Manager shall prepare and submit to the Council a proposed budget for the next fiscal year, which shall contain detailed estimates of anticipated revenues including any resources available from the current fiscal year and proposed expenditures for the year and any explanatory message. The budget shall include the general fund and at least all other regular operating funds which are deemed to require formal annual budgeting and shall be in such form as the City Manager deems desirable or as the Council may require. The total of the proposed expenditures from any fund shall not exceed the total of the anticipated resources thereof. The budget and budget message shall be public records in the office of the City Clerk and shall be open to public inspection. Copies of the budget and budget message shall be made for distribution to persons on request.
- b. **City Charter, Section 8.3 Comparison of anticipated revenues and proposed expenditures with prior years.**
- c. In parallel columns opposite the several items of anticipated revenues in the budget, there shall be placed the amount of revenue during the last preceding fiscal year and the amount of revenue up to the time of preparing the budget plus anticipated revenue for the remainder of the current fiscal year estimated as accurately as may be.
- d. In parallel columns opposite the several items of proposed expenditures in the budget, there shall be placed the amount of each such item actually expended during the last preceding fiscal year and the amount of each such item actually expended up

to the time of preparing the budget plus the expenditures for the remainder of the current fiscal year estimated as accurately as may be.

2. Public Hearing

- a. **City Charter, Section 8.4 Budget: Public hearing.** The Council shall hold a public hearing on the proposed budget at least one (1) week after a notice of the time of the hearing has been published in a newspaper of general circulation within the city; and any interested person shall have the opportunity to be heard. The Council may continue the hearing at later meetings without further notice.

3. Amendments, Adoption and Appropriations

- a. **City Charter, Section 8.5 Budget: Amendment, adoption, appropriations.** The Council may insert, strike out, increase, or decrease items in the budget, and otherwise amend it, but may not increase any estimate of anticipated revenues therein unless the City Manager certifies that, in the City Manager's judgment, the amount estimated will be revenue of the fiscal year. The Council, not later than the twenty seventh (27th) day of the last month of the fiscal year, shall adopt the budget and make the appropriations for the next fiscal year. If the Council fails to adopt the budget and make the appropriations on or before that day, the budget as submitted or as amended, shall go into effect and be deemed to have been finally adopted by the Council; and the proposed expenditures therein shall become the appropriations for the next fiscal year. The appropriations, when made by the Council by a general appropriation ordinance separate from the budget document, need not be in as great detail as the proposed expenditures in the budget. Appropriations from a fund shall never exceed the anticipated resources thereof in the budget as adopted.

4. Transfer of Appropriation Balances and Amendments

- a. **City Charter, Section 8.6 Budget: Transfer of appropriation balances, amendment.** After the appropriations are made and except as the Council by ordinance may provide otherwise, the City Manager may transfer unencumbered appropriation balances or parts thereof from any item of appropriation within a department, office or agency to any other items of appropriation, including new items within the same department, office or agency; and upon recommendation by the City Manager, the Council may transfer unencumbered appropriation balances or parts thereof from any item of appropriation, including an item for contingencies, in a fund to any other item of appropriation, including new items in the fund.

Upon recommendation by the City Manager, the Council by ordinance may also amend the budget as adopted by changing the estimates of anticipated revenues for proposed expenditures of a fund and otherwise; and may increase or decrease the total appropriations from a fund when a change in revenues or conditions justify such action; but total appropriations from any fund shall never exceed the anticipated revenues thereof in the budget as adopted or as amended, as the case may be. The Council shall not increase any estimate of anticipated revenues in the budget unless

the City Manager certifies that, in the City Manager's judgement, the amount estimated will be revenue of the fiscal year.

5. Fund Types

- a. Governmental Funds – are those through which most governmental functions of the city are financed. The acquisition, use and balances of the city's expendable financial resources and the related liabilities (other than those in proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of changes in financial position. The following are the city's governmental fund types for which annual operating budgets are prepared:
 - i. **The General Fund** is the principal operating fund of the city and accounts for all financial transactions not accounted for in other funds. The general operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are financed through revenues received by the General Fund.
 - ii. **Special Revenue Funds** are used to account for revenues derived from specific taxes, governmental grants or other revenue sources which are designated to finance particular functions or activities of the city.
- b. Proprietary Funds – are used to account for the city's on-going organizations and activities which are similar to those often found in the private sector. The measurement focus is upon determination of net income. The following are the city's proprietary fund types:
 - i. **Enterprise Funds** are used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or where the periodic determination of net income or loss is deemed appropriate.
- c. Internal Service Funds – are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the city on a cost-reimbursement basis.

6. Basis of Accounting/Measurement Focus for Budgets

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and recorded in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. Measurement focus determines upon expenditures – decreases in net financial resources. The measurement focus for proprietary funds is based on expenses – decreases in net total assets. The principal difference between expenditures and expenses is that with expenditures, the primary concern is the flow of resources, however with expenses; the primary concern is the substance of transactions and events which may not specifically related to the actual flow of resources.

As already indicated, the basis of accounting relates to when transactions are recorded, not what is actually recorded. The three different types of accounting basis are 1) cash, 2) Modified Accrual, and 3) Accrual. The latter two are recognized as Generally Accepted Accounting Principles (GAAP); the Cash basis is not.

The modified accrual basis of accounting is utilized by all governmental fund types and expendable trust funds. Under the modified accrual basis of accounting, revenues are recorded as collected unless susceptible to accrual, i.e., amounts measurable and available to finance the city's operations or of a material amount and not received at the normal time of receipt. Available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Significant revenues which are considered susceptible to accrual include real estate taxes, sales taxes, utility franchise taxes, interest, and certain State and Federal grants and entitlements. Expenditures, other than interest on long-term debt, are recorded when the liability is incurred.

In applying the susceptible to accrual concept to intergovernmental revenues (i.e. grants), the legal and contractual requirements of the individual program is used as guidance. There are, however, essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the city; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purposes or expenditures and nearly irrevocable. i.e., revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if they meet the available and measurable criteria. Real estate taxes levied and expected to be collected within sixty days after the fiscal year end are considered available and, therefore, are recognized as revenues.

Licenses and permits, fines and forfeitures, charges for services and miscellaneous revenues are recorded as revenues when received in cash because they are generally not measurable until actually received.

The accrual basis of accounting is utilized by the proprietary and nonexpendable trust fund types. Under this basis of accounting, revenues are recognized when earned (including unbilled revenue) and expenses are recorded when liabilities are incurred.

7. Encumbrances

The city's policy is to prepare the annual operating budget on a basis which includes encumbrances as the equivalent of expenditures in order to assure effective budgetary control and accountability and to facilitate effective cash planning and control. Encumbrance accounting is where purchase orders, contracts, and other commitments for the expenditures of funds are recorded in order to reserve that portion of the applicable appropriation.

Encumbrances outstanding at year-end represent the estimated amount of the expenditures ultimately to result if unperformed contracts in progress at year-end are completed. Encumbrances outstanding at year-end are reported in the Annual Comprehensive Financial Report (ACFR) as reservations of fund balances because they do not constitute expenditures

or liabilities. Outstanding encumbrances at year-end are re-appropriated in the following fiscal year in order to provide authority to complete these transactions.

8. Difference between Budget Basis and Financial Reporting Basis

The city's Annual Comprehensive Financial Report (ACFR) reports on the status of the city's finance in accordance with the GAAP basis of accounting. In most cases this is also the same basis of accounting as used in preparing the budget. Exceptions to the basis of accounting used for financial reports and in preparing the budget are listed below:

1. Governmental Fund Types – All governmental fund types use the same basis of accounting for reporting and budgeting with the exception that the budget also recognizes encumbrance accounting. In the ACFR, the "Combined Statement of Revenues, Expenditures and Changes in Fund Balance – All Governmental Fund Types and Expendable Trust Funds" presents revenues and expenditures in accordance with the GAAP basis of accounting. The "Combined Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budget Basis)" in the ACFR presents the same information, however it also includes the recognition of encumbrances. This later statement provides a reconciliation of the presented data to the GAAP basis statement.
2. Proprietary Fund Types – All proprietary fund types use the same basis of accounting for reporting and budgeting with the exception of "non-cash" expenses and disbursements that affect balance sheet accounts. "Non-cash" expenses are included in the financial reports but not in the budget. An example of this type of expense would be depreciation where an expense is recorded but a cash disbursement does not take place. Balance sheet account disbursements are items that are included in the budget as expenditures, however they do not affect the "Combined Statement of Revenues, Expenses and Changes in Retained Earnings/Fund Balances – All Proprietary Fund types and Nonexpendable Trust Funds" (i.e. the operating statement) in the ACFR.
3. An example of these types of items would be inventory purchases, debt principal payments and capitalized labor and material costs.

Financial Policies

Adopted by Council Resolution 17-729

Statement of Purpose

The City of Independence has an important responsibility to our residents to carefully account for public funds, manage municipal finances wisely, and to develop a plan to adequately fund services and facilities desired and needed by the public. The financial integrity of our city government is of utmost importance and the codification of a set of financial policies is a key element in maintaining this integrity. The formalization of a set of financial policies for the city is consistent with the Council's adopted goal of ensuring city finances are stable and sustainable through control of long-term costs, optimization of resources, long-range financial planning and sound decision-making.

Written and adopted financial policies have many benefits such as assisting the City Council and City Manager in providing the financial management of the city, saving time and energy when discussing financial matters, engendering public confidence and providing continuity over time as City Council and staff members change. While these policies will periodically be reviewed and amended, they will provide the foundation and framework for many of the issues and decisions facing the City today and in the future. They will promote sound financial management and assist in the city's stability, efficiency and effectiveness.

In the past, the City of Independence has developed a variety of different types of financial policies, many of which have been maintained on a somewhat informal basis. These policies can be found in a variety of different locations, including Council Resolutions, Ordinances, Budget Documents, Capital Improvements Programs, etc. The financial policies listed below will establish consistent standards for the review of existing practices as well as the development of future financial plans.

The following policies are divided into seven major categories: General, Fund Balances, Debt, Financial Sustainability, Long Range Financial Planning, Monitoring – Accountability – control, and Investment of Funds.

A. General

- a. Compliance with Applicable Laws: The city shall comply with all applicable federal and state laws, the City Charter, and the Code of Ordinances with respect to the interpretation and application of these policies.
- b. Compliance with Governmental Standards: Policies and practices in financial reporting shall be consistent with Governmental Accounting Standards Board (GASB) standards.

B. Fund Balances

- a. Minimum Unrestricted and Unassigned Fund Balance & Working Capital: The City of Independence has determined it a sound financial practice to maintain adequate fund balances and working capital. Accordingly, the city will endeavor to maintain a minimum Unrestricted and Unassigned Fund Balance in the General Fund equal to 16% of annual operating revenues less one-time funds like grants or transfers.

The city has adopted separate risk-based methodology for Fund Balances in Enterprise Funds.

For Special Revenue Funds that are primarily designated for capital purposes and support limited personnel and ongoing operations, the city will endeavor to maintain an Unassigned Fund Balance of 5% of annual revenues.

For Special Revenue Funds that support personnel and ongoing operations as well as capital expenditures, the city will endeavor to maintain an Unassigned Fund Balance between 5% and 16% of annual revenues.

- b. Use of Fund Balance: Circumstances may arise which warrant the use of Unassigned or Unrestricted Fund Balances and working capital balances. These include revenue shortfalls, unanticipated cost increases, emergencies, grant matching, early debt retirement, major projects and expenditures beyond those created by only natural disasters. In such cases, any expenditures from the Unassigned or Unrestricted Fund Balance must be approved by the Council. The rationale for the expenditure must be documented as part of council action. Any unrestricted and unassigned funds in excess of target minimums may be expended to fund non-recurring expenditures.
- c. Recovery Plan: if, based on staff's analysis and forecasting, the target level of Unassigned Fund Balance reserve is not being met or is unlikely to be met at some point within a five-year time horizon, then during the annual budget process, a plan to replenish the Unassigned Fund Balance reserve should be established.

C. Debt

- a. Evaluation Criteria: The following will be used to evaluate pay-as-you-go versus debt financing in funding capital improvements and equipment:
 - i. Factors which favor pay-as-you-go financing including the following:
 - 1. Current revenues and fund balances are available.
 - 2. Phasing-in of projects is feasible.
 - 3. Additional debt levels would adversely affect the City's credit rating.
 - 4. Market conditions are unfavorable or suggest difficulties in marketing new debt.
 - ii. Factors which favor debt financing include the following:
 - 1. Revenues available for debt issues are considered sufficient and reliable so that long-term financing can be marketed with an appropriate credit rating, which can be maintained.
 - 2. Market conditions present favorable interest rates and demand for city debt financing.
 - 3. A project is mandated by state or federal government and current revenues, or fund balances are insufficient to pay project costs.
 - 4. A project is immediately required to meet or relieve capacity needs.
 - 5. The life of the project or asset financed is five years or longer.
 - 6. The life of the project or asset is less than five years, but short-term financing that does not exceed the useful life of the project or asset is feasible.

7. Cost savings can be achieved by completing improvements as a single large project rather than as a multi-year series of pay-as-you-go smaller projects.
 - b. Neighborhood Improvement District (NID) Debt: NID debt may be issued provided assessment payments are adequate to cover 100% of debt service and financing costs. The city will simultaneously apply any related economic development policies to evaluate the feasibility of the development project before issuing debt.
 - c. Early Debt Retirement: The city will endeavor, when possible, to retire bonds and other similar instruments early when sufficient revenues are accumulated and to refinance debt when a Net Present Value Savings of at least 3% exists.
 - d. Debt Term to Match Useful Life: Debt shall only be issued when the term of financing does not exceed the useful life of the asset for which the debt was issued.
 - e. City Debt Schedule: To ensure that long term debt obligations are sufficiently funded and accounted for, it is the city's policy to develop a comprehensive debt schedule which matches specific revenues to specific debt obligations for each year of the entire term of each source of debt.
 - f. Debt Coverage & Solvency: To demonstrate solvency, ensure sufficient revenues exist to retire debt issued and maintain favorable bond ratings, the city will endeavor to maintain a Debt Service Coverage Ratio (net operating income [revenue minus operating expenses excluding transfers] divided by total debt service payment) of at least 1.2.
 - g. Lease Purchase Financing: The city will lease-purchase items only if lease rates are less than the rate attained from investment return. In no event shall the city lease-purchase items with a useful life of less than the term of the lease.
 - h. Financial Advisor: To provide advice on the issuance of debt and related matters, the city will employ the services of an outside financial advisor. The financial advisor will assist the city in evaluating when debt should be sold through a competitive versus negotiated sale. Such factors in determining the form of sale include, but are not limited to, the complexity of the issue; the need for specialized expertise; maximizing savings in time or money; or circumstances in which market conditions or city credit are unusually volatile or uncertain. It is the city's policy that said financial advisor cannot also serve as the underwriter of municipal securities.
 - i. Statutory Limitations: The Missouri Constitution permits a city, by vote of two-thirds of the voting electorate, to incur general obligation indebtedness for city purposes not to exceed 10% of the assessed value of taxable tangible property. The city may issue additional debt not to exceed 10% of assessed valuation (20% total) for street and sewer improvements or purchasing or constructing water or electric utility plants.
- D. Financial Sustainability
- a. Financial Sustainability: To ensure financial sustainability in city programs and operations, it shall be the city's policy to apply one-time revenues to fund non-recurring expenditures. Similarly, personnel costs and on-going programs and operations will be funded with on-going, sustainable sources of revenue.

- b. **Priority Funding to Maintain Assets:** In preparing the annual budget, priority shall be given to providing adequate funding for maintenance, upkeep, and scheduled replacement of physical assets. The city will endeavor to establish funding levels to replace assets on a life-cycle basis. Enterprise Fund operations will endeavor to reflect, in budget appropriations, reinvest for the depreciation of assets.

E. Long Range financial Planning

- a. **5-Year Capital Improvement Plan:** The city will annually prepare a capital improvement plan that identifies its priorities and timeframe for undertaking capital projects and provides a financing plan for those projects. In order to ensure that proposed capital projects, their timing and their financing best meet the city's policies and plans, the capital improvement plan will:
 - i. Project at least five years into the future.
 - ii. Consider overall affordability in terms of both capital and operating costs; and
 - iii. Include a process that allows stakeholder involvement in prioritizing projects and review.
- b. **Long Range Planning of Financial Obligations:** The city will annually prepare a financial plan to assess the long-term financial implications of current and proposed policies, programs and assumptions in order to develop appropriate strategies to achieve its goals. The financial plan will consist of:
 - i. An analysis of financial trends.
 - ii. An assessment of problems or opportunities facing the city.
 - iii. A five-year forecast of revenues and expenditures.
 - iv. A review of cash flow requirements and appropriate fund balances to determine whether modifications are appropriate for the Fund Balance Reserve Policy; and
 - v. Any further analyses as may be appropriate.

F. Monitoring – Accountability – Control

- a. **Transfer of funds:** Department Directors, with the consent of the City Manager or his/her designee, may transfer funds between line items within the total budget appropriation of a particular budget in a fund. The City Manager may transfer unencumbered appropriation balances or parts thereof from any item of appropriation within a fund, department, office or agency to any other items of appropriation, including new items, within the same fund or department.
- b. **Reports:** It is the city's policy to produce monthly reports to verify that city departments are operating within the amount of appropriation, to compare actual income and expenses to budget estimates, to update year-end revenues and expense projections, and to develop, as soon as possible, strategies to meet financial challenges. Monthly reports to the City Manager from the Finance Department will also be provided to illustrate overall financial position of the city. A comprehensive annual financial report, as well as an annual audit, will also be produced.

- c. Spending: No expenditures may be made, or funds encumbered, unless consistent with adopted purchasing policies and expenditure procedures.
- d. Service Delivery Analysis: The city will seek to optimize the efficiency and effectiveness of its services to reduce costs and improve service quality. Alternative means of service delivery will be evaluated to ensure that quality services are provided to our residents at the most competitive and economical cost. Department directors, in cooperation with the City Manager's office, will identify all activities that could be provided by another source and review options/alternatives to current service delivery methods. The review of service delivery alternatives and the need for the service will be performed annually or on an "opportunity" basis.
- e. Grant Acceptance: The city shall actively pursue federal, state and other grant opportunities when deemed appropriate. Before accepting any grant, the city shall thoroughly consider all implications related to costs associated with complying with the terms of the grant agreement and the ongoing obligations that will be required in connection with the acceptance of the grant. In the event of reduced grant funding, city resources may be substituted only after all program priorities and alternatives are considered during the budget process. The City Manager will establish supplemental administrative policies to ensure appropriate coordination of grant applications and ensure grant compliance.
- f. Employee Staffing Levels: The addition of new positions will only be requested after service needs have been thoroughly examined and it is substantiated that the additional staffing will result in increased revenue, enhanced operating efficiencies, or the achievement of specific objectives approved by the Council. To the extent feasible, personnel cost reductions will be achieved through attrition and reassignment.
- g. Technology & Expertise: to ensure, to the greatest extent possible, accuracy in financial reporting, it is the city's policy to invest in necessary technology. It is also the city's policy to invest in training to develop staff expertise in financial reporting systems.

G. Investment of Funds

- a. The investment of city funds will be handled in accordance with the city's Statement of Investment Policy and Section 3.34(6) of the Charter of the City of Independence. Investments shall be undertaken in a manner that does not conflict with the Missouri Constitution Article IV, Section 5 on permitted investments or Section 30.270 of the Missouri Revised Statutes on permitted collateral.
- b. Safety of Principal: It is the city's policy that the foremost consideration in the city's investment strategy should be safety of the principal invested.
- c. Liquidity: It is the City's policy that the investment portfolio always remains sufficiently liquid to meet all operating requirements.
- d. Return: It is the city's policy that the investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, considering the investment risk constraints and liquidity needs. Return on investment is of secondary importance compared to the safety of principal and liquidity objectives described above.

Utility Cash Reserve Policy for Electric

Statement of Purpose

To help ensure financial stability, timely completion of capital improvements and enable the utility to meet requirements for large, unexpected expenditures, a targeted cash reserve policy should be established. The cash reserve policy establishes a target as well as a bandwidth amount of cash the utility should keep in reserve to address the operational and financial risks of the utility. Actual cash reserves may vary substantially above the minimum and is dependent on the life cycle of assets, future capital plan, rate setting policies, and debt policies.

Funds available for the Cash reserve target shall not include funds that are legally required for debt service or funds available but designated for other purposes. Those designations include but are not limited to purposes such as collateral posting requirements, customer deposits and advance payments as well as reserves established through power purchase contracts.

Methodology

The methodology outlined in this policy is based on certain assumptions related to:

- Revenue Risk
- Expense Risk
- Working Capital
- Capital Reserve

After the reserve minimum is determined, management should consider the target “in total” and not each individual category. Percentage risk factors for Revenue, Expense, Working Capital, and Capital Reserve will be subject to City Council review and approval as part of the annual budget process.

[Initial recommended risk factor percentages are included below for illustrative purposes for the current fiscal year]

Calculation and Risk Factors Used

General Sales Decrease Economic Recession

Purpose: Cover fixed costs due to large scale economic shock similar to the Great Recession of 2008-2012. The fixed costs represent the total amount of operating expenses historically assumed or experienced to be fixed and add debt service, the necessary 10% coverage of debt service as well as the PILOT to the City.

[The cash reserve will include 6.0% of fixed costs over a 12-month period]

Loss of Large (Top12) Customer

Purpose: Cover fixed costs due to loss of one of the Top 12 Customers. Can also represent loss of load due to distributed generation or renewable mandate.

[The cash reserve will include 2.0% of fixed costs over a 12-month period]

Off System Sales

Purpose: Address risk of loss in the “profit” of off-system sales

[The cash reserve will include up to 10% of adjusted margin for power marketing revenues.]

Interest Income

Purpose: Address risk of loss of interest income on invested cash.

[The cash reserve will include up to 100 basis points (1%) of interest income from short-term investments over a 12-month period]

Expense Risk

Unplanned Outage – Market Exposure

Purpose: Address market risk in Nebraska City Unit 2 has an unplanned outage.

[The cash reserve will include an assumed outage of 90 days at a capacity factor of 90% and an energy shortfall that IPL can hedge by 50%. The market price of power is assumed to be weekday peak]

Planned Outage – Market Exposure

Purpose: Address market risk in Nebraska City Unit 2 has planned outage.

[The cash reserve will include an assumed outage of 30 days at a capacity factor of 90% and an energy shortfall that IPL can hedge by 50%. The market price of power is assumed to be weekday peak]

Fuel (Natural Gas) Exposure

Purpose: Address risk for natural gas purchases.

[The cash reserve will include assumption that IPL annually needs 1.5 million MMBtu of natural gas and the market price is higher than the budgeted amount by \$1.74 per MMBtu (representing the historical standard deviation in the natural gas market)]

Power Purchases and Capacity Expense

Purpose: Address market risk for power and capacity purchases.

[The cash reserve will include an assumption that IPL needs 1.7 million MWhs annually, that 50% of this need is hedged with long term agreements and the price for the remaining needs is at the “Weekday Off Peak” rate]

Renewable Energy Expense

Purpose: Address risk that wind and solar resources have higher capacity factors.

[The cash reserve will include an assumption of an assumed wind energy capacity factor of 40% at \$20 per MWh cost differential for 12-months]

Working Capital

Purpose: Represents a level of cash on hand to address the billing cycle (up to 60 days to convert MWhs delivered to an account receivable to cash) and uncertainty.

[The cash reserve will include up to an assumption of 90 days of working capital]

Capital Reserve

Purpose: Represents a level of cash on hand to allow for the flexible execution of both routine and unexpected capital projects.

[The cash reserve will include up to the average annual depreciation levels for previous six years]

Targeted Cash Reserve Calculation

The targeted cash reserve calculation considers the risk “in total” and not each individual category.

If certain events occur that results in cash reserves falling below the targeted cash reserve levels, the Manager should make recommendations to the City Council to restore cash reserves to the targeted levels over the subsequent three years. These actions may include several options:

- Rate adjustments
- Cost reductions
- Issuance of bonds to fund capital improvement programs rather than the use of “PayGo”.
- Modification of the assumptions used to determine the cash reserve levels.

It is important to emphasize this is a recommended targeted cash reserve. Actual cash reserves may vary substantially above the target and is dependent of the life cycle of assets, future capital plan, rate setting policies, and debt policies. The cash reserve calculation should be updated annually as part of the budget process.

Utility Cash Reserve Policy for Water

Statement of Purpose

To help ensure financial stability, timely completion of capital improvements and enable the utility to meet requirements for large, unexpected expenditures, a targeted cash reserve policy should be established. The cash reserve policy establishes a target as well as a bandwidth amount of cash the utility should keep in reserve to address the operational and financial risks of the utility. Actual cash reserves may vary substantially above the minimum and is dependent on the life cycle of assets, future capital plan, rate setting policies, and debt policies.

Funds available for the Cash reserve target shall not include funds that are legally required for debt service or funds available but designated for other purposes.

Methodology

The methodology outlined in this policy is based on certain assumptions related to:

1. Revenue Risk
2. Expense Risk
3. Working Capital
4. Capital Reserve

After the reserve minimum is determined, management should consider the target “in total” and not each individual category. Percentage risk factors for Revenue, Expense, Working Capital, and Capital Reserve will be subject to City Council review and approval as part of the annual budget process. **[Initial recommended risk factor percentages are included below for illustrative purposes for the current fiscal year]**

Calculation and Risk Factors Used

Revenue Risk

General Sales Decrease Economic Recession

Purpose: Cover fixed costs due to large scale economic shock like the Great Recession of 2008- 2012. The fixed costs represent the total amount of operating expenses historically assumed or experienced to be fixed and add debt service, the necessary 10% coverage of debt service as well as the PILOT to the City.

[The cash reserve will include 8.0% of fixed costs over a 12-month period]

Loss of Large Wholesale Customer

Purpose: Cover fixed costs due to the loss of one of the wholesale customers and represents loss of sales due to conservation efforts.

[The cash reserve will include 5.0% of fixed costs over a 12-month period]

Loss of Large Commercial Customer

Purpose: Cover fixed costs due to the loss of one of the larger customers of the department.

[The cash reserve will include 0.1% of fixed costs over a 12-month period]

Loss of Sales for Resale and Other Revenue

Purpose: There is a profit margin associated with resale sales and this profit can subsidize the operations of the utility.

[The cash reserve will include an assumed 10% reduction in profit margin over a 12-month period]

Interest Income

Purpose: Address risk of loss of interest income on invested cash.

[The cash reserve will include up to 100 basis points (1%) of interest income from short-term investments over a 12-month period]

Expense Risk

Power and Pumping

Purpose: Address market risk of electric power needed by the Department. Electric power is a commodity and subject to market and seasonal risks.

[The cash reserve will include a \$10 per MWh standard deviation on Annual MWh over a 12-month period]

Other expenses – including Chemicals

Purpose: Address inflationary risk of operating expenses incurred by the department.

[The cash reserve will include a 1% inflation rate of operating expenses over a 6-month period]

Working Capital

Purpose: Represents a level of cash on hand to address the billing cycle (up to 60 days to convert water treatment and delivery costs to an account receivable to cash).

[The cash reserve will include up to an assumption of 90 days of working capital]

Capital Reserve

Purpose: Represents a level of cash on hand to allow for the flexible execution of both routine and unexpected capital projects.

[The cash reserve will include up to the average annual depreciation levels]

Targeted Cash Reserve Calculation

The targeted cash reserve calculation considers the risk “in total” and not each individual category. The recommended level is \$15.3 million.

If certain events occur that results in cash reserves falling below the targeted cash reserve levels, the Manager should make recommendations to the City Council to restore cash reserves to the targeted levels over the subsequent three years. These actions may include several options:

- rate adjustments
- cost reductions
- issuance of bonds to fund capital improvement programs rather than the use of “PayGo”.
- funds on hand
- modification of the assumptions used to determine the cash reserve levels.

It is important to emphasize this is a recommended targeted cash reserve. Actual cash reserves may vary substantially above the target and is dependent of the life cycle of assets, future capital plan, rate setting policies, and debt policies. The cash reserve calculation should be updated annually as part of the budget process.

Utility Cash Reserve Policy for Water Pollution Control (Sanitary Sewer)

Statement of Purpose

To help ensure financial stability, timely completion of capital improvements and enable the utility to meet requirements for large, unexpected expenditures, a targeted cash reserve policy should be established. The cash reserve policy establishes a target as well as a bandwidth amount of cash the utility should keep in reserve to address the operational and financial risks of the utility. Actual cash reserves may vary substantially above the minimum and is dependent on the life cycle of assets, future capital plan, rate setting policies, and debt policies.

Funds available for the Cash reserve target shall not include funds that are legally required for debt service or funds available but designated for other purposes.

Methodology

The methodology outlined in this policy is based on certain assumptions related to:

1. Revenue Risk
2. Expense Risk
3. Working Capital
4. Capital Reserve

After the reserve minimum is determined, management should consider the target “in total” and not each individual category. Percentage risk factors for Revenue, Expense, Working Capital, and Capital Reserve will be subject to City Council review and approval as part of the annual budget process. **[Initial recommended risk factor percentages are included below for illustrative purposes for the current fiscal year]**

Calculation and Risk Factors Used

Revenue Risk

General Sales Decrease Economic Recession

Purpose: Cover fixed costs due to large scale economic shock like the Great Recession of 2008- 2012. The fixed costs represent the total amount of operating expenses historically assumed or experienced to be fixed and add debt service, the necessary 10% coverage of debt service as well as the PILOT to the City.

[The cash reserve will include 7.00% of fixed costs over a 12-month period]

Loss of Top Customer

Purpose: Cover fixed costs due to the loss of one of the top customers and also represents loss of sales due to conservation efforts.

[The cash reserve will include 3.1% of fixed costs over a 12-month period]

Interest Income

Purpose: Address risk of loss of interest income on invested cash.

[The cash reserve will include up to 100 basis points (1%) of interest income from short-term investments over a 12-month period]

*Expense Risk***Treatment and Disposal**

Purpose: Address risk of an increase in the cost of treatment and disposal.

[The cash reserve will include a 3.0% assumed variance on an increase in treatment and disposal over a 12-month period]

Other expenses – Collection, Lab Services and Administration & General

Purpose: Address risk of operating expenses incurred by the department.

[The cash reserve will include a 1% assumed variance for a small increase in operating expenses over a 12-month period]

Working Capital

Purpose: Represents a level of cash on hand to address the billing cycle (up to 60 days to convert WPC treatment and delivery costs to an account receivable to cash).

[The cash reserve will include up to an assumption of 90 days of working capital]

Capital Reserve

Purpose: Represents a level of cash on hand to allow for the flexible execution of both routine and unexpected capital projects.

[The cash reserve will include up to the average annual depreciation levels]

Targeted Cash Reserve Calculation

The targeted cash reserve calculation considers the risk “in total” and not each individual category. The recommended level is \$16.5 million.

If certain events occur that results in cash reserves falling below the targeted cash reserve levels, the Manager should make recommendations to the City Council to restore cash reserves to the targeted levels over the subsequent three years. These actions may include several options:

- rate adjustments
- cost reductions
- issuance of bonds to fund capital improvement programs rather than the use of “PayGo”
- funds on hand
- modification of the assumptions used to determine the cash reserve levels.

It is important to emphasize this is a recommended targeted cash reserve. Actual cash reserves may vary substantially above the target and is dependent of the life cycle of assets, future capital plan, rate setting policies, and debt policies. The cash reserve calculation should be updated annually as part of the budget process.

Glossary

Accrual Basis of Accounting – A method of accounting by which transactions are recognized when they occur, regardless of the timing of cash receipts and disbursements.

Accounting System – The collective set of records and procedures used to record, classify, and report information on the financial status and operations of the city. The city currently uses Munis.

Accounts Payable – Amounts owed by the city to external entities for goods and services received.

Accounts Receivable – Amounts due to the city from external entities for goods and services.

Adopted Budget – The title of the budget following its formal adoption by resolution of the City Council.

Ad Valorem – In proportion to value, a basis for levy of taxes on property.

Appropriation – The legal authorization by the City Council to make expenditures and incur obligations for specific purposes, usually limited in the amount and the time in which it may be expended.

Assessed Valuation – A dollar value placed on real estate or other property by the Jackson County as a basis for levying property taxes.

Asset Management – Lifecycle management of an infrastructure asset to provide the required level of service in the most cost-effective manner. Activities include project planning, design and construction, commissioning, operations and maintenance, repair, replacement, upgrade, restoration, modernization, or refurbishment and decommissioning or disposal.

Audit, external – An examination of city records and accounts by an external source to check

their validity and accuracy. A systematic collection of the sufficient, competent evidential matter needed to attest to the fairness of management's assertions in the financial statements or to evaluate whether management has efficiently and effectively carried out its responsibilities.

Audit, internal – An examination of city records and/or processes by an internal source to provide an assessment to improve the economy, efficiency, and effectiveness of city government.

Balanced Budget – A budget in which planned expenditures do not exceed planned funds available. For budgeting purposes, the use of contingency reserves or use of fund balance will be considered revenue in defining a balanced budget.

Beginning/Ending Fund Balance – Unencumbered resources available in a fund from the prior/current year after payment of the prior/current year expenses.

Bond – A certificate of debt issued by an entity, guaranteeing payment of the original investment, City of Independence Proposed Budget FY 2022-23 Page 227 plus interest, by a specified future date.

Budget – An annual financial plan that identifies revenues, types and levels of services to be provided, and the amount of funds that can be spent. Independence's Operating Budget encompasses one fiscal year, as does the Capital Improvement Program appropriation.

Budget Adjustment – This is a supplemental increase or decrease to the approved budget approved by the City Council via a resolution or meeting minute motion. **Budget Calendar** – The schedule of key dates or milestones which a government follows in the preparation and adoption of the budget.

Budget Document – The official written statement prepared by the Finance Department and supporting staff, which represents the proposed budget to the legislative body.

Capital Assets – Purchases or acquisitions of assets with an initial individual cost of more than \$10,000 and an estimated useful life more than one year. Categories include land, buildings, equipment, infrastructure assets (roads, bridges, traffic signals, water and sewer systems, drainage systems) and other similar categories.

Capital Improvement Program (CIP) – A multi-year financial plan containing proposed construction of physical assets such as park, street, water, sewer, and recreation facilities.

Capital Project Funds – Funds that are utilized to account for resources used for the acquisition and construction of capital facilities by the city, except for those assets financed by proprietary funds.

Capital Outlay – Equipment (fixed assets) with a value \$1,000 or more and an estimated useful life of more than one year, such as automobiles and office furniture, which appear in the operating budget.

Community Development Block Grant (CDBG) – Funds allocated to local government from the federal government, usually through a local clearinghouse based on a formula, but required to be applied for and used within a broad functional area such as community development.

Community Facilities District (CFD) – A designated area for specific capital improvements installed by the city or a developer, or the maintenance of the same. The property owners receiving the benefit of the improvements pay an assessment on their property tax bills.

CID – Community Improvement District.

Comprehensive Annual Financial Report (CAFR) – Audited financial statements submitted to the Mayor, City Council, and City Manager by the Finance Director on an annual basis. Consumer Price Index (CPI) – A statistical description of price levels provided by the U.S. Department of Labor. The change in this index from year to year is used to measure the cost of living and economic inflation.

Cost Allocation – A method used to charge General Fund overhead costs to other funds, such as Enterprise funds and Internal Service funds.

Debt Service – The payment of principal and interest on borrowed funds such as bonds.

Deficit – When the expenditures of a government are greater than its taxes and other revenues.

Deferred Maintenance – A backlog of needed repairs to city facilities including facility maintenance, painting and structural repairs.

Depreciation – The expense incurred with the expiration of a capital asset.

Direct Costs – Operational expenditures exclusive to a specific service or program.

Discretionary Revenue – Revenue received or collected which is not restricted in use and can be used for any city expenditure.

DNR – Department of Natural Resources.

Encumbrance – A legal obligation to pay funds, an expenditure of which has not yet occurred. The designation or reserving of funds to buy an item or service.

Enterprise Fund – A fund type established to account for the total costs of selected governmental facilities and services that are operated like private enterprises and supported directly by fees and charges to

users such as sewer services and are intended to be entirely self-supported.

Estimated Revenue – The revenue projected or estimated to be received during a fiscal period.

Expenditure – The spending of funds set aside by appropriation for identified goods and services.

Fee – A general term used for any charge levied by government for providing a service or permitting an activity.

Fines & Forfeitures – Revenues received and/or bail monies forfeited upon conviction of a misdemeanor or municipal infraction.

Fiscal Year – 12-month period designated as the budget year. The City of Independence's fiscal year is July 1 to June 30.

Fringe Benefits – This consists of the costs to provide employee benefits that include insurance and retirement and other miscellaneous benefits.

Full-time Equivalent (FTE) – The hours worked by one employee on a full-time basis, used to convert the hours worked by several part-time employees into the hours worked by full-time employees. One full-time position equates to 2,080 annual hours, and two employees each working 1,000 annual hours equals 1.0 full-time equivalent employee.

Full Time Position – A position where the employee works a full schedule as defined by the city, receives the benefits for full-time employees, and is covered by employment laws. One full-time position equates to 2,080 annual hours.

Fund – A set of interrelated accounts to record revenues and expenditures associated with a specific purpose.

Fund Balance – The number of financial resources available for use, or the excess of an

entity's assets over its liabilities. A negative fund balance is sometimes referred to as a deficit.

Generally Accepted Accounting Principles (GAAP) – A combination of authoritative standards (set by policy boards) and the commonly accepted ways of recording and reporting accounting information. GAAP aims to improve the clarity, consistency, and comparability of the communication of financial information.

General Fund – The primary fund used by the city for which revenues and expenditures are not legally restricted for use. Examples of departments operating within the General Fund include Fire, Library, Parks & Recreation and Police.

GFOA – Government Finance Officers Association.

Governmental Accounting Standards Board (GASB) – Establishes and improves standards of states and local governmental accounting and financial reporting that will result in useful information for users of financial reports and guide and educate the public, including issuers, auditors, and users of those financial reports.

Grant – Contributions of cash or other assets from another agency to be used or expended for a specified purpose, activity, or facility.

Indirect Cost – Costs that are essential to the operation of the city but not exclusive to any specific service or program. Indirect costs are primarily associated with support departments such as City Clerk, City Attorney, City Administration, Human Resources, and Finance.

Infrastructure – Public domain fixed assets including roads, curbs, gutters, sidewalks, drainage systems, lighting systems and other items that have value only to the city.

Interest Expense – Interest costs paid on loans and bonds.

Interfund Transfers – Payments from one fund to another fund, primarily for work or services provided.

Internal Service Fund – A fund that provides services to all city departments and bills the various other funds for services rendered.

Investment – Securities and real estate purchased and held to produce income in the form of interest, dividends, rentals, and base payments.

IFD – Independence Fire Department

IPD – Independence Police Department

IPL – Independence Power and Light

LAGERS – Local Government Employees Retirement System.

Long-Term Debt – Debt with a maturity of more than one year after the date of issue.

Mandated Program – A requirement by the State or Federal government that the city perform a task, perform a task a particular way or perform a task to meet a particular standard, often without compensation from the higher level of government.

Maintenance and Operations – A general category used for classifying expenditures for materials, supplies, and services that are normally used within the fiscal year.

Modified Accrual Basis of Accounting – A method of accounting in which revenues are recognized in the period they become available and measurable, and expenditures are recognized in the period the associated liability is incurred.

MODOT – Missouri Department of Transportation.

Municipal – In its broadest sense, an adjective which denotes the state and all subordinate units of government. In a more restricted sense, an adjective which denotes a city or village as opposed to other local governments.

Municipal Code – A collection of ordinances approved by City Council.

One-time Expenditures and/or Revenues – Used for one-time projects or services. After the project or service is completed, expenditures and/or revenues are terminated and are not considered part of the budget for the following year.

Operating Budget – The annual appropriation of funds for ongoing program costs, which include salaries, benefits, maintenance, operation, and capital outlay items.

Operating Costs – Estimated on-going expenses that can be expected to occur following the construction of a Capital Improvement Project.

Ordinance – A formal legislative enactment by the City Council.

Object Code – Refers to the specific expense or revenue category within the accounting structure.

Organization Key (Org key) – Refers to the specific assigned org key in the accounting structure. Each division has multiple organization (org) keys to refer to each program.

Performance Measures – Process of collecting, analyzing and/or reporting regarding the accomplishments toward a goal by department.

Personnel – Costs associated with providing the staff necessary to provide the desired levels of City of Independence Adopted Budget FY 2024-25. Included are both salary and benefit costs.

Proposed Budget – The title of the budget prior to its formal adoption by resolution of the City Council.

Proprietary Funds – Accounts for services for which the city charges a fee, internally and externally. There are two types of proprietary funds, enterprise and internal service.

Program Revenue – Revenues generated by a given activity.

Reserves – A separate fund balance classification maintained for restricted use, i.e., fiscal sustainability or economic stabilization; or for unrestricted use to protect the city from emergencies or unanticipated expenditures.

Resolution – A special order of the City Council that requires less legal formality than an Ordinance.

Revenues – Amount of funds received from the collection of taxes, fees, permits, licenses, interest, and grants during the fiscal year.

Special Assessment – A compulsory levy made against certain properties to defray all, or part of the cost of a specific capital improvement or service deemed to benefit primarily those properties.

Special Revenue Funds – A fund that collects revenues that are restricted by the city, state, or federal government, used to account for the revenue derived from specific taxes or other earmarked revenue sources (other than for major capital projects) that are restricted by law or administrative action to expenditures for specified purposes.

Surplus – When revenues exceed expenditures in a given fiscal year.

Tax Levy – The resultant product when the tax rate per one hundred dollars is multiplied by the tax base.

Taxes – Mandatory charges levied by a governmental unit for the purpose of financing services performed for the common benefit.

Tax Increment Financing Districts (TIF) – A geographical area or district created under Missouri law to encourage development of the area within its boundaries by the reinvestment of half of the incremental tax growth generated by property value increases and new development within the district.

Transfers – Legally authorized financial transaction occurring between a fund receiving revenue to the fund through which the resources are to be expended.

Transportation Development District (TDD) – A geographical area or district created under Missouri law to encourage development of the area within its boundaries by imposing sales tax.

Undesignated Fund Balance – That portion of the fund balance that has neither been restricted nor designated for a specific purpose. The account is available for general appropriation.

User Fees – Fees charged to users of a particular service provided by the City.

Working Capital (Designated) – An account within the fund balance of the General Fund in which resources were set aside for purposes of maintaining positive cash flow, shortfalls in the revenue projections, and emergencies during the fiscal year.

APPENDIX D

FORMS OF CERTAIN LEGAL DOCUMENTS

Trust Indenture

Financing Agreement

Continuing Disclosure Undertaking

BOND TRUST INDENTURE

Dated as of May 1, 2025

Between

MISSOURI DEVELOPMENT FINANCE BOARD

**UMB BANK, N.A.,
as Trustee**

Relating to:

**\$46,825,000
Missouri Development Finance Board
Infrastructure Facilities Revenue Bonds
(City of Independence, Missouri - Public Safety Projects)
Series 2025A**

BOND TRUST INDENTURE

	<u>Page</u>
Parties.....	1
Recitals.....	1
Granting Clauses.....	1

ARTICLE I DEFINITIONS AND RULES OF CONSTRUCTION

Section 101.	Definitions of Words and Terms.....	2
Section 102.	Rules of Construction	9

ARTICLE II THE BONDS

Section 201.	Authorization, Amount and Title of Bonds	10
Section 202.	Authorization of Series 2001 Bonds.....	10
Section 203.	Authorization of Additional Bonds.....	12
Section 204.	Method and Place of Payment	14
Section 205.	Form, Denomination, Numbering and Dating	15
Section 206.	Execution and Authentication.....	15
Section 207.	Registration, Transfer and Exchange.....	16
Section 208.	Temporary Bonds	17
Section 209.	Mutilated, Destroyed, Lost and Stolen Bonds	17
Section 210.	Cancellation of Bonds.....	18
Section 211.	Book-Entry Bonds; Securities Depository.....	18

ARTICLE III REDEMPTION OF BONDS

Section 301.	Redemption of Bonds Generally.....	19
Section 302.	Redemption of Series 2015C Bonds.....	19
Section 303.	Election to Redeem; Notice to Trustee	20
Section 304.	Selection by Trustee of Bonds to be Redeemed	21
Section 305.	Notice of Redemption.....	21
Section 306.	Deposit of Redemption Price	22
Section 307.	Bonds Payable on Redemption Date.....	22
Section 308.	Bonds Redeemed in Part.....	22

ARTICLE IV FUNDS AND ACCOUNTS AND APPLICATION OF BOND PROCEEDS AND OTHER MONEYS

Section 401.	Creation of Funds and Accounts.....	23
Section 402.	Deposit of Bond Proceeds and Other Moneys	23
Section 403.	Project Fund.....	24
Section 404.	Debt Service Fund	25
Section 405.	Rebate Fund	26
Section 406.	Payments Due on Saturdays, Sundays and Holidays.....	26
Section 407.	Nonpresentment of Bonds	26
Section 408.	Records and Reports of Trustee.....	27

ARTICLE V SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS

Section 501.	Moneys to be Held in Trust	27
Section 502.	Investment of Moneys	27

ARTICLE VI
GENERAL COVENANTS AND PROVISIONS

Section 601.	Board to Issue Bonds and Execute Indenture	28
Section 602.	Limited Obligations	28
Section 603.	Payment of Bonds.....	28
Section 604.	Performance of Covenants.....	28
Section 605.	Inspection of Books	29
Section 606.	Enforcement of Rights	29
Section 607.	Amendments to the Financing Agreement	29
Section 608.	Tax Covenants	29
Section 609.	Certain Information and Opinions to be Provided to the Board	29
Section 610.	Continuing Disclosure	30

ARTICLE VII DEFAULT AND REMEDIES

Section 701.	Events of Default	30
Section 702.	Acceleration of Maturity; Rescission and Annulment.....	31
Section 703.	Exercise of Remedies by the Trustee.....	31
Section 704.	Trustee May File Proofs of Claim	32
Section 705.	Limitation on Suits by Bondowners	33
Section 706.	Control of Proceedings by Bondowners	34
Section 707.	Application of Moneys Collected	34
Section 708.	Rights and Remedies Cumulative.....	35
Section 709.	Delay or Omission Not Waiver.....	35
Section 710.	Waiver of Past Defaults	35

ARTICLE VIII

THE TRUSTEE

Section 801.	Acceptance of Trusts; Certain Duties and Responsibilities	36
Section 802.	Certain Rights of Trustee	37
Section 803.	Notice of Defaults	39
Section 804.	Compensation and Reimbursement	39
Section 805.	Corporate Trustee Required; Eligibility.....	40
Section 806.	Resignation and Removal of Trustee.....	40
Section 807.	Appointment of Successor Trustee	41
Section 808.	Acceptance of Appointment by Successor.....	41
Section 809.	Merger, Consolidation and Succession to Business.....	42
Section 810.	Co-Trustees and Separate Trustees.....	42
Section 811.	Designation of Paying Agents	43
Section 812.	Advances by Trustee.....	43

ARTICLE IX

SUPPLEMENTAL INDENTURES

Section 901.	Supplemental Indentures without Consent of Bondowners.....	44
Section 902.	Supplemental Indentures with Consent of Bondowners	44
Section 903.	Execution of Supplemental Indentures	45
Section 904.	Effect of Supplemental Indentures.....	45
Section 905.	Reference in Bonds to Supplemental Indentures	45
Section 906.	City Consent to Supplemental Indentures.....	46

ARTICLE X

SATISFACTION AND DISCHARGE

Section 1001.	Payment, Discharge and Defeasance of Bonds.....	46
Section 1002.	Satisfaction and Discharge of Indenture	47
Section 1003.	Rights Retained After Discharge	47

ARTICLE XI
NOTICES, CONSENTS AND OTHER ACTS

Section 1101.	Notices	48
Section 1102.	Acts of Bondowners.....	49
Section 1103.	Form and Contents of Documents Delivered to Trustee.....	49
Section 1104.	Compliance Certificates and Opinions	50

ARTICLE XII
MISCELLANEOUS PROVISIONS

Section 1201.	Further Assurances	51
Section 1202.	Immunity of Officers, Directors, Employees and Members of Board.....	51
Section 1203.	Limitation on Board Obligations	51
Section 1204.	Benefit of Indenture	52
Section 1205.	No Pecuniary Liability	52
Section 1206.	Severability	52
Section 1207.	Execution in Counterparts	52
Section 1208.	Governing Law	52
Section 1209.	Electronic Storage of Documents	52
Section 1210.	Anti-Discrimination	52
Section 1211.	Provisions Relating to Bond Insurance.....	53

Signatures and Seals.....	S-1
---------------------------	-----

Exhibit A - The Projects	A-1
Exhibit B - Form of Bonds	B-1
Exhibit C - Form of Disbursement Request – Costs of Issuance Fund	C-1
Exhibit D - Form of Disbursement Request – Project Fund	D-1
Exhibit E - Provisions Relating to Bond Insurance	E-1

BOND TRUST INDENTURE

THIS BOND TRUST INDENTURE (the “Indenture”), dated as of May 1, 2025, between the **MISSOURI DEVELOPMENT FINANCE BOARD**, a body politic and corporate and a public instrumentality duly organized and existing under the laws of the State of Missouri (the “Board”), and **UMB BANK, N.A.**, a national banking association duly organized and existing under the laws of the State of Missouri, and having its payment office located in the City of Kansas City, Missouri, as trustee (the “Trustee”).

RECITALS

1. The Board is authorized and empowered under the Missouri Development Finance Board Act, Sections 100.250 to 100.297, inclusive, of the Revised Statutes of Missouri, as amended (“Act”), to issue revenue bonds for the purpose of providing funds to finance and refinance the costs of certain “projects” as defined in the Act (which includes “infrastructure facilities,” as defined in the Act to include public facilities and any other improvements provided by any form of government) and to pay certain costs related to the issuance of such revenue bonds.

2. The City of Independence, Missouri (the “City”) has requested that the Board assist in the financing of the Projects described herein through the issuance under this Indenture of the Board’s Infrastructure Facilities Revenue Bonds, being collectively described as the Infrastructure Facilities Revenue Bonds (City of Independence, Missouri - Public Safety Projects), Series 2025A, in the principal amount of \$46,825,000 (the “Series 2025A Bonds”), the proceeds of which Bonds will be applied as described herein and in the Financing Agreement hereinafter described to provide funds to (a) finance the improvements described in **Exhibit A** hereto (the “Projects”) and (b) pay certain costs related to the issuance of the Series 2025A Bonds, all as more fully described herein and in the Financing Agreement.

3. The governing body of the Board adopted and approved a resolution on March 18, 2025, authorizing the Board to issue the Bonds pursuant to this Indenture for the above purposes.

4. Pursuant to such resolution, the Board is authorized (a) to execute and deliver this Indenture for the purpose of issuing and securing the Series 2025A Bonds and any Additional Bonds (collectively, the “Bonds”) as hereinafter provided and (b) to enter into a Financing Agreement dated as of May 1, 2025 (the “Financing Agreement”), between the Board and the City, under which the Board will loan the proceeds of the Bonds to the City in accordance with the provisions of the Financing Agreement to finance the Projects, in consideration of payments to be made by the City to the Trustee which are, subject to annual appropriation as provided therein, to be sufficient to pay the principal of, redemption premium, if any, and interest on the Bonds as the same become due.

5. All things necessary to make the Bonds, when authenticated by the Trustee and issued as provided in this Indenture, the valid, legal and binding obligations of the Board, and to constitute this Indenture a valid, legal and binding pledge and assignment of the property, rights, interests and revenues made herein for the security of the payment of the Bonds, have been done and performed, and the execution and delivery of this Indenture and the execution and issuance of the Bonds, subject to the terms of this Indenture, have in all respects been duly authorized.

GRANTING CLAUSES

To declare the terms and conditions upon which Bonds are to be authenticated, issued and delivered and to secure the payment of all of the Bonds issued and Outstanding under this Indenture from

time to time according to their tenor and effect and to secure the performance and observance by the Board of all the covenants, agreements and conditions contained in this Indenture and in the Bonds, and in consideration of the premises, the acceptance by the Trustee of the trusts created by this Indenture, the purchase and acceptance of the Bonds by the owners thereof, the Board hereby transfers in trust, pledges and assigns to the Trustee, and hereby grants a security interest to the Trustee in, the property described in paragraphs (a), (b) and (c) below (said property referred to herein as the “Trust Estate”):

(a) All rights, title and interest of the Board (including, but not limited to, the right to enforce any of the terms thereof) in, to and under (1) the Financing Agreement, including, without limitation, all Loan Payments and other payments to be received by the Board and paid by the City under and pursuant to and subject to the provisions of the Financing Agreement (except for the Unassigned Board’s Rights), and (2) all financing statements or other instruments or documents evidencing, securing or otherwise relating to the loan of the proceeds of the Bonds; and

(b) All moneys and securities (except moneys and securities held in the Rebate Fund) from time to time held by the Trustee under the terms of this Indenture; and

(c) Any and all other property (real, personal or mixed) of every kind and nature from time to time, by delivery or by writing of any kind, pledged, assigned or transferred as and for additional security under this Indenture by the Board or by anyone in its behalf or with its written consent, to the Trustee, which is hereby authorized to receive any and all such property at any and all times and to hold and apply the same subject to the terms hereof.

The Trustee shall hold in trust and administer the Trust Estate, upon the terms and conditions set forth in this Indenture for the equal and pro rata benefit and security of each and every owner of Bonds, without preference, priority or distinction as to participation in the lien, benefit and protection of this Indenture of one Bond over or from the others, except as otherwise expressly provided herein.

NOW, THEREFORE, the Board covenants and agrees with the Trustee, for the equal and proportionate benefit of the respective owners of the Bonds, that all Bonds are to be issued, authenticated and delivered and the Trust Estate is to be held and applied by the Trustee, subject to the further covenants, conditions and trusts hereinafter set forth, as follows:

ARTICLE I

DEFINITIONS AND RULES OF CONSTRUCTION

Section 101. Definitions of Words and Terms. For all purposes of this Indenture, except as otherwise provided or unless the context otherwise requires, the following words and terms used in this Indenture shall have the following meanings:

“**Act**” means the Missouri Development Finance Board Act, Sections 100.250 to 100.297, inclusive, of the Revised Statutes of Missouri, et seq., as from time to time amended.

“**Additional Bonds**” means any additional parity Bonds issued by the Board pursuant to **Section 203** of this Indenture that stand on a parity and equality under this Indenture with the Series 2025A Bonds.

“Additional Payments” means the Additional Payments described in **Section 3.4** of the Financing Agreement.

“Authorizing Ordinance” means Ordinance No. 19662 of the City passed on April 7, 2025.

“Board” means the Missouri Development Finance Board created by the Act, and its successors and assigns or any body, agency or instrumentality of the State of Missouri succeeding to or charged with the powers, duties and functions of the Board.

“Board Representative” means the Chairman, Vice Chairman, President or Executive Director of the Board, and any other duly authorized officer of the Board whose authority to execute any particular instrument or take a particular action under this Indenture or the Financing Agreement shall be evidenced by a written certificate furnished to the City and the Trustee containing the specimen signature of such person or persons and signed on behalf of the Board by its Chairman or Executive Director.

“Bond” or **“Bonds”** means the Series 2025A Bonds and any Additional Bonds issued pursuant to **Section 203** of this Indenture.

“Bond Issuance Date” means May 27, 2025.

“Business Day” means a day on which the Trustee and any Paying Agent shall be scheduled in the normal course of its operations to be open to the public for conduct of its banking operations.

“Cede & Co.” means Cede & Co., as nominee of The Depository Trust Company, New York, New York.

“City” means the City of Independence, Missouri, a constitutional charter city and political subdivision of the State of Missouri and its successors and assigns.

“City Representative” means the City Manager, the Director of Finance or the City Counselor, and any other duly authorized official of the City whose authority to execute any particular instrument or take a particular action under this Indenture or the Financing Agreement shall be evidenced by a written certificate furnished to the Board and the Trustee containing the specimen signature of such person or persons and signed on behalf of the City by the City Manager.

“Continuing Disclosure Undertaking” means the Continuing Disclosure Undertaking dated as of May 1, 2025 for the benefit of holders of the Bonds, as from time to time amended in accordance with the provisions thereof.

“Costs of Issuance” means issuance costs with respect to the Bonds, including but not limited to the following:

- (a) underwriter’s spread (whether realized directly or derived through purchase of Bonds at a discount below the price at which they are expected to be sold to the public);
- (b) counsel fees (including bond counsel, disclosure counsel, City’s counsel, Board’s counsel, underwriter’s counsel, as well as any other specialized counsel fees incurred in connection with the borrowing);

- (c) financial advisor fees of any financial advisor to the Board or the City incurred in connection with the issuance of the Bonds;
- (d) rating agency fees;
- (e) trustee, escrow agent and paying agent fees;
- (f) accountant fees and other expenses related to issuance of the Bonds;
- (g) printing costs (for the Bonds and of the preliminary and final Official Statement relating to the Bonds);
- (h) fees and expenses of the Board incurred in connection with the issuance of the Bonds; and
- (i) fees and expenses, including the premium, relating to any bond insurance policy issued to secure payments on the Bonds.

“Costs of Issuance Fund” means the fund by that name created by **Section 401** hereof.

“Costs of the Projects” means costs permitted under the Act to be paid out of proceeds of Series 2025A Bonds with respect to the Projects, including the total of all reasonable or necessary expenses incidental to the acquisition, construction, renovation, furnishing and equipping of the Projects, all other necessary and incidental expenses, and any other costs permitted by the Act.

“Debt Service Fund” means the fund by that name created by **Section 401** of this Indenture.

“Default” means any event or condition which constitutes, or with the giving of any requisite notice or upon the passage of any requisite time period or upon the occurrence of both would constitute, an Event of Default.

“Defeasance Obligations” means:

- (a) Government Obligations which are not subject to redemption prior to maturity;
or
- (b) Cash (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with Government Obligations).

“Environmental Regulations” means any federal, state or local law, statute, code, ordinance, regulation, requirement or rule defining and governing dangerous, toxic or hazardous pollutants, contaminants, chemicals, materials, or substances.

“Event of Default” means any event of default as defined in **Section 701** hereof.

“Event of Nonappropriation” means failure of the City to budget and appropriate on or before the last day of any Fiscal Year, moneys sufficient to pay the Loan Payments and reasonably expected Additional Payments due and payable during the next Fiscal Year.

“Financing Agreement” means the Financing Agreement dated as of May 1, 2025 between the Board and the City as from time to time amended by Supplemental Financing Agreements in accordance with the provisions of the Financing Agreement.

“Fiscal Year” means the City’s fiscal year, which is currently July 1 to June 30, or as it may be hereinafter defined by the City.

“Government Obligations” means the following:

(a) bonds, notes, certificates of indebtedness, treasury bills or other securities constituting direct obligations of, or obligations the principal of and interest on which are fully and unconditionally guaranteed by, the United States of America; and

(b) evidences of direct ownership of a proportionate or individual interest in future interest or principal payments on specified direct obligations of, or obligations the payment of the principal of and interest on which are unconditionally guaranteed by, the United States of America, which obligations are held by a bank or trust company organized and existing under the laws of the United States of America or any state thereof in the capacity of custodian.

“Indenture” means this Bond Trust Indenture as originally executed by the Board and the Trustee, as from time to time amended and supplemented by Supplemental Indentures in accordance with the provisions of this Indenture.

“Internal Revenue Code” means the Internal Revenue Code of 1986, as amended, and, when appropriate, any statutory predecessor or successor thereto, and all applicable regulations (whether proposed, temporary or final) thereunder and any applicable official rulings, announcements, notices, procedures and judicial determinations relating to the foregoing.

“Loan” means the loan of the proceeds of the Bonds made by the Board to the City pursuant to the Financing Agreement.

“Loan Payment Date” means on or before the Business Day preceding the date any payment is due on the Bonds.

“Loan Payments” means the payments of principal and interest on the Loan referred to in **Section 3.2** of the Financing Agreement.

“Moody’s” means Moody’s Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, **“Moody’s”** shall be deemed to refer to any other nationally recognized securities rating agency designated by the Trustee.

“Officer’s Certificate” means a written certificate in the form described in **Section 1104** hereof of the City by the City Representative, which certificate shall be deemed to constitute a representation of, and shall be binding upon, the City with respect to matters set forth therein.

“Opinion of Bond Counsel” means a written opinion in the form described in **Section 1104** hereof of any legal counsel acceptable to the Board and the Trustee who shall be nationally recognized as expert in matters pertaining to the validity of obligations of governmental issuers and the exemption from federal income taxation of interest on such obligations.

“Opinion of Counsel” means a written opinion in the form described in **Section 1104** hereof of any legal counsel acceptable to the City and the Trustee and, to the extent the Board is asked to take action in reliance thereon, the Board, who may be an employee of or counsel to the Trustee or the City.

“Original Purchaser” means Stifel, Nicolaus & Company, Incorporated.

“Outstanding” means when used with respect to Bonds, as of the date of determination, all Bonds theretofore authenticated and delivered under this Indenture, except:

(1) Bonds theretofore cancelled by the Trustee or delivered to the Trustee for cancellation as provided in **Section 210** of this Indenture;

(2) Bonds for whose payment or redemption money or Government Obligations in the necessary amount has been deposited with the Trustee or any Paying Agent in trust for the owners of such Bonds as provided in **Section 1001** of this Indenture, provided that, if such Bonds are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision therefor satisfactory to the Trustee has been made;

(3) Bonds in exchange for or in lieu of which other Bonds have been authenticated and delivered under this Indenture; and

(4) Bonds alleged to have been destroyed, lost or stolen which have been paid as provided in **Section 209** of this Indenture.

“Participants” means those financial institutions for whom the Securities Depository effects book-entry transfers and pledges of securities deposited with the Securities Depository, as such listing of Participants exists at the time of such reference.

“Paying Agent” means the Trustee and any other commercial bank or trust institution organized under the laws of any state of the United States of America or any national banking association designated pursuant to this Indenture or any Supplemental Indenture as paying agent for any series of Bonds at which the principal of, redemption premium, if any, and interest on such Bonds shall be payable.

“Permitted Investments” means, if and to the extent the same are at the time legal for investment of funds held under this Indenture:

(1) cash (insured at all times by the Federal Deposit Insurance Corporation or otherwise collateralized with obligations described in paragraph (2) below);

(2) direct obligations of (including obligations issued or held in book entry form on the books of) the Department of Treasury of the United States of America;

(3) obligations of any of the following federal agencies which obligations represent the full faith and credit of the United States of America, including:

- Export - Import Bank,
- Farm Credit System Financial Assistance Corporation,
- Rural Economic Community Development Administration (formerly the Farmers Home Administration),
- General Services Administration,
- U.S. Maritime Administration,
- Small Business Administration,

- U.S. Department of Housing & Urban Development (PHA's),
- Federal Housing Administration, and
- Federal Financing Bank;

(4) direct obligations of any of the following federal agencies which obligations are not fully guaranteed by the full faith and credit of the United States of America:

- Senior debt obligations rated "Aaa" by Moody's and "AAA" by Standard & Poor's issued by the Federal Home Loan Mortgage Corporation (FHLMC),
- Obligations of the Resolution Funding Corporation (REFCORP), and
- Senior debt obligations of the Federal Home Loan Bank System;

(5) U.S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks which have a rating on their short term certificates of deposit on the date of purchase of "A-1" or "A-1+" by Standard & Poor's and "P-1" by Moody's and maturing no more than 360 days after the date of purchase (ratings on holding companies are not considered as the rating of the bank);

(6) commercial paper which is rated at the time of purchase in the single highest classification, "A-1+" by Standard & Poor's and "P-1" by Moody's and which matures not more than 270 days after the date of purchase;

(7) investments in a money market fund rated "AAAm" or "AAAm-G" or better by Standard & Poor's;

(8) "Pre-refunded Municipal Obligations," defined as follows: any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and

(A) which are rated, based on an irrevocable escrow account or fund (the "escrow"), in the highest rating category of Standard & Poor's and Moody's or any successors thereto; or

(B) (i) which are fully secured as to principal and interest and redemption premium, if any, by an escrow consisting only of cash or obligations described in paragraph (2) above, which escrow may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (ii) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to above, as appropriate; provided, however, that Pre-refunded Municipal Obligations meeting the requirements of this subsection (B) may not be used as Permitted Investments without the prior written approval of Standard & Poor's.

(9) general obligations of states with a rating of at least “A2/A” or higher by both Moody’s and Standard & Poor’s; and

(10) investment agreements (supported by appropriate opinions of counsel) with notice to Standard & Poor’s.

The value (“Value”), which shall be determined as of the end of each month, of the above investments shall be calculated as follows:

(a) as to investments the bid and asked prices of which are published on a regular basis in *The Wall Street Journal* (or, if not there, then in *The New York Times*): the average of the bid and asked prices for such investments so published on or most recently prior to such time of determination;

(b) as to investments the bid and asked prices of which are not published on a regular basis in *The Wall Street Journal* or *The New York Times*: the average bid price at such time of determination for such investments by any two nationally recognized government securities dealers (selected by the Trustee in its absolute discretion) at the time making a market in such investments or the bid price published by a nationally recognized pricing service;

(c) as to certificates of deposit and bankers acceptances: the face amount thereof, plus accrued interest; and

(d) as to any investment not specified above: the value thereof established by prior agreement between the City and the Trustee.

“**Person**” means any natural person, firm, association, corporation, partnership, limited liability company, joint stock company, a joint venture, trust, unincorporated organization or firm, or a government or any agency or political subdivision thereof or other public body.

“**Prime Rate**” means, for any date of determination, the interest rate per annum publicly announced from time to time by the Trustee as its “prime rate.”

“**Projects**” means the Projects described on **Exhibit A** hereto, the costs of which will be paid in whole or in part, or for which the City will be reimbursed in whole or in part from the proceeds of the sale of the Bonds.

“**Project Fund**” means the fund by that name created by **Section 401** hereof.

“**Rebate Fund**” means the fund by that name created by **Section 401** hereof.

“**Record Date**” means the 15th day (whether or not a Business Day) of the calendar month next preceding the month in which an interest payment on any Bond is to be made.

“**Replacement Bonds**” means Bonds issued to the beneficial owners of the Bonds in accordance with **Section 211** hereof.

“**Securities Depository**” means, initially, The Depository Trust Company, New York, New York, and its successors and assigns.

“Series 2025A Bonds” means the Infrastructure Facilities Revenue Bonds (City of Independence, Missouri - Public Safety Projects), Series 2025A, aggregating the principal amount of \$46,825,000, issued pursuant to **Section 202** of this Indenture.

“Standard & Poor’s” means S&P Global Ratings, a Standard & Poor’s Financial Services LLC business, New York, New York, and its successors and assigns, and, if such firm shall be dissolved or liquidated or shall no longer perform the functions of a securities rating service, Standard & Poor’s shall be deemed to refer to any other nationally recognized securities rating service designated by the City, with notice to the Board and the Trustee.

“Supplemental Financing Agreement” means any agreement supplemental or amendatory to the Financing Agreement entered into by the Board and the City pursuant to **Article XII** of the Financing Agreement.

“Supplemental Indenture” means any indenture supplemental or amendatory to this Indenture entered into by the Board and the Trustee pursuant to **Article IX** of this Indenture.

“Tax Compliance Agreement” means the Tax Compliance Agreement dated as of May 1, 2025 among the Board, the City and the Trustee.

“Tax-Exempt Bonds” means any Bonds issued under this Indenture the interest on which is exempt from federal income taxation, as stated in the Opinion of Bond Counsel issued in connection with the issuance of such Bonds.

“Transaction Documents” means this Indenture, the Bonds, the Financing Agreement, the Official Statement relating to the Bonds, the Continuing Disclosure Undertaking, the Tax Compliance Agreement, the Authorizing Ordinance and any and all other documents or instruments that evidence or are a part of the transactions referred to in or contemplated by such documents; and any and all future renewals and extensions or restatements of, or amendments or supplements to, any of the foregoing; provided, however, that when the words “Transaction Documents” are used in the context of the authorization, execution, delivery, approval or performance of Transaction Documents by a particular party, the same shall mean only those Transaction Documents that provide for or contemplate authorization, execution, delivery, approval or performance by such party.

“Trust Estate” means the Trust Estate described in the Granting Clauses of this Indenture.

“Trustee” means UMB Bank, N.A., Kansas City, Missouri, and its successor or successors and any other corporation or association which at any time may be substituted in its place pursuant to and at the time serving as trustee under this Indenture.

“Unassigned Board’s Rights” means the Board’s rights to reimbursement and payment of its costs and expenses under **Sections 3.4(d), 9.4 and 9.6** of the Financing Agreement, its rights of access under **Section 6.1** of the Financing Agreement, its rights to indemnity under **Section 6.2** of the Financing Agreement, its rights to exemption from liability under **Section 12.7** of the Financing Agreement, its rights to receive notices, reports and other statements and its rights to consent to certain matters.

Section 102. Rules of Construction. For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires, the following rules of construction apply in construing the provisions of this Indenture:

- (a) The terms defined in this Article include the plural as well as the singular.

(b) All accounting terms not otherwise defined herein shall have the meanings assigned to them, and all computations herein provided for shall be made, in accordance with accounting principles generally accepted in the United States of America.

(c) All references herein to “accounting principles generally accepted in the United States of America” refer to such principles in effect on the date of the determination, certification, computation or other action to be taken hereunder using or involving such terms.

(d) All references in this instrument to designated “Articles,” “Sections” and other subdivisions are to be the designated Articles, Sections and other subdivisions of this instrument as originally executed.

(e) The words “herein,” “hereof” and “hereunder” and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision.

(f) The Article and section headings herein and in the Table of Contents are for convenience only and shall not affect the construction hereof.

(g) Whenever an item or items are listed after the word “including,” such listing is not intended to be a listing that excludes items not listed.

ARTICLE II

THE BONDS

Section 201. Authorization, Amount and Title of Bonds. The Board may issue Bonds in series from time to time under this Indenture, but subject to the provisions of this Indenture and any Supplemental Indenture authorizing a series of Bonds. No Bonds may be issued under this Indenture except in accordance with the provisions of this Article. The total principal amount of Bonds, the number of Bonds and series of Bonds that may be issued under this Indenture is not limited, except with respect to the Series 2025A Bonds as provided in **Section 202** hereof, and with respect to Additional Bonds as provided in **Section 203** hereof and in the Supplemental Indenture providing for the issuance thereof, and except as may be limited by law. The several series of Bonds may differ as between series in any respect not in conflict with the provisions of this Indenture and as may be prescribed in the Supplemental Indenture authorizing such series. The general title of all series of Bonds authorized to be issued under this Indenture shall be “Infrastructure Facilities Revenue Bonds (City of Independence, Missouri Projects),” with such appropriate particular project and series designation added to or incorporated in such title for the Bonds of any particular series as the Board may determine.

Section 202. Authorization of Series 2025A Bonds. There shall be issued under and secured by this Indenture a series of Bonds in the aggregate principal amount of \$46,825,000 for the purpose of providing funds to make a loan to the City to (1) finance the Costs of the Projects and (2) pay certain Costs of Issuance. The Bonds shall be designated “Infrastructure Facilities Revenue Bonds (City of Independence, Missouri - Public Safety Projects), Series 2025A” in the principal amount of \$46,825,000. The Series 2025A Bonds shall be dated the date of issuance and delivery thereof, shall mature in the year and in the principal amount (subject to prior redemption as provided in **Article III** hereof), and shall bear interest at the rate per annum, as follows:

Serial Bonds

<u>Maturity December 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2025	\$650,000	5.00%
2026	710,000	5.00
2027	745,000	5.00
2028	780,000	5.00
2029	820,000	5.00
2030	865,000	5.00
2031	905,000	5.00
2032	955,000	5.00
2033	1,000,000	5.00
2034	1,055,000	5.00
2035	1,105,000	5.00
2036	1,165,000	5.00
2037	1,225,000	5.00
2038	1,285,000	5.00
2039	1,350,000	5.00
2040	1,425,000	5.50
2041	1,510,000	5.50
2042	1,590,000	5.50
2043	1,680,000	5.50
2044	1,775,000	5.50
2045	1,875,000	5.50
2046	1,985,000	5.50
2047	2,095,000	5.50

Term Bonds

<u>Maturity December 1</u>	<u>Principal Amount</u>	<u>Interest Rate</u>
2050	\$7,030,000	5.50%
2054	11,245,000	5.00

The Series 2025A Bonds shall bear interest (computed on the basis of a **360**-day year of twelve **30**-day months) from their dated date or from the most recent interest payment date to which interest has been paid or duly provided for, payable on June 1 and December 1 of each year, beginning on December 1, 2025.

The Series 2025A Bonds shall be executed in the manner set forth herein and delivered to the Trustee for authentication, but prior to or simultaneously with the authentication and delivery of the Series 2025A Bonds by the Trustee the following documents shall be filed with the Trustee, in electronic form:

- (a) A copy of the resolution adopted by the Board authorizing the issuance of the Series 2025A Bonds and the execution of this Indenture, the Financing Agreement and any other Transaction Documents to which it is a party.

(b) A copy of the Authorizing Ordinance and such other ordinances and resolutions adopted by the City authorizing the execution and delivery of the Financing Agreement and any other Transaction Documents to which it is a party.

(c) An executed copy of a counterpart of this Indenture and the Financing Agreement.

(d) A request and authorization to the Trustee on behalf of the Board, executed by the Board Representative, to authenticate the Series 2025A Bonds and deliver said Bonds to the purchasers therein identified upon payment to the Trustee, for the account of the Board, of the purchase price thereof. The Trustee shall be entitled to rely conclusively upon such request and authorization as to the names of the purchasers and the amounts of such purchase price.

(e) An Opinion of Bond Counsel, dated the date of original issuance of the Series 2025A Bonds.

(f) Such other certificates, statements, opinions, receipts and documents required by any of the Transaction Documents or as the Trustee shall reasonably require for the delivery of the Series 2025A Bonds.

When the documents specified above have been filed with the Trustee, and when the Series 2025A Bonds shall have been executed and authenticated as required by this Indenture, the Trustee shall deliver the Series 2025A Bonds to or upon the order of the Original Purchaser thereof, but only upon payment to the Trustee of the purchase price of the Series 2025A Bonds. The proceeds of the sale of the Series 2025A Bonds, including accrued interest and premium thereon, if any, shall be immediately paid over to the Trustee, and the Trustee shall deposit and apply such proceeds as provided in **Article IV** hereof.

Section 203. Authorization of Additional Bonds. Additional Bonds may be issued under and equally and ratably secured by this Indenture on a parity (except as otherwise provided in this Section) with the Series 2025A Bonds and any other Additional Bonds at any time and from time to time, upon compliance with the conditions set forth in this Section and in **Article VII** of the Financing Agreement, for any purpose authorized under the Act.

Before any Additional Bonds are issued under the provisions of this Section, the Board shall adopt a resolution (1) authorizing the issuance of such Additional Bonds, fixing the principal amount thereof and describing the purpose or purposes for which such Additional Bonds are being issued, (2) authorizing the Board to enter into a Supplemental Indenture for the purpose of issuing such Additional Bonds and establishing the terms and provisions of such series of Bonds and the form of the Bonds of such series, (3) authorizing the Board to enter into a Supplemental Financing Agreement with the City to provide for payments, which may be subject to annual appropriation, at least sufficient to pay the principal of, redemption premium, if any, and interest on the Bonds then to be Outstanding (including the Additional Bonds to be issued) as the same become due, and to extend the term of the Financing Agreement if the maturity of any of the Additional Bonds would otherwise occur after the expiration of the term of the Financing Agreement, and (4) providing for such other matters as are appropriate because of the issuance of the Additional Bonds, which matters, in the judgment of the Board, are not prejudicial to the Board or the owners of the Bonds previously issued.

Such Additional Bonds shall have the same general title as the Series 2025A Bonds, except for an identifying project, series or date, and shall be dated, shall mature on such dates, shall be numbered, shall bear interest at such rates not exceeding the maximum rate then permitted by law payable at such times,

and shall be redeemable at such times and prices (subject to the provisions of **Article III** of this Indenture), all as provided by the Supplemental Indenture authorizing the issuance of such Additional Bonds. Except as to any difference in the date, the maturities, the rates of interest or the provisions for redemption, such Additional Bonds shall be on a parity with and shall be entitled to the same benefit and security of the Indenture as the Series 2025A Bonds and any other Additional Bonds.

Such Additional Bonds shall be executed in the manner set forth in **Section 206** hereof and shall be deposited with the Trustee for authentication, but prior to or simultaneously with the authentication and delivery of such Additional Bonds by the Trustee, and as a condition precedent thereto, there shall be filed with the Trustee the following, in electronic form:

(a) A copy of the resolution adopted by the Board authorizing the issuance of such Additional Bonds and the execution of the Supplemental Indenture, Supplemental Financing Agreement and supplements to any other Transaction Documents as may be necessary.

(b) A copy of the ordinances and/or resolutions adopted by the City authorizing the execution and delivery of the Supplemental Financing Agreement and supplements to any other Transaction Documents.

(c) A copy of an executed counterpart of the Supplemental Indenture, executed by the Board and the Trustee, authorizing the issuance of the Additional Bonds being issued to make the loan, specifying, among other things, the terms thereof, and providing for the disposition of the proceeds of such loan and the Supplemental Financing Agreement.

(d) A copy of an executed counterpart of the Supplemental Financing Agreement, executed by the City and the Board, specifying, among other things, the principal amount, rate of interest, maturity and terms of optional prepayment.

(e) An Officer's Certificate (1) stating that no event of default under the Financing Agreement has occurred and is continuing and that no event has occurred and is continuing which with the lapse of time or giving of notice, or both, would constitute such an event of default, and (2) stating the purpose or purposes for which such Additional Bonds are being issued and accompanied by the certificates, reports or opinions demonstrating compliance with the applicable tests set forth in **Section 7.1** of the Financing Agreement.

(f) A request and authorization to the Trustee, on behalf of the Board, executed by a City Representative, to authenticate the Additional Bonds and deliver said Additional Bonds to the purchasers therein identified upon payment to the Trustee, for the account of the Board, of the purchase price thereof. The Trustee shall be entitled to rely conclusively upon such request and authorization as to the names of the purchasers and the amounts of such purchase price.

(g) If such Additional Bonds are to be insured or guaranteed by a bond insurer or other credit enhancer, an insurance policy or other credit enhancement in each case in form or substance satisfactory to the Board, the City and the Trustee.

(h) If such Additional Bonds are to be insured or guaranteed by a bond insurer or other credit enhancer, an insurance policy or other credit enhancement in each case in form or substance satisfactory to the Board, the City and the Trustee.

(i) An Opinion of Bond Counsel to the effect that all requirements for the issuance of such Additional Bonds have been met and the issuance of such Additional Bonds will not

result in the interest on any Tax-Exempt Bonds then Outstanding becoming subject to federal income taxes then in effect.

(j) Such other certificates, statements, receipts and documents required by any of the Transaction Documents or as the Board, the City or the Trustee shall reasonably require for the delivery of the Additional Bonds.

When the documents specified above have been filed with the Trustee, and when such Additional Bonds have been executed and authenticated as required by this Indenture, the Trustee shall deliver such Additional Bonds to or upon the order of the purchasers thereof, but only upon payment to the Trustee of the purchase price of such Additional Bonds. The proceeds of the sale of such Additional Bonds, including accrued interest and premium thereon, if any, shall be immediately paid over to the Trustee and shall be deposited and applied by the Trustee as provided in **Article IV** hereof and in the Supplemental Indenture authorizing the issuance of such Additional Bonds.

Except as provided in this Section and in **Article VII** of the Financing Agreement, the Board will not otherwise issue any obligations on a parity with the Bonds, but the Board may issue other obligations specifically subordinate and junior to the Bonds.

Section 204. Method and Place of Payment. The principal of, redemption premium, if any, and interest on the Bonds shall be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts.

The principal of and the redemption premium, if any, on all Bonds shall be payable by check or draft at maturity or upon earlier redemption to the Persons in whose names such Bonds are registered on the bond register maintained by the Trustee at the maturity or redemption date thereof, upon the presentation and surrender of such Bonds at the payment office of the Trustee or of any Paying Agent named in the Bonds.

The interest payable on each Bond on any interest payment date shall be paid by the Trustee to the registered owner of such Bond as shown on the bond register at the close of business on the Record Date for such interest, (1) by check or draft mailed to such registered owner at his address as it appears on the bond register or at such other address as is furnished to the Trustee in writing by such owner, or (2) at the written request addressed to the Trustee by any owner of Bonds in the aggregate principal amount of at least **\$500,000**, by electronic transfer to such owner upon written notice to the Trustee from such owner containing the electronic transfer instructions (which shall be in the continental United States) to which such owner wishes to have such transfer directed and such written notice is given by such owner to the Trustee not less than **5** days prior to the Record Date. Any such written notice for electronic transfer shall be signed by such owner and shall include the name of the bank, its address, its ABA routing number and the name, number and contact name related to such owner's account at such bank to which the payment is to be credited.

Interest on any Bond that is due and payable but not paid on the date due ("Defaulted Interest") shall cease to be payable to the owner of such Bond on the relevant Record Date and shall be payable to the owner in whose name such Bond is registered at the close of business on a special record date (the "Special Record Date") for the payment of such Defaulted Interest, which Special Record Date shall be fixed in the following manner. The City shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Bond and the date of the proposed payment (which date shall be such as will enable the Trustee to comply with the next sentence hereof), and shall deposit with the Trustee at the time of such notice an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to

the date of the proposed payment; money deposited with the Trustee shall be held in trust for the benefit of the owners of the Bonds entitled to such Defaulted Interest as provided in this Section. Following receipt of such funds the Trustee shall fix the Special Record Date for the payment of such Defaulted Interest which shall be not more than **15** nor less than **10** days prior to the date of the proposed payment and not less than **10** days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the City of such Special Record Date and, in the name and at the expense of the City, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each owner of a Bond entitled to such notice at the address of such owner as it appears on the bond register not less than **10** days prior to such Special Record Date.

Subject to the foregoing provisions of this Section, each Bond delivered under this Indenture upon transfer of or in exchange for or in lieu of any other Bond shall carry all the rights to interest accrued and unpaid, and to accrue, which were carried by such other Bond and each such Bond shall bear interest from such date, that neither gain nor loss in interest shall result from such transfer, exchange or substitution.

Section 205. Form, Denomination, Numbering and Dating. The Bonds of each series issued under this Indenture shall be issuable as fully registered bonds without coupons in substantially the form set forth in **Exhibit B** attached to this Indenture and the Supplemental Indenture under which any Additional Bonds are issued, in each case with such necessary or appropriate variations, omissions and insertions as are permitted or required by this Indenture or any Supplemental Indenture. The Bonds may have endorsed thereon such legends or text as may be necessary or appropriate to conform to any applicable rules and regulations of any governmental authority or any custom, usage or requirement of law with respect thereto.

The Series 2025A Bonds shall be issuable in the denomination of **\$5,000** or any integral multiple thereof. The Bonds of each series of Additional Bonds shall be issuable in such denominations as provided in the Supplemental Indenture authorizing such series. In the absence of any such provision with respect to the Bonds of any particular series, the Bonds of such series shall be of the denominations of **\$5,000** and any integral multiple thereof.

The Series 2025A Bonds shall be numbered from **R-1** consecutively upward in order of issuance or in such other manner as the Trustee shall designate. The Bonds of each series of Additional Bonds shall be numbered as provided in the Supplemental Indenture authorizing such series. In the absence of any such provision with respect to the Bonds of any particular series, the Bonds of such series shall be numbered **R-1** and upward or in such other manner as the Trustee shall designate.

The Series 2025A Bonds shall be dated as provided in **Section 202** of this Indenture. The Bonds of each series of Additional Bonds shall be dated as provided in the Supplemental Indenture authorizing such series of Bonds. In the absence of any such provision with respect to the Bonds of any particular series, the Bonds of such series shall be dated the date of their original authentication and delivery.

Section 206. Execution and Authentication. The Bonds shall be executed on behalf of the Board by the manual or facsimile signature of its Chairman, Vice Chairman or Executive Director and attested by the manual or facsimile signature of its Secretary or an Assistant Secretary, and shall have the corporate seal of the Board affixed thereto or imprinted thereon. If any officer whose manual or facsimile signature appears on any Bonds shall cease to hold such office before the authentication and delivery of such Bonds, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such person had remained in office until delivery. Any Bond may be signed by such persons as at the actual

time of the execution of such Bond shall be the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

No Bond shall be secured by, or be entitled to any lien, right or benefit under, this Indenture or be valid or obligatory for any purpose, unless there appears on such Bond a certificate of authentication substantially in the form provided for in **Exhibit B** hereto, executed by the Trustee by manual signature of an authorized officer or signatory of the Trustee, and such certificate upon any Bond shall be conclusive evidence, and the only evidence, that such Bond has been duly authenticated and delivered hereunder. At any time and from time to time after the execution and delivery of this Indenture, the Board may deliver Bonds executed by the Board to the Trustee for authentication and the Trustee shall authenticate and deliver such Bonds as in this Indenture provided and not otherwise.

Section 207. Registration, Transfer and Exchange. The Trustee shall cause to be kept at its payment office a register (referred to herein as the “**bond register**”) in which, subject to such reasonable regulations as it may prescribe, the Trustee shall provide for the registration, transfer and exchange of Bonds as herein provided. The Trustee is hereby appointed “**bond registrar**” for the purpose of registering Bonds and transfers of Bonds as herein provided.

Bonds may be transferred or exchanged only upon the bond register maintained by the Trustee as provided in this Section. Upon surrender for transfer or exchange of any Bond at the payment office of the Trustee, the Board shall execute, and the Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Bonds of the same maturity, of any authorized denominations and of a like aggregate principal amount.

Every Bond presented or surrendered for transfer or exchange shall (if so required by the Board or the Trustee, as bond registrar) be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Board and the Trustee, as bond registrar, duly executed by the owner thereof or his attorney or legal representative duly authorized in writing.

All Bonds surrendered upon any exchange or transfer provided for in this Indenture shall be promptly cancelled by the Trustee and thereafter disposed of as required by applicable law.

All Bonds issued upon any transfer or exchange of Bonds shall be the valid obligations of the Board, evidencing the same debt, and entitled to the same security and benefits under this Indenture, as the Bonds surrendered upon such transfer or exchange.

No service charge shall be made for any registration, transfer or exchange of Bonds, but the Trustee or Securities Depository may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds, and such charge shall be paid before any such new Bond shall be delivered. The fees and charges of the Trustee for making any transfer or exchange and the expense of any bond printing necessary to effect any such transfer or exchange shall be paid by the City. In the event any registered owner fails to provide a correct taxpayer identification number to the Trustee, the Trustee may impose a charge against such registered owner sufficient to pay any governmental charge required to be paid as a result of such failure. In compliance with Section 3406 of the Internal Revenue Code, such amount may be deducted by the Trustee from amounts otherwise payable to such registered owner hereunder or under the Bonds.

The Trustee shall not be required (i) to transfer or exchange any Bond during a period beginning at the opening of business **15** days before the day of the mailing of a notice of redemption of such Bond and ending at the close of business on the day of such mailing, or (ii) to transfer or exchange any Bond so selected for redemption in whole or in part, during a period beginning at the opening of business on any

Record Date for such series of Bonds and ending at the close of business on the relevant interest payment date therefor.

The Person in whose name any Bond shall be registered on the bond register shall be deemed and regarded as the absolute owner thereof for all purposes, except as otherwise provided in this Indenture, and payment of or on account of the principal of and premium, if any, and interest on any such Bond shall be made only to or upon the order of the registered owner thereof or his legal representative, but such registration may be changed as herein provided. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid.

The Trustee will keep on file at its payment office a list of the names and addresses of the last known owners of all Bonds and the serial numbers of such Bonds held by each of such owners. At reasonable times and under reasonable regulations established by the Trustee, the list may be inspected and copied by the Board, the City or the owners of **10%** or more in principal amount of Bonds Outstanding or the authorized representative thereof, provided that the ownership of such owner and the authority of any such designated representative shall be evidenced to the satisfaction of the Trustee.

Section 208. Temporary Bonds. Pending the preparation of definitive Bonds, the Board may execute, and upon request of the Board the Trustee shall authenticate and deliver, temporary Bonds which are printed, lithographed, typewritten, or otherwise produced, in any denomination, substantially of the tenor of the definitive Bonds in lieu of which they are issued, with such appropriate insertions, omissions, substitutions and other variations as the officers executing such Bonds may determine, as evidenced by their execution of such Bonds. If temporary Bonds are issued, the Board will cause definitive Bonds to be prepared without unreasonable delay. After the preparation of definitive Bonds, the temporary Bonds shall be exchangeable for definitive Bonds upon surrender of the temporary Bonds at the payment office of the Trustee, without charge to the owner. Upon surrender for cancellation of any one or more temporary Bonds, the Board shall execute and the Trustee shall authenticate and deliver in exchange therefor a like principal amount of definitive Bonds of authorized denominations. Until so exchanged, temporary Outstanding Bonds shall in all respects be entitled to the security and benefits of this Indenture.

Section 209. Mutilated, Destroyed, Lost and Stolen Bonds. If (i) any mutilated Bond is surrendered to the Trustee, or the Trustee receives evidence to its satisfaction of the destruction, loss or theft of any Bond, and (ii) there is delivered to the Board and the Trustee such security or indemnity as may be required by either of them to save the Trustee and the Board harmless, then, in the absence of notice to the Trustee that such Bond has been acquired by a bona fide purchaser, the Board shall execute and upon its request the Trustee shall authenticate and deliver, in exchange for or in lieu of any such mutilated, destroyed, lost or stolen Bond, a new Bond of the same series and maturity and of like tenor and principal amount, bearing a number not contemporaneously outstanding.

In case any such mutilated, destroyed, lost or stolen Bond has become or is about to become due and payable, the Board in its discretion may, instead of issuing a new Bond, pay such Bond.

Upon the issuance of any new Bond under this Section, the Board and the Trustee may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses connected therewith.

Every new Bond issued pursuant to this Section in lieu of any destroyed, lost or stolen Bond, shall constitute an original additional contractual obligation of the Board, whether or not the destroyed, lost or stolen Bond shall be at any time enforceable by anyone, and shall be entitled to all the security and benefits of this Indenture equally and ratably with all other Outstanding Bonds.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds.

Section 210. Cancellation of Bonds. All Bonds surrendered for payment, redemption, transfer, exchange or replacement, if surrendered to the Trustee, shall be promptly cancelled by the Trustee, and, if surrendered to any Paying Agent other than the Trustee, shall be delivered to the Trustee and, if not already cancelled, shall be promptly cancelled by the Trustee. The Board or the City may at any time deliver to the Trustee for cancellation any Bonds previously authenticated and delivered hereunder, which the Board or the City may have acquired in any manner whatsoever, and all Bonds so delivered shall be promptly cancelled by the Trustee. No Bond shall be authenticated in lieu of or in exchange for any Bond cancelled as provided in this Section, except as expressly provided by this Indenture. The Trustee shall execute and deliver to the Board and the City a certificate describing the Bonds so cancelled. All cancelled Bonds held by the Trustee shall be destroyed and disposed of by the Trustee in accordance with applicable record retention requirements.

Section 211. Book-Entry Bonds; Securities Depository. The Bonds shall initially be registered to Cede & Co., the nominee for the Securities Depository, and no beneficial owner will receive certificates representing their respective interests in the Bonds, except in the event the Trustee issues Replacement Bonds as provided in this Section. It is anticipated that during the term of the Bonds, the Securities Depository will make book-entry transfers among its Participants and receive and transmit payment of principal of, premium, if any, and interest on, the Bonds to the Participants until and unless the Trustee authenticates and delivers Replacement Bonds to the beneficial owners as described in this Section.

If the Board determines (1) (A) that the Securities Depository is unable to properly discharge its responsibilities, or (B) that the Securities Depository is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, or (C) that the continuation of a book-entry system to the exclusion of any Bonds being issued to any bondowner other than the Securities Depository is no longer in the best interests of the beneficial owners of the Bonds, or (2) if the Trustee receives written notice from Participants having interests in not less than **50%** of the Bonds Outstanding, as shown on the records of the Securities Depository (and certified to such effect by the Securities Depository), that the continuation of a book-entry system to the exclusion of any Bonds being issued to any bondowner other than the Securities Depository is no longer in the best interests of the beneficial owners of the Bonds, then the Trustee shall notify the bondowners of such determination or such notice and of the availability of certificates to owners requesting the same, and the Trustee shall register in the name of and authenticate and deliver Replacement Bonds to the beneficial owners or their nominees in principal amounts representing the interest of each, making such adjustments as it may find necessary or appropriate as to accrued interest and previous calls for redemption; provided, that in the case of a determination under (1)(A) or (1)(B) of this paragraph, the Board, with the consent of the Trustee, may select a successor securities depository in accordance with the following paragraph to effect book-entry transfers. In such event, all references to the Securities Depository herein shall relate to the period of time when the Securities Depository or the Trustee as its agent has possession of at least one Bond. Upon the issuance of Replacement Bonds, all references herein to obligations imposed upon or to be performed by the Securities Depository shall be deemed to be imposed upon and performed by the Trustee, to the extent applicable with respect to such Replacement Bonds. If the Securities Depository resigns and the Board, the Trustee or bondowners are unable to locate a qualified successor of the Securities Depository in accordance with the following paragraph, then the Trustee shall authenticate and cause delivery of Replacement Bonds to bondowners, as provided herein. The Trustee may rely on information from the Securities Depository and its Participants as to the names, addresses and principal

amounts held of the beneficial owners of the Bonds. The cost of printing, registration, authentication, payment, transfer and delivery of Replacement Bonds shall be paid for by the City.

In the event the Securities Depository resigns, is unable to properly discharge its responsibilities, or is no longer qualified to act as a securities depository and registered clearing agency under the Securities and Exchange Act of 1934, as amended, the City may appoint a successor Securities Depository provided the Trustee receives written evidence satisfactory to the Trustee with respect to the ability of the successor Securities Depository to discharge its responsibilities. Any such successor Securities Depository shall be a securities depository which is a registered clearing agency under the Securities and Exchange Act of 1934, as amended, or other applicable statute or regulation that operates a securities depository upon reasonable and customary terms. The Trustee upon its receipt of a Bond or Bonds for cancellation shall cause the delivery of Bonds to the successor Securities Depository or its designated agent in appropriate denominations and form as provided herein.

ARTICLE III

REDEMPTION OF BONDS

Section 301. Redemption of Bonds Generally. The Bonds are subject to redemption prior to maturity in accordance with their terms and the terms and provisions set forth in this Article. Additional Bonds shall be subject to redemption prior to maturity in accordance with the applicable terms and provisions contained in this Article and as may be specified in such Bonds and the Supplemental Indenture authorizing such Bonds.

Section 302. Redemption of Series 2025A Bonds. The Series 2025A Bonds are subject to optional and mandatory redemption as follows:

(a) *Optional Redemption.* The Series 2025A Bonds are subject to redemption and payment prior to maturity, at the option of the Board, which shall be exercised upon written direction from the City, on and after December 1, 2033, in whole or in part at any time at a redemption price equal to the principal amount thereof, plus accrued interest thereon to the redemption date.

(b) *Mandatory Sinking Fund Redemption.* The Series 2025A Bonds maturing on December 1, 2050 and December 1, 2054 are subject to mandatory redemption and payment prior to maturity pursuant to the mandatory redemption requirements of this Section on December 1 in each of the years and in the amounts set forth below, at **100%** of the principal amount thereof plus accrued interest to the redemption date, without premium:

<u>December 1</u>	<u>Principal Amount</u>
2048	\$2,215,000
2049	2,340,000
2050	2,475,000*

*Final Maturity

<u>December 1</u>	<u>Principal Amount</u>
2051	\$2,605,000
2052	2,735,000
2053	2,875,000
2054	3,030,000*

*Final Maturity

The Trustee shall, in each year in which Bonds are to be redeemed pursuant to the terms of this subsection make timely selection of such Bonds or portions thereof to be so redeemed in **\$5,000** units of principal amount in such equitable manner as the Trustee may determine and shall give notice thereof without further instructions from the Board or the City. At the option of the City, to be exercised on or before the **45th** day next preceding each mandatory redemption date, the City may: (1) deliver to the Trustee for cancellation Bonds of the same maturity in the aggregate principal amount desired; or (2) furnish to the Trustee funds, together with appropriate instructions, for the purpose of purchasing any of said Bonds from any owner thereof in the open market at a price not in excess of **100%** of the principal amount thereof, whereupon the Trustee shall use its best efforts to expend such funds for such purposes to such extent as may be practical; or (3) elect to receive a credit in respect to the mandatory redemption obligation under this subsection for any Term Bonds of the same maturity which prior to such date have been redeemed (other than through the operation of the requirements of this subsection) and cancelled by the Trustee and not theretofore applied as a credit against any redemption obligation under this subsection. Each Bond so delivered or previously purchased or redeemed shall be credited at **100%** of the principal amount thereof on the obligation of the Board to redeem Bonds of the same maturity on the next mandatory redemption date applicable to Bonds of such maturity that is at least **45** days after receipt by the Trustee of such instructions from the City, and any excess of such amount shall be credited on future mandatory redemption obligations for Bonds of the same maturity in chronological order or such other order as the City may designate, and the principal amount of Bonds of the same maturity to be redeemed on such future mandatory redemption dates by operation of the requirements of this subsection shall be reduced accordingly. If the City intends to exercise any option granted by the provisions of clauses (1), (2) or (3) of this subsection, the City will, on or before the **45th** day next preceding the applicable mandatory redemption date, furnish the Trustee an Officer's Certificate indicating to what extent the provisions of said clauses (1), (2) and (3) are to be complied with and the Bonds, in the case of its election pursuant to clause (1), in respect to such mandatory redemption payment.

Section 303. Election to Redeem; Notice to Trustee. The Board shall elect to redeem Bonds subject to optional redemption upon receipt of a written direction of the City. In case of any redemption at the election of the Board, the Board shall, at least **45** days prior to the redemption date fixed by the Board (unless a shorter notice shall be satisfactory to the Trustee) give written notice to the Trustee directing the Trustee to call Bonds for redemption and give notice of redemption and specifying the redemption date, the principal amount and maturities of Bonds to be called for redemption, the applicable redemption price or prices and the provision or provisions of this Indenture pursuant to which such Bonds are to be called for redemption.

The foregoing provisions of this Section shall not apply in the case of any mandatory redemption of Bonds under this Indenture, and the Trustee shall call Bonds for redemption and shall give notice of redemption pursuant to such mandatory redemption requirements without the necessity of any action by the Board and the City and whether or not the Trustee shall hold in the Debt Service Fund moneys available and sufficient to effect the required redemption.

Section 304. Selection by Trustee of Bonds to be Redeemed. Bonds may be redeemed only in the principal amount of **\$5,000** (or other authorized denomination of the Bonds of any series specified in the Supplemental Indenture authorizing such series of Bonds) or any integral multiple thereof.

If less than all Bonds of any maturity are to be redeemed, the particular Bonds to be redeemed shall be selected by the Trustee from the Bonds of such maturity which have not previously been called for redemption, by lot or in such other equitable manner as the Trustee shall deem fair and appropriate and which may provide for the selection for redemption of portions equal to **\$5,000** (or other minimum authorized denomination of the Bonds of such series) of the principal of Bonds of a denomination larger than **\$5,000** (or such other minimum authorized denomination).

Section 305. Notice of Redemption. Unless waived by any owner of Bonds to be redeemed, official notice of any such redemption shall be given by the Trustee on behalf of the Board by mailing a copy of an official redemption notice by first class mail, at least **30** days and not more than **60** days prior to the redemption date to each registered owner of the Bonds to be redeemed at the address shown on the bond register.

Following the mailing of any notice of redemption pursuant to this **Section 305**, the Trustee shall promptly notify the Board and the City in writing of the Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

All official notices of redemption shall be dated and shall state:

- (1) the redemption date;
- (2) the redemption price;
- (3) the principal amount of Bonds of the series to be redeemed and, if less than all Bonds of a maturity of a series are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts, numbers and maturity dates) of the Bonds to be redeemed;
- (4) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date; and
- (5) the place where the Bonds to be redeemed are to be surrendered for payment of the redemption price, which place of payment shall be the payment office of the Trustee or other Paying Agent.

The failure of any owner of Bonds to receive notice given as provided in this Section, or any defect therein, shall not affect the validity of any proceedings for the redemption of any Bonds. Any notice mailed as provided in this Section shall be conclusively presumed to have been duly given and shall become effective upon mailing, whether or not any owner receives such notice.

In addition to the foregoing notice, further notice shall be given by the Trustee on behalf of the Board at least **2** days before the date of mailing of such notice to the registered owners by registered or certified mail or overnight delivery service to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds and to one or more national information services that disseminate notices of redemption of obligations such as the Bonds. Each further notice of redemption given shall contain the information required above for an official notice of

redemption plus (i) the CUSIP numbers of all Bonds being redeemed, (ii) the date of issue of the Bonds as originally issued, (iii) the rate of interest borne by each Bond being redeemed, (iv) the maturity date of each Bond being redeemed, and (v) any other descriptive information needed to identify accurately the Bonds being redeemed. No defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

For so long as the Securities Depository is effecting book-entry transfers of the Bonds, the Trustee shall provide the notices specified in this Section to the Securities Depository. It is expected that the Securities Depository shall, in turn, notify its Participants and that the Participants, in turn, will notify or cause to be notified the beneficial owners. Any failure on the part of the Securities Depository or a Participant, or failure on the part of a nominee of a beneficial owner of a Bond (having been mailed notice from the Trustee, the Securities Depository, a Participant or otherwise) to notify the beneficial owner of the Bond so affected, shall not affect the validity of the redemption of such Bond.

Section 306. Deposit of Redemption Price. Prior to any redemption date, the Board shall deposit with the Trustee or with a Paying Agent, from moneys provided by the City, an amount of money sufficient to pay the redemption price of all the Bonds which are to be redeemed on that date. Such money shall be held in trust for the benefit of the Persons entitled to such redemption price and shall not be deemed to be part of the Trust Estate.

Section 307. Bonds Payable on Redemption Date. Notice of redemption having been given as aforesaid, the Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified and from and after such date (unless the Board shall default in the payment of the redemption price) such Bonds shall cease to bear interest. Upon surrender of any such Bond for redemption in accordance with said notice, such Bond shall be paid by the Board at the redemption price. Installments of interest with a due date on or prior to the redemption date shall be payable to the owners of the Bonds registered as such on the relevant Record Dates according to the terms of such Bonds and the provisions of **Section 204**.

Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear or have enclosed the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

If any Bond called for redemption shall not be so paid upon surrender thereof for redemption, or as otherwise provided under **Section 308** in lieu of surrender, the principal (and premium, if any) shall, until paid, bear interest from the redemption date at the rate prescribed therefor in the Bond.

Section 308. Bonds Redeemed in Part. Any Bond which is to be redeemed only in part shall be surrendered at the place of payment therefor (with, if the Board or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Board and the Trustee duly executed by, the owner thereof or his attorney or legal representative duly authorized in writing), and the Board shall execute and the Trustee shall authenticate and deliver to the owner of such Bond, without service charge, a new Bond or Bonds of the same series and maturity of any authorized denomination or denominations as requested by such owner in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bond so surrendered. If the owner of any such Bond shall fail to present such Bond to the Trustee for payment and exchange as aforesaid, said Bond shall, nevertheless, become due and payable on the redemption date to the extent of the **\$5,000** (or other denomination) unit or units of principal amount called for redemption (and to that extent only).

Subject to the approval of the Trustee, in lieu of surrender under the preceding paragraph, payment of the redemption price of a portion of any Bond may be made directly to the registered owner thereof without surrender thereof, if there shall have been filed with the Trustee a written agreement of such owner and, if such owner is a nominee, the Person for whom such owner is a nominee, that payment shall be so made and that such owner will not sell, transfer or otherwise dispose of such Bond unless prior to delivery thereof such owner shall present such Bond to the Trustee for notation thereon of the portion of the principal thereof redeemed or shall surrender such Bond in exchange for a new Bond or Bonds for the unredeemed balance of the principal of the surrendered Bond.

ARTICLE IV

FUNDS AND ACCOUNTS AND APPLICATION OF BOND PROCEEDS AND OTHER MONEYS

Section 401. Creation of Funds and Accounts. There are hereby created and ordered to be established in the custody of the Trustee the following special trust funds in the name of the Board to be designated as follows:

(a) “Missouri Development Finance Board – City of Independence, Missouri - CIP Infrastructure Facilities Project Fund” (the “Project Fund”), and within such fund separate accounts for each separate project, initially a “Series 2025A Capital Improvements Project Account.”

(b) “Missouri Development Finance Board – City of Independence, Missouri – CIP Infrastructure Facilities Costs of Issuance Fund” (the “Costs of Issuance Fund”).

(c) “Missouri Development Finance Board – City of Independence, Missouri – CIP Infrastructure Facilities Debt Service Fund” (the “Debt Service Fund”).

(d) “Missouri Development Finance Board – City of Independence, Missouri – CIP Infrastructure Facilities Rebate Fund” (the “Rebate Fund”).

The Trustee is authorized to establish separate accounts within such funds or otherwise segregate moneys within such funds, on a book-entry basis or in such other manner as the Trustee may deem necessary or convenient, or as the Trustee shall be instructed by the Board.

Section 402. Deposit of Bond Proceeds and Other Moneys. The Board, for and on behalf of the City, shall deposit with the Trustee all of the net proceeds of the Series 2025A Bonds, and the Trustee shall deposit and apply such proceeds, together with other moneys deposited with the Trustee, as follows:

(a) Deposit to the credit of the Series 2025A Costs of Issuance Account of the Costs of Issuance Fund from the proceeds of the Series 2025A Bonds, the sum of \$363,871.36, which deposit shall be disbursed by the Trustee from time to time, upon receipt of written disbursement requests of the City in substantially the form of **Exhibit C** hereto and signed by the City Representative in amounts equal to the amount of Costs of Issuance certified in such written requests. At such time as the Trustee is furnished with an Officer’s Certificate from the City stating that all Costs of Issuance have been paid, and in any case not later than six months from

the date of original issuance of the Series 2025A Bonds, the Trustee shall transfer any moneys remaining in the Series 2025A Costs of Issuance Account to the Series 2025A Project Account of the Project Fund.

(b) Deposit to the Series 2025A Capital Improvements Project Account of the Project Fund the sum of \$47,675,000.00.

It is anticipated that the amount of \$265,226.39 from the proceeds of the Series 2025A Bonds will be wired directly to the Insurer (as defined on **Exhibit E**) from the Original Purchaser on the Bond Issuance Date. If such amount is instead wired to the Trustee, the Trustee shall immediately wire such amount to the Insurer pursuant to wire instructions provided by the City.

Section 403. Project Fund. Moneys in the Project Fund shall be used solely for the purpose of paying the Costs of the Projects with such changes, or amendment or substitutions as deemed advisable by the City and approved in accordance with the Financing Agreement.

The Trustee shall disburse moneys on deposit in the Project Fund from time to time to pay or as reimbursement for payment made for the Costs of the Projects (other than Costs of Issuance), in each case within **3** Business Days after receipt by the Trustee of written disbursement requests of the City in substantially the form of **Exhibit D** hereto, complete in all respects, and signed by the City Representative.

In making payments pursuant to this Section, the Trustee may rely upon such written requests and accompanying certificates and statements and shall not be required to make any independent investigation in connection therewith. If for any reason the City should decide prior to the mailing or release of payment by the Trustee of any item not to pay such item, it shall give written notice of such decision to the Trustee and upon receipt of such notice, the Trustee shall not make such payment. If the Board so requests, a copy of each written disbursement request submitted to the Trustee for payment under this Section shall be promptly provided by the Trustee to the Board. The Trustee shall keep and maintain adequate records pertaining to the Project Fund and all disbursements therefrom, and shall file periodic statements of activity regarding the Project Fund with the City.

The City, upon completion of the Projects, shall deliver to the Trustee within **90** days thereafter a written certificate of the City Representative:

(a) stating that the Projects have been fully completed substantially in accordance with the plans and specifications for the Projects, as then amended, and the date of completion of the Projects; and

(b) stating if any item was added to, deleted from or substituted for the Projects.

If after payment by the Trustee of all disbursement requests theretofore tendered to the Trustee under the provisions of this Section and after receipt by the Trustee of the certificate required by the preceding paragraph of this Section and after all rebatable earnings have been transferred to the Rebate Fund pursuant to **Section 405** hereof, there shall remain any moneys in the Project Fund, such moneys shall be deposited and applied in the following order of priority: (1) in the Debt Service Fund to pay the next successive principal payment on the Bonds to become due, and (2) in the Debt Service Fund and used to redeem Bonds at the earliest permissible date under **Section 302** of this Indenture, or, in the discretion of the City, shall be applied for any other purpose that, based on an Opinion of Bond Counsel, will not cause the interest on any Tax-Exempt Bonds to be includible in gross income for federal income tax purposes.

If an event of default specified in **Section 701** of this Indenture shall have occurred and the Bonds shall have been declared due and payable pursuant to **Section 702** of this Indenture, any balance remaining in the Project Fund, other than amounts required to be transferred to the Rebate Fund pursuant to **Section 405** hereof, shall without further authorization be deposited in the Debt Service Fund by the Trustee with advice to the City and to the Board of such action.

Section 404. Debt Service Fund. The Trustee shall deposit and credit to the Debt Service Fund, as and when received, as follows:

- (a) All Loan Payments made by the City pursuant to **Section 3.2** of the Financing Agreement.
- (b) Any amount required to be transferred from the Project Fund to the Debt Service Fund upon completion of the Projects pursuant to **Section 403** hereof.
- (c) Interest earnings and other income on Permitted Investments required to be deposited in the Debt Service Fund pursuant to **Section 502** hereof.
- (d) Any amounts required by a Supplemental Indenture authorizing the issuance of Additional Bonds to be deposited in the Debt Service Fund, as specified in such Supplemental Indenture.
- (e) All other moneys received by the Trustee under and pursuant to any of the provisions of this Indenture or the Financing Agreement or any other Transaction Document, when accompanied by directions from the person depositing such moneys that such moneys are to be paid into the Debt Service Fund.

The moneys in the Debt Service Fund shall be held in trust and shall be applied solely in accordance with the provisions of this Indenture to pay the principal of and redemption premium, if any, and interest on the Bonds as the same become due and payable. Except as otherwise provided herein, moneys in the Debt Service Fund shall be expended solely as follows: (a) to pay interest on the Bonds as the same becomes due; (b) to pay principal of the Bonds as the same mature or become due and upon mandatory sinking fund redemption thereof; and (c) to pay principal of and redemption premium, if any, on the Bonds as the same become due upon redemption (other than mandatory sinking fund redemption) prior to maturity.

The Trustee is authorized and directed to withdraw sufficient funds from the Debt Service Fund to pay principal of, redemption premium, if any, and interest on the Bonds as the same become due and payable at maturity or upon redemption and to make said funds so withdrawn available to the Trustee and any Paying Agent for the purpose of paying said principal, redemption premium, if any, and interest.

The Trustee, upon the written instructions from the Board given pursuant to written direction of the City, shall use excess moneys in the Debt Service Fund to redeem all or part of the Bonds Outstanding and to pay interest to accrue thereon prior to such redemption and redemption premium, if any, on the next succeeding redemption date for which the required redemption notice may be given or on such later redemption date as may be specified by the City, in accordance with the provisions of **Article III** hereof, so long as the City is not in default with respect to any payments under the Financing Agreement and to the extent said moneys are in excess of the amount required for payment of Bonds theretofore matured or called for redemption. The City may cause such excess money in the Debt Service Fund or such part thereof or other moneys of the City, as the City may direct, to be applied by the Trustee on a best efforts

basis to the extent practical for the purchase of Bonds in the open market for the purpose of cancellation at prices not exceeding the principal amount thereof plus accrued interest thereon to the date of such purchase.

After payment in full of the principal of, redemption premium, if any, and interest on the Bonds (or after provision has been made for the payment thereof as provided in **Section 1001** of this Indenture), and the fees, charges and expenses of the Trustee, any Paying Agents and the Board, and any other amounts required to be paid under this Indenture and the Financing Agreement, all amounts remaining in the Debt Service Fund shall be paid to the City upon the expiration or sooner termination of the Financing Agreement.

Section 405. Rebate Fund. There shall be deposited in the Rebate Fund such amounts as are required to be deposited therein pursuant to the Tax Compliance Agreement. All amounts on deposit at any time in the Rebate Fund shall be held by the Trustee in trust to the extent required to pay rebatable arbitrage to the United States of America, and neither the City, the Board nor the owner of any Bonds shall have any rights in or claim to such money. All amounts held in the Rebate Fund shall be governed by this Section and by the Tax Compliance Agreement (which are incorporated herein by reference).

Pursuant to the Tax Compliance Agreement, the Trustee shall remit all required rebate installments and a final rebate payment to the United States. Neither the Trustee nor the Board shall have any obligation to pay any amounts required to be rebated pursuant to this Section and the Tax Compliance Agreement, other than from moneys held in the Rebate Fund created under this Indenture as provided in this Indenture or from other moneys provided to it by the City. Any moneys remaining in the Rebate Fund after redemption and payment of all of the Bonds and payment and satisfaction of any rebatable arbitrage shall be withdrawn and paid jointly to the City.

The obligation to pay arbitrage rebate to the United States and to comply with all other requirements of this Section and the Tax Compliance Agreement shall survive the defeasance or payment in full of the Bonds until all rebatable arbitrage shall have been paid.

Section 406. Payments Due on Saturdays, Sundays and Holidays. In any case where the date of maturity of principal of, redemption premium, if any, or interest on the Bonds or the date fixed for redemption of any Bonds shall be a day other than a Business Day, then payment of principal, redemption premium, if any, or interest need not be made on such date but may be made on the next succeeding Business Day with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest shall accrue for the period after such date.

Section 407. Nonpresentment of Bonds. In the event any Bond shall not be presented for payment when the principal thereof becomes due, either at maturity or otherwise, or at the date fixed for redemption thereof, if funds sufficient to pay such Bond shall have been made available to the Trustee, all liability of the Board to the owner thereof for the payment of such Bond, shall forthwith cease, determine and be completely discharged, and thereupon it shall be the duty of the Trustee to hold such funds in trust in a separate trust account, without liability for interest thereon, for the benefit of the owner of such Bond, who shall thereafter be restricted exclusively to such funds for any claim of whatever nature on his part under this Indenture or on or with respect to said Bond. If any Bond shall not be presented for payment within one year following the date when such Bond becomes due, whether by maturity or otherwise, the Trustee shall repay jointly to the City the funds theretofore held by it for payment of such Bond without liability for interest thereon, and such Bond shall, subject to the defense of any applicable statute of limitation, thereafter be an unsecured obligation of the City, and the owner thereof shall be entitled to look only to the City for payment, and then only to the extent of the amount so repaid, and the City shall not be liable for any interest thereon and shall not be regarded as a trustee of such money.

Section 408. Records and Reports of Trustee. The Trustee agrees to maintain such records with respect to any and all moneys or investments held by the Trustee pursuant to the provisions of this Indenture as are requested by the Board. The Trustee shall furnish to the Board and the City, monthly on the tenth Business Day after the end of each calendar month, a report on the status of each of the funds and accounts established under this Article which are held by the Trustee, showing the balance in each such fund or account as of the first day of the preceding month, the total of deposits to and the total of disbursements from each such fund or account, the dates of such deposits and disbursements, and the balance in each such fund or account on the last day of the preceding month. The Trustee shall render an annual accounting for each Fiscal Year to the Board, the City and any bondowner at the expense of such bondowner requesting the same, showing in reasonable detail all financial transactions relating to the Trust Estate during the accounting period, including investment earnings and the balance in any funds or accounts created by this Indenture as of the beginning and close of such accounting period.

ARTICLE V

SECURITY FOR DEPOSITS AND INVESTMENT OF FUNDS

Section 501. Moneys to be Held in Trust. All moneys deposited with or paid to the Trustee for the funds and accounts held under this Indenture, and all moneys deposited with or paid to any Paying Agent under any provision of this Indenture shall be held by the Trustee or Paying Agent in trust and shall be applied only in accordance with the provisions of this Indenture and the Financing Agreement, and, until used or applied as herein provided, shall (except for moneys in the Rebate Fund) constitute part of the Trust Estate and be subject to the lien, terms and provisions hereof and shall not be commingled with any other funds of the Board or the City except as provided under **Section 502** hereof for investment purposes. Neither the Trustee nor any Paying Agent shall be under any liability for interest on any moneys received hereunder except to the extent such moneys are invested in Permitted Investments.

Section 502. Investment of Moneys. Moneys held in each of the funds and accounts under this Indenture shall, pursuant to written directions of the City Representative, be invested and reinvested by the Trustee in accordance with the provisions of this Indenture and the Tax Compliance Agreement in Permitted Investments which mature or are subject to redemption by the owner thereof prior to the date such funds are expected to be needed. In the absence of direction of the City Representative, the Trustee is directed to and shall invest and reinvest moneys in an investment described in paragraph (7) of the definition of the term "Permitted Investments" in **Section 101** hereof. The Trustee may make any investments permitted by the provisions of this Section through its own bond department or short-term investment department or that of any affiliate of the Trustee and may pool moneys for investment purposes, except moneys held in any fund or account that are required to be yield restricted in accordance with the Tax Compliance Agreement, which shall be invested separately. Any such Permitted Investments shall be held by or under the control of the Trustee and shall be deemed at all times a part of the fund or account in which such moneys are originally held. The interest accruing on each fund or account and any profit realized from such Permitted Investments (other than any amount required to be deposited in the Rebate Fund pursuant to **Section 405** hereof) shall be credited to such fund or account, and any loss resulting from such Permitted Investments shall be charged to such fund or account. The Trustee shall sell or present for redemption and reduce to cash a sufficient amount of such Permitted Investments whenever it shall be necessary to provide moneys in any fund or account for the purposes of such fund or account and the Trustee shall not be liable for any loss resulting from such investments.

In determining the balance in any Fund, investments in such Fund shall be valued at the lower of their original cost or their fair market value as of the most recent interest payment date. Investments in the Funds under this Indenture shall be valued on the 15th day of the month prior to each interest payment date. The Trustee shall promptly deliver a copy of such valuations to the City, which may be in the form of the Trustee's standard account statements.

ARTICLE VI

GENERAL COVENANTS AND PROVISIONS

Section 601. Board to Issue Bonds and Execute Indenture. The Board covenants that it is duly authorized under the Constitution and laws of the State of Missouri to execute this Indenture, to issue the Bonds and to pledge and assign the Trust Estate in the manner and to the extent herein set forth; that all action on its part for the execution and delivery of this Indenture and the issuance of the Bonds has been duly and effectively taken; and that the Bonds in the hands of the owners thereof are and will be valid and enforceable obligations of the Board according to the import thereof, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights to the extent applicable and their enforcement may be subject to the exercise of judicial discretion in appropriate cases.

Section 602. Limited Obligations. The Bonds and the interest thereon shall be special, limited obligations of the Board payable solely from Loan Payments (except to the extent paid out of Bond proceeds or the income from the temporary investment thereof and under certain circumstances from insurance proceeds and condemnation awards solely out of the Loan Payments and other payments derived by the Board under the Financing Agreement, which do not include fees and expenses payable to the Board, the Board's right to indemnification as set forth in the Financing Agreement and as otherwise expressly set forth therein), and are secured by a transfer, pledge and assignment of and a grant of a security interest in the Trust Estate to the Trustee and in favor of the owners of the Bonds, as provided in this Indenture. The Bonds and interest thereon shall not be deemed to constitute a debt or liability of the State of Missouri or of any political subdivision or body politic thereof, including the City, within the meaning of any state constitutional provision or statutory limitation, including the Charter and ordinances of the City, and shall not constitute a pledge of the full faith and credit of the State of Missouri or of any political subdivision or body politic thereof, but shall be payable solely from the funds provided for in the Financing Agreement and in this Indenture. The issuance of the Bonds shall not, directly, indirectly or contingently, obligate the State of Missouri or any political subdivision or body politic thereof, including the City, to levy any form of taxation therefor or to make any appropriation for their payment. The State of Missouri shall not in any event be liable for the payment of the principal of, redemption premium, if any, or interest on the Bonds or for the performance of any pledge, mortgage, obligation or agreement of any kind whatsoever which may be undertaken by the Board. No breach by the Board of any such pledge, mortgage, obligation or agreement may impose any liability, pecuniary or otherwise, upon the State of Missouri or any charge upon its general credit or against its taxing power. The Board has no power to tax.

Section 603. Payment of Bonds. The Board shall duly and punctually pay, but solely from the sources specified in this Indenture, the principal of, redemption premium, if any, and interest on the Bonds in accordance with the terms of the Bonds and this Indenture.

Section 604. Performance of Covenants. The Board shall (to the extent within its control) faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Indenture, in the Bonds and in all proceedings pertaining thereto.

Section 605. Inspection of Books. The Board covenants and agrees that all books and documents in its possession relating to the Bonds, this Indenture and the Financing Agreement, and the transactions relating thereto shall at all reasonable times be open to inspection by the Trustee, the City and such accountants or other agencies as the Trustee or the City may from time to time designate. The Trustee covenants and agrees that all books and documents in its possession relating to the Bonds, this Indenture and the Financing Agreement, and the transactions relating thereto, including financial statements of the City, shall be open to inspection by the Board during business hours upon reasonable notice.

Section 606. Enforcement of Rights. The Board agrees that the Trustee, as assignee, transferee, pledgee, and owner of a security interest under this Indenture in its name or in the name of the Board may enforce all rights of the Board (with the exception of the Unassigned Board's Rights) and the Trustee and all obligations of the City under and pursuant to the Financing Agreement and any other Transaction Documents for and on behalf of the bondowners, whether or not the Board is in default hereunder. The Financing Agreement and all other Transaction Documents shall be delivered to and held by the Trustee.

Section 607. Amendments to the Financing Agreement. The Financing Agreement may only be supplemented or amended by Supplemental Financing Agreements executed by the Board and the City in writing as provided in **Article XII** of the Financing Agreement.

Section 608. Tax Covenants. The Board (to the extent within its power or direction) shall not use or permit the use of any proceeds of Tax-Exempt Bonds or any other funds of the Board, directly or indirectly, in any manner, and shall not take or permit to be taken any other action or actions, which would cause the interest on any Tax-Exempt Bond to be included in gross income for federal income tax purposes.

The Board agrees that so long as any Tax-Exempt Bonds remain Outstanding, it will comply with the provisions of the Tax Compliance Agreement applicable to the Board.

The Trustee agrees to perform its express duties under the Tax Compliance Agreement, and upon receipt of the Tax Compliance Agreement and any Opinion of Bond Counsel which sets forth such requirements, to comply with any statute, regulation or ruling that may apply to it as Trustee hereunder and relating to reporting requirements or other requirements necessary to preserve the exclusion from federal gross income of the interest on the Tax-Exempt Bonds. The Trustee from time to time, at the direction of the Board, may cause a firm of attorneys, consultants or independent accountants or an investment banking firm to supply the Trustee and the Board, with such information as the Trustee, on behalf of the Board, may request in order for the Board to determine all matters relating to (a) the actuarial yields on the Tax-Exempt Bonds as the same may relate to any data or conclusions necessary to verify that the Tax-Exempt Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code, and (b) compliance with rebate requirements of Section 148(f) of the Internal Revenue Code; provided that nothing herein shall obligate the Trustee to take such action. Payment for fees, charges, costs and expenses incurred in connection with supplying the foregoing information shall be paid by the City.

The foregoing covenants of this Section shall remain in full force and effect notwithstanding the defeasance of the Tax-Exempt Bonds pursuant to **Article X** of this Indenture or any other provision of this Indenture, until the final maturity date of all Tax-Exempt Bonds Outstanding and payment thereof.

Section 609. Certain Information and Opinions to be Provided to the Board. The Trustee shall deliver to the Board, promptly upon its written request to the Trustee, copies of the financial

statements and other information on file with the Trustee, that have been delivered to the Trustee pursuant to **Section 6.1** of the Financing Agreement. Each Opinion of Bond Counsel required to be addressed and delivered to the Trustee under any provision of this Indenture shall also be addressed and delivered to the Board.

Section 610. Continuing Disclosure. Pursuant to **Section 6.3** of the Financing Agreement, the City has undertaken all responsibility for compliance with continuing disclosure requirements, and the Board shall have no liability to the owners of the Bonds or any other person with respect to S.E.C. Rule 15c2-12. Notwithstanding any other provision of this Indenture, failure of the City or the Trustee to comply with the Continuing Disclosure Undertaking shall not be considered an event of default under this Indenture or the Financing Agreement; however, the Trustee may (and, at the request of the Underwriter or the owners of at least **25%** aggregate principal amount of Outstanding Bonds, having been indemnified in accordance with **Section 802(e)**, shall), or any bondowner or Beneficial Owner may, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the City to comply with its obligations under **Section 6.3** of the Financing Agreement. For purposes of this Section, “**Beneficial Owner**” means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

ARTICLE VII

DEFAULT AND REMEDIES

Section 701. Events of Default. The term “**event of default**,” wherever used in this Indenture, means any one of the following events (whatever the reason for such event and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(a) default in the payment of any interest on any Bond when such interest becomes due and payable; or

(b) default in the payment of the principal of (or premium, if any, on) any Bond when the same becomes due and payable (whether at maturity, upon proceedings for redemption, by acceleration or otherwise); or

(c) default in the performance, or breach, of any covenant or agreement of the Board in this Indenture (other than a covenant or agreement a default in the performance or breach of which is specifically dealt with elsewhere in this Section), and continuance of such default or breach for a period of **60** days after there has been given to the Board and the City by the Trustee or to the Board and the City and the Trustee by the owners of at least **10%** in principal amount of the Bonds Outstanding, a written notice specifying such default or breach and requiring it to be remedied; provided, that if such default cannot be fully remedied within such **60**-day period, but can reasonably be expected to be fully remedied, such default shall not constitute an event of default if the Board shall immediately upon receipt of such notice commence the curing of such default and shall thereafter prosecute and complete the same with due diligence and dispatch; or

(d) any event of default under the Financing Agreement shall occur and is continuing and has not been waived.

With regard to any alleged default concerning which notice is given to the City under the provisions of this Section, the Board hereby grants the City full authority for the account of the Board to perform any covenant or obligation, the nonperformance of which is alleged in said notice to constitute a default, in the name and stead of the Board, with full power to do any and all things and acts to the same extent that the Board could do and perform any such things and acts in order to remedy such default.

Section 702. Acceleration of Maturity; Rescission and Annulment. If an event of default occurs and is continuing, the Trustee may, and shall, if requested by the owners of not less than **25%** in principal amount of the Bonds Outstanding, by written notice to the Board and the City, declare the principal of all Bonds Outstanding and the interest accrued thereon to be due and payable, and upon any such declaration such principal and interest shall become immediately due and payable.

At any time after such a declaration of acceleration has been made, but before any judgment or decree for payment of money due on any Bonds has been obtained by the Trustee as provided in this Article, the owners of a majority in principal amount of the Bonds Outstanding may, by written notice to the Board, the City and the Trustee, rescind and annul such declaration and its consequences if:

- (a) the Board has deposited with the Trustee a sum sufficient to pay
 - (1) all overdue installments of interest on all Bonds,
 - (2) the principal of (and premium, if any, on) any Bonds which have become due otherwise than by such declaration of acceleration and interest thereon at the rate prescribed therefor in the Bonds,
 - (3) interest upon overdue installments of interest at the rate prescribed therefor in the Bonds, and
 - (4) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel; and
- (b) all events of default, other than the non-payment of the principal of Bonds which have become due solely by such declaration of acceleration, have been cured or have been waived as provided in **Section 710** of this Indenture.

No such rescission and annulment shall affect any subsequent default or impair any right consequent thereon.

Section 703. Exercise of Remedies by the Trustee. Upon the occurrence and continuance of any event of default under this Indenture, unless the same is waived as provided in this Indenture, the Trustee shall have the following rights and remedies, in addition to any other rights and remedies provided under this Indenture or by law:

- (a) *Right to Bring Suit, Etc.* The Trustee may pursue any available remedy at law or in equity by suit, action, mandamus or other proceeding to enforce the payment of the principal of, premium, if any, and interest on the Bonds Outstanding, including interest on overdue principal (and premium, if any) and on overdue installments of interest, and any other sums due under this Indenture, to realize on or to foreclose any of its interests or liens under this Indenture or any other Transaction Document, to enforce and compel the performance of the duties and obligations of the Board as set forth in this Indenture and to enforce or preserve any other rights

or interests of the Trustee under this Indenture with respect to any of the Trust Estate or otherwise existing at law or in equity.

(b) *Exercise of Remedies at Direction of Bondowners.* If requested in writing to do so by the owners of not less than **25%** in principal amount of Bonds Outstanding and if indemnified as provided in **Section 802(e)** of this Indenture, the Trustee shall be obligated to exercise such one or more of the rights and remedies conferred by this Article as the Trustee shall deem most expedient in the interests of the bondowners.

(c) *Appointment of Receiver.* Upon the filing of a suit or other commencement of judicial proceedings to enforce the rights of the Trustee and of the bondowners under this Indenture, the Trustee shall be entitled, as a matter of right, to the appointment of a receiver or receivers of the Trust Estate, pending such proceedings, with such powers as the court making such appointment shall confer.

(d) *Suits to Protect the Trust Estate.* The Trustee shall have power to institute and to maintain such proceedings as it may deem expedient to prevent any impairment of the Trust Estate by any acts which may be unlawful or in violation of this Indenture and to protect its interests and the interests of the bondowners in the Trust Estate, including power to institute and maintain proceedings to restrain the enforcement of or compliance with any governmental enactment, rule or order that may be unconstitutional or otherwise invalid, if the enforcement of or compliance with such enactment, rule or order would impair the security under this Indenture or be prejudicial to the interests of the bondowners or the Trustee, or to intervene (subject to the approval of a court of competent jurisdiction) on behalf of the bondowners in any judicial proceeding to which the Board or the City is a party and which in the judgment of the Trustee has a substantial bearing on the interests of the bondowners.

(e) *Enforcement Without Possession of Bonds.* All rights of action under this Indenture or any of the Bonds may be enforced and prosecuted by the Trustee without the possession of any of the Bonds or the production thereof in any suit or other proceeding relating thereto, and any such suit or proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust. Any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and subject to the provisions of **Section 707** hereof, be for the equal and ratable benefit of the owners of the Bonds in respect of which such judgment has been recovered.

(f) *Restoration of Positions.* If the Trustee or any bondowner has instituted any proceeding to enforce any right or remedy under this Indenture by suit, foreclosure, the appointment of a receiver, or otherwise, and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such bondowner, then and in every case the Board, the City, the Trustee and the bondowners shall, subject to any determination in such proceeding, be restored to their former positions and rights under this Indenture, and thereafter all rights and remedies of the Trustee and the bondowners shall continue as though no such proceeding had been instituted.

Section 704. Trustee May File Proofs of Claim. In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Board or any other obligor upon the Bonds or of such other obligor or their creditors, the Trustee (irrespective of whether the principal of the Bonds shall then be due and payable, as therein expressed or by declaration or otherwise, and irrespective of whether the Trustee shall

have made any demand on the Board for the payment of overdue principal, premium or interest) shall be entitled and empowered, by intervention in such proceeding or otherwise,

(a) to file and prove a claim for the whole amount of principal (and premium, if any) and interest owing and unpaid in respect of the Outstanding Bonds and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel) and of the bondowners allowed in such judicial proceeding, and

(b) to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each bondowner to make such payments to the Trustee, and in the event that the Trustee shall consent to the making of such payments directly to the bondowners, to pay to the Trustee any amount due to it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and counsel, and any other amounts due the Trustee under **Section 804**.

Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any bondowner any plan of reorganization, arrangement, adjustment or composition affecting the Bonds or the rights of any owner thereof, or to authorize the Trustee to vote in respect of the claim of any bondowner in any such proceeding.

Section 705. Limitation on Suits by Bondowners. No owner of any Bond shall have any right to institute any proceeding, judicial or otherwise, under or with respect to this Indenture, or for the appointment of a receiver or trustee or for any other remedy under this Indenture, unless:

(a) such owner has previously given written notice to the Trustee of a continuing event of default;

(b) the owners of not less than **25%** in principal amount of the Bonds Outstanding shall have made written request to the Trustee to institute proceedings in respect of such event of default in its own name as Trustee under this Indenture;

(c) such owner or owners have offered to the Trustee indemnity as provided in **Sections 802(e), 802(k)** and **804** of this Indenture against the costs, expenses and liabilities to be incurred in compliance with such request;

(d) the Trustee for **60** days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and

(e) no direction inconsistent with such written request has been given to the Trustee during such **60**-day period by the owners of a majority in principal amount of the Outstanding Bonds;

it being understood and intended that no one or more owners of Bonds shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the lien of this Indenture or the rights of any other owners of Bonds, or to obtain or to seek to obtain priority

or preference over any other owners or to enforce any right under this Indenture, except in the manner herein provided and for the equal and ratable benefit of all Outstanding Bonds.

Notwithstanding the foregoing or any other provision in this Indenture, however, the owner of any Bond shall have the right which is absolute and unconditional to receive payment of the principal of (and premium, if any) and interest on such Bond on the respective stated maturities expressed in such Bond (or, in the case of redemption, on the redemption date) and nothing contained in this Indenture shall affect or impair the right of any owner to institute suit for the enforcement of any such payment.

Section 706. Control of Proceedings by Bondowners. The owners of a majority in principal amount of the Bonds Outstanding shall have the right, during the continuance of an event of default, provided indemnity has been provided to the Trustee in accordance with **Sections 802(e), 802(k) and 804:**

(a) to require the Trustee to proceed to enforce this Indenture, either by judicial proceedings for the enforcement of the payment of the Bonds and the foreclosure of this Indenture, or otherwise; and

(b) to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Indenture, provided that

(1) such direction shall not be in conflict with any rule of law or this Indenture,

(2) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction, and

(3) the Trustee shall not determine that the action so directed would be unjustly prejudicial to the owners not taking part in such direction.

Section 707. Application of Moneys Collected. Any moneys collected by the Trustee pursuant to this Article (after the deductions for payment of costs and expenses of proceedings resulting in the collection of such moneys) together with any other sums then held by the Trustee as part of the Trust Estate, shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal (or premium, if any) or interest, upon presentation of the Bonds and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:

(a) **First:** To the payment of all unpaid amounts due the Trustee under **Section 804** of this Indenture;

(b) **Second:** To the payment of the whole amount then due and unpaid upon the Outstanding Bonds for principal (and premium, if any) and interest, in respect of which or for the benefit of which such money has been collected, with interest (to the extent that such interest has been collected by the Trustee or a sum sufficient therefor has been so collected and payment thereof is legally enforceable at the respective rate or rates prescribed therefor in the Bonds) on overdue principal (and premium, if any) and on overdue installments of interest; and in case such proceeds shall be insufficient to pay in full the whole amount so due and unpaid upon such Bonds, then to the payment of such principal and interest, without any preference or priority, ratably according to the aggregate amount so due; and

(c) **Third:** To the payment of the remainder, if any, to the Board or to whosoever may be lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

Whenever moneys are to be applied by the Trustee pursuant to the provisions of this Section, such moneys shall be applied by it at such times, and from time to time, as the Trustee shall determine, having due regard for the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application in the future. Whenever the Trustee shall apply such moneys, it shall fix the date (which shall be an interest payment date unless it shall deem another date more suitable) upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the deposit with it of any such moneys and of the fixing of any such date, in accordance with **Section 204** hereof, and shall not be required to make payment to the owner of any unpaid Bond until such Bond shall be presented to the Trustee for appropriate endorsement or for cancellation if fully paid.

Section 708. Rights and Remedies Cumulative. No right or remedy herein conferred upon or reserved to the Trustee or to the bondowners is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 709. Delay or Omission Not Waiver. No delay or omission of the Trustee or of any owner of any Bond to exercise any right or remedy accruing upon an event of default shall impair any such right or remedy or constitute a waiver of any such event of default or an acquiescence therein. Every right and remedy given by this Article or by law to the Trustee, or to the bondowners may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the bondowners, as the case may be.

Section 710. Waiver of Past Defaults. Before any judgment or decree for payment of money due has been obtained by the Trustee as provided in this Article, the owners of a majority in principal amount of the Bonds Outstanding may, by written notice delivered to the Trustee and the Board, on behalf of the owners of all the Bonds waive any past default hereunder and its consequences, except a default

(a) in the payment of the principal of (or premium, if any) or interest on any Bond,
or

(b) in respect of a covenant or provision hereof which under **Article IX** cannot be modified or amended without the consent of the owner of each Outstanding Bond affected.

Upon any such waiver, such default shall cease to exist, and any event of default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture; but no such waiver shall extend to or affect any subsequent or other default or impair any right or remedy consequent thereon.

ARTICLE VIII

THE TRUSTEE

Section 801. Acceptance of Trusts; Certain Duties and Responsibilities. The Trustee accepts and agrees to execute the trusts imposed upon it by this Indenture, but only upon the following terms and conditions:

- (a) Except during the continuance of an event of default,
 - (1) the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and
 - (2) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform on their face to the requirements of this Indenture.
- (b) If an event of default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of its own affairs.
- (c) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, **except** that
 - (1) this subsection shall not be construed to limit the effect of subsection (a) of this Section;
 - (2) the Trustee shall not be liable for any error of judgment made in good faith by an authorized officer of the Trustee, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts;
 - (3) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the owners of a majority in principal amount of the Outstanding Bonds relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture; and
 - (4) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.
- (d) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or conveying rights and duties or affording protection to the

Trustee, whether in its capacity as Trustee, Paying Agent, bond registrar or any other capacity, shall be subject to the provisions of this **Article VIII**.

Section 802. Certain Rights of Trustee. Except as otherwise provided in **Section 801** of this Indenture:

(a) The Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties.

(b) The Trustee shall be entitled to rely upon an Officer's Certificate as to the sufficiency of any request or direction of the City mentioned herein, the existence or non-existence of any fact or the sufficiency or validity of any instrument, paper or proceeding, or that a resolution in the form therein set forth has been adopted by the governing board of the City has been duly adopted, and is in full force and effect.

(c) Whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officer's Certificate.

(d) The Trustee may consult with counsel, and the written advice of such counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by the Trustee hereunder in good faith and in reliance thereon.

(e) Notwithstanding anything in this Indenture to the contrary, the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture whether at the request or direction of any of the bondowners pursuant to this Indenture or otherwise, unless such bondowners or other party shall have offered to the Trustee security or indemnity satisfactory to it against the fees, advances, costs, expenses and liabilities (except as may result from the Trustee's own negligence or willful misconduct), including, without limitation, such fees, advances, costs, expenses and liabilities associated with environmental contamination and the clean up thereof, which might be incurred by it in connection with such rights or powers.

(f) The Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Board, personally or by agent or attorney.

(g) The Trustee assumes no responsibility for the correctness of the recitals contained in this Indenture and in the Bonds, except the certificate of authentication on the Bonds. The Trustee makes no representations to the value or condition of the Trust Estate or any part thereof, or as to the title thereto or as to the security afforded thereby or hereby, or as to the validity or sufficiency of this Indenture or of the Bonds. The Trustee shall not be accountable for the use or application by the Board or the City of any of the Bonds or the proceeds thereof or of any money paid to or upon the order of the Board or the City under any provision of this Indenture.

(h) The Trustee, in its individual or any other capacity, may become the owner or pledgee of Bonds and may otherwise deal with the Board and the City with the same rights it would have if it were not Trustee.

(i) All money received by the Trustee shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received. Money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent required by law or by this Indenture. The Trustee shall be under no liability for interest on any money received by it hereunder except as to investments authorized and directed pursuant to **Section 502** of this Indenture.

(j) The Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder.

(k) Notwithstanding anything elsewhere in this Indenture contained, before taking any action under this Indenture, the Trustee may require that satisfactory indemnity be furnished to it for the reimbursement of all reasonable costs and expenses to which it may be put and to protect it against all liability which it may incur in or by reason of such action.

(l) The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty and the Trustee shall not be answerable for other than its negligence or its willful misconduct.

(m) The Trustee shall not be required to give any bond or security in respect of the execution of the said trusts and powers or otherwise in respect to the premises.

(n) In no event shall the Trustee be responsible for or for the sufficiency of security for the Bonds or for the recording or re-recording or the filing or refiling or continuation of any related security agreement or financing statements (except the Trustee agrees to file, at the expense of the City, continuation statements for any financing statement naming the Trustee as a secured party that is filed in connection with the issuance of the Bonds and a copy of which was delivered to the Trustee as part of the transcript of proceedings relating thereto), or for insuring any property securing the Bonds, or for collecting any insurance moneys, or for the validity of the execution by the Board of this Indenture or of any supplement hereto or any instrument of further assurance, or for the sufficiency or validity of the security for the Bonds, or for any value of or title to any property securing the Bonds, or for the performance or observance of any covenants, conditions or agreements on the part of the Board or on the part of the City under any of the Transaction Documents. In addition, unless the Trustee shall have been notified in writing that any such initial filing or description of collateral was or has become defective, the Trustee shall be fully protected in relying on such initial filing and description in filing any financing or continuation statements or modifications thereto pursuant to this Section.

(o) The Trustee shall not be responsible or liable for any failure or delay in the performance of its obligations under this Indenture arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; hurricanes or other storms; wars; terrorism; similar military disturbances; sabotage; epidemic; pandemic; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental action; it being understood that the Trustee shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

(p) In no event shall the Trustee be responsible or liable for punitive, special, indirect, or consequential loss or damage of any kind whatsoever irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of actions.

Section 803. Notice of Defaults. The Trustee shall not be required to take notice or be deemed to have notice of any default hereunder except failure by the Board to cause to be made any of the payments to the Trustee required to be made by **Article IV** of this Indenture, unless the Trustee shall be specifically notified in writing of such default by the Board, the City or the owners of at least **10%** in principal amount of all Bonds Outstanding, and in the absence of such notice so delivered, the Trustee may conclusively assume there is no default except as aforesaid. Within **30** days after the Trustee has received notice of any event of default or the occurrence of any event of default hereunder of which the Trustee is deemed to have notice the Trustee shall give written notice of such event of default by mail to the Board, the City and all owners of Bonds as shown on the bond register maintained by the Trustee, unless such event of default shall have been cured or waived; provided, however, that, except in the case of a default in the payment of the principal of (or premium, if any) or interest on any Bond, the Trustee shall be protected in withholding such notice if and so long as the Trustee in good faith determines that the withholding of such notice is in the interests of the bondowners. For the purpose of this Section, the term “**default**” means any event which is, or after notice or lapse of time or both would become, an event of default as defined in **Section 801**.

Section 804. Compensation and Reimbursement. The Trustee shall be entitled to payment or reimbursement, as follows:

(a) from time to time for reasonable compensation for all services rendered by it hereunder (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust);

(b) except as otherwise expressly provided herein, upon its request, for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any provision of this Indenture (including the reasonable compensation and the expenses and disbursements of its agents and counsel), except any such expense, disbursement or advance as may be attributable to the Trustee’s negligence or bad faith; and

(c) indemnification for any loss, liability or expense incurred without negligence or bad faith on its part, arising out of or in connection with the acceptance or administration of this trust, including the fees, costs and expenses of its agents and counsel in defending itself against any action, suit, demand, judgment, claim or liability in connection with the exercise or performance of any of its powers or duties hereunder.

As contemplated under the Financing Agreement, all such payments and reimbursements shall be made by the City with interest at the rate of interest per annum equal to the Prime Rate plus **2%**.

The Trustee shall promptly notify the City in writing of any claim or action brought against the Trustee in respect of which indemnity may be sought against the City, setting forth the particulars of such claim or action, and the City will assume the defense thereof, including the employment of counsel satisfactory to the Trustee and the payment of all expenses in accordance with the Financing Agreement. The Trustee may employ separate counsel in any such action and participate in the defense thereof, and the reasonable fees and expenses of such counsel shall not be payable by the City unless such employment has been specifically authorized by the City, or the City fails, in the judgment of the Trustee,

to employ competent counsel, and such counsel fails to actively defend such action and protect the interests of the Trustee or bondowners.

Pursuant to the provisions of the Financing Agreement, the City has agreed to pay to the Trustee all reasonable fees, charges, advances and expenses, including, without limitation, its agents and counsel, of the Trustee, and the Trustee agrees to look only to the City for the payment of all reasonable fees, charges, advances and expenses of the Trustee and any Paying Agent as provided in the Financing Agreement. The Trustee agrees that the Board shall have no liability for any fees, charges and expenses of the Trustee.

As security for the payment of such compensation, expenses, reimbursements and indemnity under this Section, the Trustee shall be secured under this Indenture by a first lien prior to the Bonds, and shall have the right to use and apply any trust moneys held by it under **Article IV** hereof.

Section 805. Corporate Trustee Required; Eligibility. There shall at all times be a Trustee hereunder which shall be a bank or trust company organized and doing business under the laws of the United States of America or of any state thereof, authorized under such laws to exercise corporate trust powers, subject to supervision or examination by federal or state authority, and having a combined capital and surplus of at least **\$50,000,000**. If such corporation publishes reports of condition at least annually, pursuant to law or to the requirements of such supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect specified in this Article.

Section 806. Resignation and Removal of Trustee.

(a) The Trustee may resign at any time by giving written notice thereof to the Board, the City and each owner of Bonds Outstanding as shown by the list of bondowners required by this Indenture to be kept at the office of the Trustee. If an instrument of acceptance by a successor Trustee shall not have been delivered to the Trustee within **30** days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee.

(b) If the Trustee has or shall acquire any conflicting interest (as determined by the Trustee), it shall, within **90** days after ascertaining that it has a conflicting interest, or within **30** days after receiving written notice from the Board or the City (so long as the City is not in default under the Financing Agreement) that it has a conflicting interest, either eliminate such conflicting interest or resign in the manner and with the effect specified in subsection (a).

(c) The Trustee may be removed at any time by an instrument or concurrent instruments in writing delivered to the Board and the Trustee signed by the owners of a majority in principal amount of the Outstanding Bonds, or, so long as the City is not in default and no condition that with the giving of notice or passage of time, or both, would constitute a default by the City under the Financing Agreement, signed by the City Representative. The Board, the City or any bondowner may at any time petition any court of competent jurisdiction for the removal for cause of the Trustee.

(d) If at any time:

(1) the Trustee shall fail to comply with subsection (b) after written request therefor by the Board or the City, or

(2) the Trustee shall cease to be eligible under **Section 805** and shall fail to resign after written request therefor by the Board or by any bondowner, or

(3) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, (A) the Board may remove the Trustee, or (B) the City or any bondowner may petition any court of competent jurisdiction for the removal of the Trustee and the appointment of a successor Trustee.

(e) The Trustee shall give notice at the expense of the City of each resignation and each removal of the Trustee and each appointment of a successor Trustee by mailing written notice of such event by first-class mail, postage prepaid, to the Board, the City and the registered owners of Bonds as their names and addresses appear in the bond register maintained by the Trustee. Each notice shall include the name of the successor Trustee and the address of its payment office.

(f) No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee under **Section 808**.

Section 807. Appointment of Successor Trustee. If the Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Trustee for any cause, the Board, with the written consent of the City if no event of default under the Financing Agreement has occurred and is continuing (which consent shall not be unreasonably withheld), or the owners of a majority in principal amount of Bonds Outstanding (if an event of default hereunder or under the Financing Agreement has occurred and is continuing), by an instrument or concurrent instruments in writing delivered to the Board and the retiring Trustee, shall promptly appoint a successor Trustee. In case all or substantially all of the Trust Estate shall be in the possession of a receiver or trustee lawfully appointed, such receiver or trustee, by written instrument, may similarly appoint a temporary successor to fill such vacancy until a new Trustee shall be so appointed by the Board or the bondowners. If, within **30** days after such resignation, removal or incapability or the occurrence of such vacancy, a successor Trustee shall be appointed in the manner herein provided, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment, become the successor Trustee and supersede the retiring Trustee and any temporary successor Trustee appointed by such receiver or trustee. If no successor Trustee shall have been so appointed and accepted appointment in the manner herein provided, any bondowner may petition any court of competent jurisdiction for the appointment of a successor Trustee, until a successor shall have been appointed as above provided. The successor so appointed by such court shall immediately and without further act be superseded by any successor appointed as above provided. Every such successor Trustee appointed pursuant to the provisions of this Section shall be a bank or trust company in good standing under the law of the jurisdiction in which it was created and by which it exists, meeting the eligibility requirements of this Article.

Section 808. Acceptance of Appointment by Successor. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to the Board and to the retiring Trustee an instrument accepting such appointment, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become vested with all the estates, properties, rights, powers, trusts and duties of the retiring Trustee and the duties and obligations of the retiring Trustee shall cease and terminate; but, on request of the Board or the successor Trustee, such retiring Trustee shall, upon payment of its charges, fees, costs and expenses, including its agents and counsel, execute and deliver an instrument conveying

and transferring to such successor Trustee upon the trusts herein expressed all the estates, properties, rights, powers and trusts of the retiring Trustee, and shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder, subject nevertheless to its lien, if any, provided for in **Section 804**. Upon request of any such successor Trustee, the Board shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such estates, properties, rights, powers and trusts.

No successor Trustee shall accept its appointment unless at the time of such acceptance such successor Trustee shall be qualified and eligible under this Article.

Section 809. Merger, Consolidation and Succession to Business. Any corporation or association into which the Trustee may be merged or with which it may be consolidated, or any corporation or association resulting from any merger or consolidation to which the Trustee shall be a party, or any corporation or association succeeding to all or substantially all of the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such corporation or association shall be otherwise qualified and eligible under this Article, and shall be vested with all of the title to the whole property or Trust Estate and all the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Bonds shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger or consolidation to such authenticating Trustee may adopt such authentication and deliver the Bonds so authenticated with the same effect as if such successor Trustee had itself authenticated such Bonds.

Section 810. Co-Trustees and Separate Trustees. At any time or times, for the purpose of meeting the legal requirements of any jurisdiction in which any of the Trust Estate may at the time be located, or in the enforcement of any default or the exercise any of the powers, rights or remedies herein granted to the Trustee, or any other action which may be desirable or necessary in connection therewith, the Trustee shall have power to appoint, and, upon the written request of the Trustee or of the owners of at least **25%** in principal amount of the Bonds Outstanding, the Board shall for such purpose join with the Trustee in the execution, delivery and performance of all instruments and agreements necessary or proper to appoint, one or more Persons approved by the Trustee either to act as co-trustee, jointly with the Trustee, of all or any part of the Trust Estate, or to act as separate trustee of any such property, in either case with such powers as may be provided in the instrument of appointment, and to vest in such person or persons in the capacity aforesaid, any property, title, protection, immunity, right or power deemed necessary or desirable, subject to the other provisions of this Section. If the Board does not join in such appointment within **15** days after the receipt by it of a request so to do, or in case an event of default has occurred and is continuing, the Trustee alone shall have power to make such appointment.

Should any written instrument from the Board be required by any co-trustee or separate trustee so appointed for more fully confirming to such co-trustee or separate trustee such property, title, right or power, any and all such instruments shall, on request, be executed, acknowledged and delivered by the Board.

Every co-trustee or separate trustee shall, to the extent permitted by law, but to such extent only, be appointed subject to the following terms, namely:

- (a) The Bonds shall be authenticated and delivered, and all rights, powers, duties and obligations hereunder in respect of the custody of securities, cash and other personal property held by, or required to be deposited or pledged with, the Trustee hereunder, shall be exercised solely, by the Trustee.

(b) The rights, powers, duties and obligations hereby conferred or imposed upon the Trustee in respect of any property covered by such appointment shall be conferred or imposed upon and exercised or performed by the Trustee or by the Trustee and such co-trustee or separate trustee jointly, as shall be provided in the instrument appointing such co-trustee or separate trustee, except to the extent that under any law of any jurisdiction in which any particular act is to be performed, the Trustee shall be incompetent or unqualified to perform such act, in which event such rights, powers, duties and obligations shall be exercised and performed by such co-trustee or separate trustee.

(c) The Trustee at any time, by an instrument in writing executed by it, with the concurrence of the Board evidenced by a resolution, may accept the resignation of or remove any co-trustee or separate trustee appointed under this Section, and, in case an event of default has occurred and is continuing, the Trustee shall have power to accept the resignation of, or remove, any such co-trustee or separate trustee without the concurrence of the Board. Upon the written request of the Trustee, the Board shall join with the Trustee in the execution, delivery and performance of all instruments and agreements necessary or proper to effectuate such resignation or removal. A successor to any co-trustee or separate trustee so resigned or removed may be appointed in the manner provided in this Section.

(d) No co-trustee or separate trustee hereunder shall be personally liable by reason of any act or omission of the Trustee, or any other such trustee hereunder.

(e) Any request, demand, authorization, direction, notice, consent, waiver or other act of bondowners delivered to the Trustee shall be deemed to have been delivered to each such co-trustee and separate trustee.

Section 811. Designation of Paying Agents. The Trustee is hereby designated and agrees to act as principal Paying Agent for and in respect to the Bonds. The Board may, in its discretion, cause the necessary arrangements to be made through the Trustee and to be thereafter continued for the designation of alternate Paying Agents, if any, and for the making available of funds hereunder for the payment of the principal of, premium, if any, and interest on the Bonds of any series, or at the payment office of said alternate Paying Agents. In the event of a change in the office of Trustee, the predecessor Trustee which has resigned or been removed shall cease to be trustee of any funds provided hereunder and Paying Agent for principal of, premium, if any, and interest on the Bonds, and the successor Trustee shall become such Trustee and Paying Agent unless a separate Paying Agent or Agents are appointed by the Board in connection with the appointment of any successor Trustee.

Section 812. Advances by Trustee. If the City shall fail to make any payment or perform any of its covenants in the Financing Agreement, the Trustee may, at any time and from time to time, use and apply any moneys held by it under this Indenture, or make advances, to effect payment or performance of any such covenant on behalf of the City. All moneys so used or advanced by the Trustee, together with interest at the Prime Rate plus 2% per annum, shall be repaid by the City upon demand and such advances shall be secured under this Indenture prior to the Bonds. For the repayment of all such advances the Trustee shall have the right to use and apply any moneys at any time held by it under this Indenture but no such use of moneys or advance shall relieve the City from any default under the Financing Agreement.

ARTICLE IX

SUPPLEMENTAL INDENTURES

Section 901. Supplemental Indentures without Consent of Bondowners. Without the consent of the owners of any Bonds, the Board and the Trustee may from time to time enter into one or more Supplemental Indentures for any of the following purposes:

(a) to correct or amplify the description of any property at any time subject to the lien of this Indenture, or better to assure, convey and confirm unto the Trustee any property subject or required to be subjected to the lien of this Indenture, or to subject to the lien of this Indenture additional property; or

(b) to add to the conditions, limitations and restrictions on the authorized amount, terms or purposes of issue, authentication and delivery of Bonds or of any series of Bonds, as herein set forth, additional conditions, limitations and restrictions thereafter to be observed; or

(c) to authorize the issuance of any series of Additional Bonds and make such other provisions as provided in **Section 203**; or

(d) to evidence the appointment of a separate trustee or the succession of a new trustee under this Indenture; or

(e) to add to the covenants of the Board or to the rights, powers and remedies of the Trustee for the benefit of the owners of all Bonds or to surrender any right or power herein conferred upon the Board; or

(f) to cure any ambiguity, to correct or supplement any provision in this Indenture which may be inconsistent with any other provision herein or to make any other change, with respect to matters or questions arising under this Indenture, which shall not be inconsistent with the provisions of this Indenture, provided such action shall not materially adversely affect the interests of the owners of the Bonds (and the Trustee shall be entitled to receive and rely upon an Opinion of Counsel in exercising such judgment); or

(g) to modify, eliminate or add to the provisions of this Indenture to such extent as shall be necessary to effect the qualification of this Indenture under the Trust Indenture Act of 1939, as amended, or under any similar federal statute hereafter enacted, or to permit the qualification of the Bonds for sale under the securities laws of the United States or any state of the United States.

Section 902. Supplemental Indentures with Consent of Bondowners. With the consent of the owners of not less than a majority in principal amount of the Bonds then Outstanding affected by such Supplemental Indenture, the Board and the Trustee may enter into one or more Supplemental Indentures for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of modifying in any manner the rights of the owners of the Bonds under this Indenture; provided, however, that no such Supplemental Indenture shall, without the consent of the owner of each Outstanding Bond affected thereby,

(a) change the stated maturity of the principal of, or any installment of interest on, any Bond, or reduce the principal amount thereof or the interest thereon or any premium payable upon the redemption thereof, or change any place of payment where (except as may be required

in connection with the appointment of a successor Trustee), or the coin or currency in which, any Bond, or the interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the stated maturity thereof (or, in the case of redemption, on or after the redemption date); or

(b) reduce the percentage in principal amount of the Outstanding Bonds, the consent of whose owners is required for any such Supplemental Indenture, or the consent of whose owners is required for any waiver provided for in this Indenture of compliance with certain provisions of this Indenture or certain defaults hereunder and their consequences; or

(c) modify the obligation of the Board to make payment on or provide funds for the payment of any Bond; or

(d) modify any of the provisions of this Section or **Section 710**, except to increase any percentage provided thereby or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the owner of each Bond affected thereby; or

(e) permit the creation of any lien ranking prior to or, except with respect to any Additional Bonds, on a parity with the lien of this Indenture with respect to any of the Trust Estate or terminate the lien of this Indenture on any property at any time subject hereto or deprive the owner of any Bond of the security afforded by the lien of this Indenture.

The Trustee may in its discretion determine whether or not any Bonds would be affected by any Supplemental Indenture and any such determination shall be conclusive upon the owners of all Bonds, whether theretofore or thereafter authenticated and delivered hereunder. The Trustee shall not be liable for any such determination made in good faith.

It shall not be necessary for the required percentage of owners of Bonds under this Section to approve the particular form of any proposed Supplemental Indenture, but it shall be sufficient if such act shall approve the substance thereof.

Section 903. Execution of Supplemental Indentures. In executing, or accepting the additional trusts created by, any Supplemental Indenture permitted by this Article or the modification thereby of the trusts created by this Indenture, the Trustee shall be entitled to receive, and, subject to **Article VIII**, shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such Supplemental Indenture is authorized and permitted by and in compliance with the terms of this Indenture and that the execution and delivery thereof will not adversely affect the exclusion from federal gross income of interest on the Tax-Exempt Bonds. The Trustee may, but shall not be obligated to, enter into any such Supplemental Indenture which affects the Trustee's own rights, duties or immunities under this Indenture or otherwise.

Section 904. Effect of Supplemental Indentures. Upon the execution of any Supplemental Indenture under this Article, this Indenture shall be modified in accordance therewith and such Supplemental Indenture shall form a part of this Indenture for all purposes; and every owner of Bonds theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

Section 905. Reference in Bonds to Supplemental Indentures. Bonds authenticated and delivered after the execution of any Supplemental Indenture pursuant to this Article may, and if required by the Trustee shall, bear a notation in form approved by the Trustee as to any matter provided for in such Supplemental Indenture. If the Board shall so determine, new Bonds so modified as to conform, in the

opinion of the Trustee and the Board, to any such Supplemental Indenture may be prepared and executed by the Board and authenticated and delivered by the Trustee in exchange for Outstanding Bonds.

Section 906. City Consent to Supplemental Indentures. So long as the City is not in default under the Financing Agreement, a Supplemental Indenture under this Article which affects any rights of the City will not become effective unless and until the City consents in writing to the execution and delivery of such Supplemental Indenture; provided that receipt by the Trustee of a Supplemental Financing Agreement executed by the City in connection with the issuance of Additional Bonds shall be deemed to be the consent of the City to the execution of the related Supplemental Indenture.

ARTICLE X

SATISFACTION AND DISCHARGE

Section 1001. Payment, Discharge and Defeasance of Bonds. Bonds will be deemed to be paid and discharged and no longer Outstanding under this Indenture and will cease to be entitled to any lien, benefit or security of this Indenture if the Board shall pay or provide for the payment of such Bonds in any one or more of the following ways:

- (a) by paying or causing to be paid the principal of (including redemption premium, if any) and interest on such Bonds, as and when the same become due and payable;
- (b) by delivering such Bonds to the Trustee for cancellation; or
- (c) by depositing in trust with the Trustee or other Paying Agent moneys and Defeasance Obligations in an amount, together with the income or increment to accrue thereon, without consideration of any reinvestment thereof, sufficient to pay or redeem (when redeemable) and discharge the indebtedness on such Bonds at or before their respective maturity or redemption dates (including the payment of the principal of, premium, if any, and interest payable on such Bonds to the maturity or redemption date thereof); provided that, if any such Bonds are to be redeemed prior to the maturity thereof, notice of such redemption is given in accordance with the requirements of this Indenture or provision satisfactory to the Trustee is made for the giving of such notice.

The Bonds may be defeased in advance of their maturity or redemption dates only with cash or Defeasance Obligations pursuant to subsection (c) above, subject to receipt by the Trustee of (1) a verification report prepared by independent certified public accountants, or other verification agent, satisfactory to the Board and (2) an Opinion of Bond Counsel addressed and delivered to the Trustee and the Board in form and substance satisfactory to the Trustee to the effect that the payment of the principal of and redemption premium, if any, and interest on all of the Bonds then Outstanding and any and all other amounts required to be paid under the provisions of this Indenture has been provided for in the manner set forth in this Indenture and to the effect that so providing for the payment of any Tax-Exempt Bonds will not cause the interest on such Tax-Exempt Bonds to be included in gross income for federal income tax purposes, notwithstanding the satisfaction and discharge of this Indenture.

The foregoing notwithstanding, the liability of the Board in respect of such Bonds shall continue, but the owners thereof shall thereafter be entitled to payment only out of the moneys and Defeasance Obligations deposited with the Trustee as aforesaid.

Moneys and Defeasance Obligations so deposited with the Trustee pursuant to this Section shall not be a part of the Trust Estate but shall constitute a separate trust fund for the benefit of the Persons entitled thereto. Such moneys and Defeasance Obligations shall be applied by the Trustee to the payment (either directly or through any Paying Agent, as the Trustee may determine) to the Persons entitled thereto, of the principal (and premium, if any) and interest for whose payment such moneys and Defeasance Obligations have been deposited with the Trustee.

Section 1002. Satisfaction and Discharge of Indenture. This Indenture and the lien, rights and interests created by this Indenture shall cease, determine and become null and void (except as to any surviving rights pursuant to **Section 1003** hereof) if the following conditions are met:

- (a) the principal of, premium, if any, and interest on all Bonds has been paid or is deemed to be paid and discharged by meeting the conditions of **Section 1001**;
- (b) all other sums payable under this Indenture with respect to the Bonds are paid or provision satisfactory to the Trustee is made for such payment;
- (c) the Trustee receives an Opinion of Bond Counsel (which may be based upon a ruling or rulings of the Internal Revenue Service) to the effect that so providing for the payment of any Tax-Exempt Bonds will not cause the interest on such Tax-Exempt Bonds to be included in gross income for federal income tax purposes, notwithstanding the satisfaction and discharge of this Indenture;
- (d) the Trustee receives an Opinion of Counsel to the effect that all conditions precedent in this Section to the satisfaction and discharge of this Indenture have been complied with; and
- (e) if such Bonds are to be redeemed or final payment is to occur on a date which is more than **90** days from the date of the deposit under this Section, the Board and the City shall have received (1) the report of a verification agent acceptable to and addressed to each of them, confirming the mathematical accuracy of the calculations used to determine the sufficiency of the moneys or Defeasance Obligations; and (2) the escrow deposit agreement

Thereupon, the Trustee shall execute and deliver to the Board a termination statement and such instruments of satisfaction and discharge of this Indenture as may be necessary at the written request of the Board, and shall pay, assign, transfer and deliver to the Board, or other Persons entitled thereto, all moneys, securities and other property then held by it under this Indenture as a part of the Trust Estate, other than moneys or Defeasance Obligations held in trust by the Trustee as herein provided for the payment of the principal of, premium, if any, and interest on the Bonds.

Section 1003. Rights Retained After Discharge. Notwithstanding the satisfaction and discharge of this Indenture, the rights of the Trustee under **Section 804** shall survive, and the Trustee shall retain such rights, powers and duties under this Indenture as may be necessary and convenient for the payment of amounts due or to become due on the Bonds and the registration, transfer and exchange of Bonds as provided herein. Nevertheless, any moneys held by the Trustee or any Paying Agent for the payment of the principal of, redemption premium, if any, or interest on any Bond remaining unclaimed for four years after the principal of all Bonds has become due and payable, whether at maturity or upon proceedings for redemption or by declaration as provided herein, shall then be paid to the City without liability for interest thereon, and the owners of any Bonds not theretofore presented for payment shall thereafter be entitled to look only to the City for payment thereof and all liability of the Trustee or any Paying Agent or the Board with respect to such moneys shall thereupon cease.

ARTICLE XI

NOTICES, CONSENTS AND OTHER ACTS

Section 1101. Notices. Except as otherwise provided herein, it shall be sufficient service of any notice, request, demand, authorization, direction, consent, waiver or other paper required or permitted by this Indenture to be made, given or furnished to or filed with the following Persons upon receipt by such Person, if the same shall be delivered in person or duly mailed by registered or certified mail, postage prepaid, return receipt requested, at the following addresses:

(a) To the Board at:

Missouri Development Finance Board
221 Boliver Street, Suite 300
Jefferson City, Missouri 65101
Attention: Executive Director

(b) To the Trustee at:

UMB Bank, N.A., as Trustee
928 Grand Blvd, 12th Floor
Kansas City, MO 64106
Attention: Corporate Trust Department

(c) To the City at:

City of Independence, Missouri
City Hall
111 East Maple
Independence, Missouri 64050
Attention: Director of Finance

(d) To the Original Purchaser:

Stifel, Nicolaus & Company, Incorporated
4622 Pennsylvania Avenue, Ste. 1210
Kansas City, MO 64112
Attention: Managing Director

A copy of the form of any notice from the Trustee to the Bondowners shall be given by the Trustee to the Board and the City.

If, because of the temporary or permanent suspension of mail service or for any other reason, it is impossible or impractical to mail any notice in the manner herein provided, then such delivery of notice in lieu thereof as shall be made with the approval of the Trustee shall constitute a sufficient notice.

Notice to bondowners shall be given by first class mail at the address of the bondowners as shown on the bond register maintained by the Trustee, and neither the failure to receive such notice, nor any defect in any notice so mailed, shall affect the sufficiency of such notice. Where this Indenture

provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by bondowners shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Section 1102. Acts of Bondowners. Any notice, request, demand, authorization, direction, consent, waiver or other action provided by this Indenture to be given or taken by bondowners may be embodied in and evidenced by one or more substantially concurrent instruments of similar tenor signed by such bondowners in person or by an agent duly appointed in writing. Except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Trustee, and, where it is hereby expressly required, to the Board and the City. Proof of execution of any such instrument or of a writing appointing any such agent, or of the ownership of Bonds other than the assignment of the ownership of a Bond, shall be sufficient for any purpose of this Indenture and conclusive in favor of the Board and the Trustee, if made in the following manner:

(a) The fact and date of the execution by any Person of any such instrument or writing may be proved by the certificate of any notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing such instrument or writing acknowledged to him the execution thereof, or by the affidavit of a witness of such execution. Whenever such execution is by an officer of a corporation or a member of a partnership on behalf of such corporation or partnership, such certificate or affidavit shall also constitute sufficient proof of his authority.

(b) The fact and date of execution of any such instrument or writing and the authority of any Person executing the same may also be proved in any other manner which the Trustee deems sufficient; and the Trustee may in any instance require further proof with respect to any of the matters referred to in this Section.

(c) The ownership of Bonds and the amount or amounts, numbers and other identification of such Bonds, and the date of holding the same, shall be proved by the bond register maintained by the Trustee.

In determining whether the owners of the requisite principal amount of Bonds Outstanding have given any request, demand, authorization, direction, notice, consent or waiver hereunder, Bonds registered on the bond register in the name of the Board or the City shall be disregarded and deemed not to be Outstanding, except that in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Bonds which the Board or the City has identified in writing to the Trustee as being owned by the Board or the City or an affiliate thereof shall be so disregarded.

Any notice, request, demand, authorization, direction, consent, waiver or other action by the owner of any Bond shall bind every future owner of the same Bond and the owner of every Bond issued upon the transfer thereof or in exchange therefor or in lieu thereof, in respect of anything done or suffered to be done by the Trustee or the Board in reliance thereon, whether or not notation of such action is made upon such Bond.

Section 1103. Form and Contents of Documents Delivered to Trustee. Whenever several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion

with respect to some matters and one or more other such Persons as to the other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Any certificate or opinion of an officer of the Board may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, counsel, unless such officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion is based are erroneous. Any Opinion of Counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an officer or officers of the Board stating that the information with respect to such factual matters is in the possession of the Board, unless such counsel knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to such matters are erroneous.

Whenever any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

Wherever in this Indenture, in connection with any application or certificate or report to the Trustee, it is provided that the Board shall deliver any document as a condition of the granting of such application, or as evidence of the Board's compliance with any term hereof, it is intended that the truth and accuracy, at the time of the granting of such application or at the effective date of such certificate or report (as the case may be), of the facts and opinions stated in such document shall in such case be conditions precedent to the right of the Board to have such application granted or to the sufficiency of such certificate or report.

Section 1104. Compliance Certificates and Opinions. Upon any application or request by the Board to the Trustee to take any action under any provision of this Indenture, the Board shall furnish to the Trustee an Officers' Certificate stating that all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with and an Opinion of Counsel stating that in the opinion of counsel rendering such opinion all such conditions precedent, if any, have been complied with, except that in the case of any such application or request as to which the furnishing of such documents is specifically required by any provision of this Indenture relating to such particular application or request, no additional certificate or opinion need be furnished.

Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture shall include:

- (a) a statement that each individual signing such certificate or opinion has read such condition or covenant and the definitions herein relating thereto;
- (b) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;
- (c) a statement that, in the opinion of each such individual, he has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such condition or covenant has been complied with; and
- (d) a statement as to whether, in the opinion of each such individual, such condition or covenant has been complied with.

ARTICLE XII

MISCELLANEOUS PROVISIONS

Section 1201. Further Assurances. The Board shall do, execute, acknowledge and deliver such Supplemental Indentures and such further acts, instruments, financing statements and assurances as the Trustee may reasonably require for accomplishing the purposes of this Indenture.

Section 1202. Immunity of Officers, Directors, Employees and Members of Board. No recourse shall be had for the payment of the principal of or redemption premium, if any, or interest on any of the Bonds or for any claim based thereon or upon any obligation, covenant or agreement contained in this Indenture against any past, present or future officer, director, member, employee or agent of the Board, or of any successor public corporation, either directly or through the Board or any successor public corporation, under any rule of law or equity, statute or constitution, or by the enforcement of any assessment or penalty or otherwise, and all such liability of any such officers, directors, members, employees or agents as such is hereby expressly waived and released as a condition of and consideration for the execution of this Indenture and the issuance of Bonds.

Section 1203. Limitation on Board Obligations. Any other term or provision in this Indenture or in any other Transaction Documents or elsewhere to the contrary notwithstanding:

(a) Any and all obligations (including without limitation, fees, claims, demands, payments, damages, liabilities, penalties, assessments and the like) of or imposed upon the Board or its members, officers, agents, employees, representatives, advisors or assigns, whether under this Indenture or any of the other Transaction Documents or elsewhere and whether arising out of or based upon a claim or claims of tort, contract, misrepresentation, or any other or additional legal theory or theories whatsoever (collectively the **“Obligations”**), shall in all events be absolutely limited obligations and liabilities, payable solely out of the following, if any, available at the time the Obligation in question is asserted:

(1) Bond proceeds and investments therefrom; and

(2) Payments derived from the Bonds, this Indenture (including the Trust Estate to the extent provided in this Indenture), the Financing Agreement (except for the fees and expenses of the Board and the Board’s right to indemnification under the Financing Agreement under certain circumstances and as otherwise expressly set forth therein);

(the above provisions (1) and (2) being collectively referred to as the **“exclusive sources of the Obligations”**).

(b) The Obligations shall not be deemed to constitute a debt or liability of the State of Missouri or of any political subdivision thereof within the meaning of any state constitutional provision or statutory limitation and shall not constitute a pledge of the full faith and credit of the State of Missouri or of any political subdivision thereof, but shall be payable solely from and out of the exclusive sources of the Obligations and shall otherwise impose no liability whatsoever, primary or otherwise, upon the State of Missouri or any political subdivision thereof or any charge upon their general credit or taxing power.

(c) In no event shall any member, officer, agent, employee, representative or advisor of the Board, or any successor or assign of any such person or entity, be liable, personally or otherwise, for any Obligation.

(d) In no event shall this Indenture be construed as:

(1) depriving the Board of any right or privilege; or

(2) requiring the Board or any member, officer, agent, employee, representative or advisor of the Board to take or omit to take, or to permit or suffer the taking of, any action by itself or by anyone else;

which deprivation or requirement would violate or result in the Board's being in violation of the Act or any other applicable state or federal law.

Section 1204. Benefit of Indenture. This Indenture shall inure to the benefit of and shall be binding upon the Board and the Trustee and their respective successors and assigns, subject, however, to the limitations contained herein. With the exception of rights expressly conferred in this Indenture, nothing in this Indenture or in the Bonds, express or implied, shall give to any Person, other than the parties hereto and their successors and assigns hereunder, any separate trustee or co-trustee appointed under **Section 810** and the owners of Outstanding Bonds, any benefit or any legal or equitable right, remedy or claim under this Indenture.

Section 1205. No Pecuniary Liability. All covenants, obligations and agreements of the City herein shall be effective to the extent authorized and permitted by law. No such covenant, obligation or agreement herein shall be deemed to be a covenant, obligation or agreement of any present or future councilmember, official, commissioner, director, officer, agent or employee of the City other than in their official capacity.

Section 1206. Severability. If any provision in this Indenture or in the Bonds shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 1207. Execution in Counterparts. This Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

Section 1208. Governing Law. This Indenture shall be governed by and construed in accordance with the laws of the State of Missouri.

Section 1209. Electronic Storage of Documents. The Trustee and the Board agree that the transaction described herein may be conducted and related documents may be stored by electronic means.

Section 1210. Anti-Discrimination. The Trustee hereby certifies and agrees that, to the extent that the "Anti -discrimination Against Israel Act," Section 34.600, Revised Statutes of Missouri (the "Israel Act"), is applicable to any contract entered into by the Trustee in connection with the Bonds, the Trustee is not currently engaged in and shall not, for the duration of such contract, engage in a boycott of goods or services from the State of Israel ("Israel"), companies doing business in or with Israel or authorized by, licensed by or organized under the laws of Israel or persons or entities doing business with Israel, in all respects within the meaning of the Israel Act. Failure to comply with the foregoing certification shall be enforceable in accordance with the terms of such contract. The foregoing

certification shall not be deemed an admission or agreement that the Israel Act is applicable to the aforesaid contracts but the foregoing certification is enforceable if the Israel Act is applicable. If the Israel Act is determined not to apply to the applicable contract for any reason including the repeal or amendment of the Israel Act or any ruling of a court of competent jurisdiction as to the unenforceability or invalidity of the Israel Act, then this certification shall be of no effect.

Section 1211. Provisions Relating to Bond Insurance. Notwithstanding anything to the contrary set forth in this Indenture, the provisions set forth in **Exhibit E** hereto, which are hereby incorporated by reference, shall govern during such time as any Series 2025A Bonds are Outstanding.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Board and the Trustee have caused this Bond Trust Indenture to be duly executed by their duly authorized officers, all as of the day and year first above written.

**MISSOURI DEVELOPMENT FINANCE
BOARD**

[SEAL]

By: _____
Name: Mark Stombaugh
Title: Executive Director

UMB BANK, N.A., as Trustee

[SEAL]

ATTEST:

By: _____
Name:
Title:

By: _____
Name:
Title:

EXHIBIT A
TO BOND TRUST INDENTURE

The Projects

The Projects include (1) the construction, improvement, furnishing and equipping of three new fire stations and related improvements (including demolition of existing improvements), and (2) the renovation, improvement, furnishing and equipping of the existing Independence Utilities Center for law enforcement uses, including space for police headquarters.

EXHIBIT B
TO BOND TRUST INDENTURE
(FORM OF SERIES 2025A BONDS)

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

UNITED STATES OF AMERICA

STATE OF MISSOURI

Registered
No. R-____

Registered
\$_____

MISSOURI DEVELOPMENT FINANCE BOARD

INFRASTRUCTURE FACILITIES REVENUE BOND
(CITY OF INDEPENDENCE, MISSOURI - PUBLIC SAFETY PROJECTS)
SERIES 2025A

Interest Rate
____%

Maturity Date

Dated Date

CUSIP

Registered Owner: CEDE & CO. Taxpayer I.D. No. 13-2555119

Principal Amount:

THE MISSOURI DEVELOPMENT FINANCE BOARD, a body politic and corporate and a public instrumentality (the “Board”), for value received, promises to pay, but solely from the sources herein specified to the registered owner named above, or registered assigns, the principal amount stated above on the maturity date stated above, except as the provisions herein set forth with respect to redemption prior to maturity may become applicable hereto, and in like manner to pay interest on said principal amount at the interest rate per annum stated above (computed on the basis of a **360**-day year of twelve **30**-day months) from the date of Bonds stated above or from the most recent interest payment date to which interest has been paid or duly provided for, payable semi-annually on each June 1 and December 1, commencing December 1, 2025, until said principal amount is paid.

Method and Place of Payment. The principal of and interest on this Bond shall be payable in any coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts. The principal of and redemption premium, if any, on this Bond shall be payable by check or draft to the registered owner at the maturity or redemption date upon presentation and surrender of this Bond at the payment office of **UMB BANK, N.A.**, in the City of Kansas City, Missouri (the “Trustee”). The interest payable on this Bond on any interest payment date shall be paid by the Trustee to the registered owner of this Bond appearing on the bond register maintained by the Trustee at the close of business on the Record Date for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding such interest payment date and shall be paid by (1) check or draft of the Trustee mailed to such registered owner at his address as it appears on such bond register or at such other address furnished in writing by such registered owner to the Trustee, or (2) at the written request addressed to the Trustee by any registered owner of Bonds in the aggregate principal amount of at least **\$500,000**, by electronic transfer to the bank for credit to the ABA routing number and account number filed with the Trustee no later than **5** days preceding the Record Date. Any such written notice for electronic transfer shall be signed by such owner and shall include the name of the bank, its address, its ABA routing number and the name, number and contact name related to such owner’s account at such bank to which the payment is to be credited.

Limited Obligations. The Bonds and the interest thereon are special, limited obligations of the Board payable solely out of Loan Payments (as defined in the Bond Trust Indenture dated as of May 1, 2025 between the Board and the Trustee, as amended and supplemented from time to time in accordance with the provisions thereof, herein called the “Indenture”) derived by the Board under the Financing Agreement and are secured by a pledge and assignment of such Loan Payments and other funds as provided in the Indenture. The Bonds shall not be deemed to constitute a debt or liability of the State of Missouri or of any political subdivision thereof within the meaning of any state constitutional provision or statutory limitation and shall not constitute a pledge of the full faith and credit of the State of Missouri or of any political subdivision thereof, but shall be payable solely from the funds provided for in the Financing Agreement and the Indenture. The issuance of the Bonds shall not directly or indirectly obligate the State of Missouri, any political subdivision thereof, the Board or its officers, directors or employees to provide any funds for the payment of such Bonds. The issuance of the Bonds shall not, directly, indirectly or contingently, obligate the State of Missouri or any political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment. The State of Missouri shall not in any event be liable for the payment of the principal of, premium, if any, or interest on the Bonds or for the performance of any pledge, mortgage, obligation or agreement of any kind whatsoever which may be undertaken by the Board. No breach by the Board of any such pledge, mortgage, obligation or agreement may impose any liability, pecuniary or otherwise, upon the State of Missouri or any charge upon its general credit or its taxing power. The Board has no power to tax.

Authorization of Bonds. This Bond is one of a duly authorized series of bonds of the Board designated “Infrastructure Facilities Revenue Bonds (City of Independence, Missouri - Public Safety Projects), Series 2025A,” in the aggregate principal amount of \$46,825,000 (the “Bonds”), issued pursuant to the Act and in full compliance with the Constitution and statutes of the State of Missouri, including particularly Sections 100.250 to 100.297, et. seq., as amended, and pursuant to proceedings duly had by the Board. The Bonds are issued under and are equally and ratably secured and entitled to the protection given by the Indenture, and were issued for the purpose of making a loan to the City of Independence, Missouri (the “City”) to provide funds for the purposes described in the Indenture. The loan will be made pursuant to a Financing Agreement, dated as of May 1, 2025 (said Financing Agreement, as amended and supplemented from time to time in accordance with the provisions thereof, herein called the “Financing Agreement”), between the Board and the City. Under the Indenture, the Board has pledged and assigned certain of its rights under the Financing Agreement, including the right to

receive all Loan Payments thereunder, to the Trustee as security for the Bonds. Reference is hereby made to the Indenture for a description of the property pledged and assigned thereunder, and the provisions, among others, with respect to the nature and extent of the security for the Bonds, and the rights, duties and obligations of the Board, the Trustee and the registered owners of the Bonds, and a description of the terms upon which the Bonds are issued and secured, upon which provision for payment of the Bonds or portions thereof and defeasance of the lien of the Indenture with respect thereto may be made and upon which the Indenture may be deemed satisfied and discharged prior to payment of the Bonds. Under the circumstances and upon satisfaction of the conditions set forth in the Indenture, additional bonds, on a parity with the Bonds, may be issued.

Redemption Prior to Maturity. The Bonds are subject to redemption prior to maturity as provided in the Indenture.

Notice of Redemption. Notice of redemption, unless waived, is to be given by the Trustee by mailing an official redemption notice by registered, certified or first class mail at least **30** days and not more than **60** days prior to the date fixed for redemption to the registered owner of the Bond or Bonds to be redeemed at the address shown on the bond register maintained by the Trustee. Notice of redemption having been given as aforesaid, the Bonds or portions of Bonds to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified and from and after such date (unless the Board shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest.

Book-Entry System. The Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Indenture. One Bond certificate with respect to each date on which the Bonds are stated to mature or with respect to each form of Bonds, registered in the nominee name of the Securities Depository, is being issued and required to be deposited with the Securities Depository and immobilized in its custody or that of the Paying Agent as the Securities Depository "FAST" Agent. The book-entry system will evidence positions held in the Bonds by the Securities Depository's participants, beneficial ownership of the Bonds in authorized denominations being evidenced in the records of such participants. Transfers of ownership shall be effected on the records of the Securities Depository and its participants pursuant to rules and procedures established by the Securities Depository and its participants. The Board and the Trustee will recognize the Securities Depository nominee, while the registered owner of this Bond, as the owner of this Bond for all purposes, including (i) payments of principal of, and redemption premium, if any, and interest on, this Bond, (ii) notices and (iii) voting. Transfer of principal, interest and any redemption premium payments to participants of the Securities Depository, and transfer of principal, interest and any redemption premium payments to beneficial owners of the Bonds by participants of the Securities Depository will be the responsibility of such participants and other nominees of such beneficial owners. The Board and the Trustee will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by the Securities Depository, the Securities Depository nominee, its participants or persons acting through such participants. While the Securities Depository nominee is the owner of this Bond, notwithstanding the provision hereinabove contained, payments of principal of, redemption premium, if any, and interest on this Bond shall be made in accordance with existing arrangements among the Board, the Trustee and the Securities Depository.

Transfer and Exchange. EXCEPT AS OTHERWISE PROVIDED IN THE INDENTURE, THIS GLOBAL BOND MAY BE TRANSFERRED, IN WHOLE BUT NOT IN PART, ONLY TO ANOTHER NOMINEE OF THE SECURITIES DEPOSITORY OR TO A SUCCESSOR SECURITIES DEPOSITORY OR TO A NOMINEE OF A SUCCESSOR SECURITIES DEPOSITORY. This Bond may be transferred or exchanged, as provided in the Indenture, only upon the bond register maintained by the Trustee at the above-mentioned office of the Trustee by the registered

owner hereof in person or by his duly authorized attorney, upon surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or his duly authorized attorney, and thereupon a new Bond or Bonds of the same maturity and in the same aggregate principal amount, shall be issued to the transferee in exchange therefor as provided in the Indenture, and upon payment of the charges therein prescribed. The Board, the Trustee and any Paying Agent may deem and treat the person in whose name this Bond is registered on the bond register maintained by the Trustee as the absolute owner hereof for the purpose of receiving payment of, or on account of, the principal or redemption price hereof and interest due hereon and for all other purposes. The Bonds are issuable in the form of fully registered Bonds without coupons in the denominations of **\$5,000** or any integral multiple thereof.

Limitation on Rights. The registered owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture. In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Bonds issued under the Indenture and then outstanding may become or may be declared due and payable before the stated maturity thereof, together with interest accrued thereon. The Bonds or the Indenture may be modified, amended or supplemented only to the extent and in the circumstances permitted by the Indenture.

Authentication. This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Indenture until the Certificate of Authentication hereon shall have been executed by the Trustee.

Statement of Insurance. Assured Guaranty Inc. (“AG”) has delivered its municipal bond insurance policy (the “Policy”) with respect to the scheduled payments due of principal of and interest on this Bond to UMB Bank, N.A., Kansas City, Missouri, as Trustee and paying agent for the Bonds (the “Trustee”). Said Policy is on file and available for inspection at the principal office of the Trustee and a copy thereof may be obtained from AG or the Trustee. All payments required to be made under the Policy shall be made in accordance with the provisions thereof. The owner of this Bond acknowledges and consents to the subrogation rights of AG as more fully set forth in the Policy.

IT IS HEREBY CERTIFIED AND DECLARED that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Indenture and the issuance of this Bond do exist, have happened and have been performed in due time, form and manner as required by law.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the **MISSOURI DEVELOPMENT FINANCE BOARD** has caused this Bond to be executed in its name by the manual or facsimile signature of its Chairman, Vice Chairman or President and attested by the manual or facsimile signature of its Secretary or an Assistant Secretary and its corporate seal to be affixed or imprinted hereon, all as of the Dated Date specified above.

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within mentioned Indenture.

Date of Authentication:

UMB BANK, N.A., N.A.,
Trustee

By: _____
Authorized Signature

MISSOURI DEVELOPMENT FINANCE BOARD

By: _____
Chairman

[SEAL]

ATTEST:

By: _____
Assistant Secretary

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(Please Print or Typewrite Name, Address and Social Security
Number or Taxpayer Identification Number of Transferee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

agent

to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Place signature medallion below:

LEGAL OPINION

The following is a true and correct copy of the legal opinion of Gilmore & Bell, P.C., Kansas City, Missouri, on the within Bond and the series of which said Bond is a part, which opinion was manually executed and was dated and issued as of the date of delivery of and payment for such Bonds.

GILMORE & BELL, P.C.
2405 Grand Boulevard, Suite 1100
Kansas City, Missouri 64108

(Opinion of Bond Counsel)

**EXHIBIT C
TO BOND TRUST INDENTURE**

Request No: _____
Date: _____

DISBURSEMENT REQUEST

(\$ 402 - COSTS OF ISSUANCE FUND)
(Series 2025A Costs of Issuance Account)

To: UMB Bank, N.A., as Trustee
Corporate Trust Department
Kansas City, Missouri

Re: Missouri Development Finance Board, Infrastructure Facilities Revenue Bonds
(City of Independence, Missouri - Public Safety Projects), Series 2025A

You are hereby requested and directed as Trustee under the Bond Trust Indenture dated as of May 1, 2025 (the "Indenture"), between the Missouri Development Finance Board and you, as Trustee, to pay from moneys in the Costs of Issuance Fund, pursuant to **Section 402** of the Indenture, to the following payees the following amounts for the following Costs of Issuance (as defined in the Indenture):

<u>Payee</u>	<u>Amount</u>	<u>Description of Costs of Issuance</u>
--------------	---------------	---

The undersigned City Representative hereby states and certifies that each item listed above is a proper Cost of Issuance (as defined in the Indenture) that was incurred in connection with the issuance of the above-referenced Bonds, and the amount of this request is justly due and owing and has not been the subject of another requisition which was paid. With respect to this disbursement, the City (i) certifies it has reviewed any wire instructions set forth herein to confirm such wire instructions are accurate, and (ii) agrees it will not seek recourse from the Trustee as a result of losses incurred by it for making the disbursement in accordance with its instructions herein.

CITY OF INDEPENDENCE, MISSOURI

By: _____
City Representative

**EXHIBIT D
TO BOND TRUST INDENTURE**

Request No: _____
Date: _____

DISBURSEMENT REQUEST

(§ 403 - PROJECT FUND)
(Series 2025A Project Account)

To: UMB Bank, N.A., as Trustee
Corporate Trust Department
Kansas City, Missouri

Re: Missouri Development Finance Board, Infrastructure Facilities Revenue Bonds
(City of Independence, Missouri - Public Safety Projects), Series 2025A

You are hereby requested and directed as Trustee under the Bond Trust Indenture dated as of May 1, 2025 (the “Indenture”), between the Missouri Development Finance Board and you, as Trustee, to pay from moneys in the Project Fund, pursuant to **Section 403** of the Indenture, to the following payees the following amounts for the following Costs of the Project (as defined in the Indenture):

<u>Payee</u>	<u>Amount</u>	<u>Description of Costs of Project</u>
--------------	---------------	--

The undersigned City Representative hereby states and certifies that:

1. Each item listed above is a valid and proper Cost of the Project (as defined in the Indenture) that was incurred in the Project in accordance with the construction contracts and plans and specifications therefor.
2. These costs have been incurred by the City under their control and are presently due and payable or have been paid by the City and are reasonable costs that are payable or reimbursable under the Indenture and each item thereof is a proper charge against the Project Fund.
3. Each item listed above has not previously been paid or reimbursed from moneys in the Project Fund and no part thereof has been included in any other Disbursement Request previously filed with the Trustee under the provisions of the Indenture or reimbursed to the City from Bond proceeds.

4. There has not been filed with or served upon the City any notice of any lien, right to a lien or attachment upon or claim affecting the right of any person, firm or corporation to receive payment of the amounts stated in this request.
5. All necessary permits and approvals required for the portion of the work on the Project for which this withdrawal is to be made have been issued and are in full force and effect.
6. All work for which payment is now or has heretofore been requested (insofar as such payments relate to the construction, remodeling and renovation portions of the Project) has been performed in a good and workmanlike manner and in accordance with the plans and specifications therefor.
7. With respect to this disbursement, the City (i) certifies it has reviewed any wire instructions set forth herein to confirm such wire instructions are accurate, and (ii) agrees it will not seek recourse from the Trustee as a result of losses incurred by it for making the disbursement in accordance with its instructions herein.

CITY OF INDEPENDENCE, MISSOURI

By: _____
City Representative

EXHIBIT E
TO BOND TRUST INDENTURE

Provisions Relating to Bond Insurance

(a) The following defined terms are added to the Indenture:

“Insurance Policy” means the insurance policy issued by the Insurer guaranteeing the scheduled payment of principal of and interest on the Series 2025A Bonds when due.

“Insurer” means Assured Guaranty Inc., a Maryland corporation, or any successor thereto or assignee thereof.

“Related Documents” means the Indenture, the Financing Agreement or any other transaction document, including any underlying security agreement for the Series 2025A Bonds.

(b) The Insurer shall be deemed to be the sole owner of the Series 2025A Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the owners of the Series 2025A Bonds are entitled to take pursuant to the Indenture pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee. In furtherance thereof and as a term of the Indenture and each Series 2025A Bond, each owner of the Series 2025A Bonds appoints the Insurer as its agent and attorney-in-fact with respect to the Series 2025A Bonds and agrees that the Insurer may at any time during the continuation of any proceeding by or against the Board or the City under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an “Insolvency Proceeding”) direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a “Claim”), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, each owner of the Series 2025A Bonds delegates and assigns to the Insurer, to the fullest extent permitted by law, the rights of each owner of the Series 2025A Bonds in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. The Trustee acknowledges such appointment, delegation and assignment by each owner of the Series 2025A Bonds for the Insurer’s benefit, and agrees to cooperate with the Insurer in taking any action reasonably necessary or appropriate in connection with such appointment, delegation and assignment. Remedies granted to the owners shall expressly include mandamus.

(c) The security for the Series 2025A Bonds shall include a pledge of the Financing Agreement and a default under such agreement shall constitute an Event of Default under the Indenture.

(d) The maturity of the Series 2025A Bonds shall not be accelerated without the consent of the Insurer and in the event the maturity of the Series 2025A Bonds is accelerated, the Insurer may elect, in its sole discretion, to pay accelerated principal, and interest accrued on such principal, to the date of acceleration (to the extent unpaid by the Board) and the Trustee shall be required to accept such amounts. Upon payment of such accelerated principal and interest accrued to the acceleration date as provided above, the Insurer's obligations under the Insurance Policy with respect to such Series 2025A Bonds shall be fully discharged.

(e) No grace period for a covenant default shall exceed thirty (30) days or be extended for more than sixty (60) days, without the prior written consent of the Insurer. No grace period shall be permitted for payment defaults.

(f) The Insurer is a third-party beneficiary of the Indenture.

(g) Upon the occurrence of an extraordinary optional, special or extraordinary mandatory redemption in part, the selection of Series 2025A Bonds to be redeemed shall be subject to the approval of the Insurer. The exercise of any provision of the Indenture which permits the purchase of Series 2025A Bonds in lieu of redemption shall require the prior written approval of the Insurer if any Series 2025A Bond so purchased is not cancelled upon purchase.

(h) Any amendment, supplement, modification to, or waiver of, the Indenture, that requires the consent of owners or adversely affects the rights and interests of the Insurer shall be subject to the prior written consent of the Insurer.

(i) Unless the Insurer otherwise directs, upon the occurrence and continuance of an Event of Default or an event which with notice or lapse of time would constitute an Event of Default, amounts on deposit in the Project Fund shall not be disbursed, but shall instead be applied to the payment of debt service or redemption price of the Series 2025A Bonds.

(j) The rights granted to the Insurer under the Indenture or any other Related Document to request, consent to or direct any action are rights granted to the Insurer in consideration of its issuance of the Insurance Policy. Any exercise by the Insurer of such rights is merely an exercise of the Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the owners and such action does not evidence any position of the Insurer, affirmative or negative, as to whether the consent of the owners or any other person is required in addition to the consent of the Insurer.

(k) Only (1) cash, (2) non-callable direct obligations of the United States of America ("Treasuries"), (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (4) subject to the prior written consent of the Insurer, pre-refunded municipal obligations rated in the then highest rating category by S&P and Moody's for such obligations, or (5) subject to the prior written consent of the Insurer, any other type of security or obligation which S&P and Moody's have determined to be permitted defeasance securities, shall be used to effect defeasance of the Series 2025A Bonds unless the Insurer otherwise approves.

To accomplish defeasance of the Series 2025A Bonds, the Board shall cause to be delivered to the Insurer (i) other than with respect to a current refunding that is gross funded, a report of either a nationally recognized verification agent or a firm of independent, nationally-recognized certified public accountants as shall be acceptable to the Insurer verifying the sufficiency of the escrow established to pay the Series 2025A Bonds in full on the maturity or redemption date ("Verification"), (ii) an escrow deposit agreement or other irrevocable written instructions (which shall be acceptable in form and substance to the Insurer), (iii) an opinion of nationally-recognized bond counsel to the effect that the Series 2025A Bonds are no longer "Outstanding" under the Indenture and (iv) a certificate of discharge of the Trustee with respect to the Series 2025A Bonds; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Board, the Trustee and the Insurer. The Insurer shall be provided with

final drafts of the above-referenced documentation not less than five (5) Business Days prior to the funding of the escrow.

Series 2025A Bonds shall be deemed “Outstanding” under the Indenture unless and until they are in fact paid and retired or the above criteria are met.

(l) Amounts paid by the Insurer under the Insurance Policy shall not be deemed paid for purposes of the Indenture and the Series 2025A Bonds relating to such payments shall remain Outstanding and continue to be due and owing until paid by the Board in accordance with the Indenture. The Indenture shall not be discharged unless all amounts due or to become due to the Insurer have been paid in full or duly provided for.

(m) Each of the Board and Trustee covenant and agree to take such action (including, as applicable, filing of UCC financing statements and continuations thereof) as is necessary from time to time to preserve the priority of the pledge of the Trust Estate under applicable law.

(n) Claims Upon the Insurance Policy and Payments by and to the Insurer.

If, on the third Business Day prior to the related scheduled interest payment date or principal payment date (“Payment Date”) there is not on deposit with the Trustee, after making all transfers and deposits required under the Indenture, moneys sufficient to pay the principal of and interest on the Series 2025A Bonds due on such Payment Date, the Trustee shall give notice to the Insurer and to its designated agent (if any) (the “Insurer’s Fiscal Agent”) by telephone of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the Series 2025A Bonds due on such Payment Date, the Trustee shall make a claim under the Insurance Policy and give notice to the Insurer and the Insurer’s Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the Series 2025A Bonds and the amount required to pay principal of the Series 2025A Bonds, confirmed in writing to the Insurer and the Insurer’s Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the Insurance Policy.

The Trustee shall designate any portion of payment of principal on Series 2025A Bonds paid by the Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Series 2025A Bonds registered to the then current owner of the Series 2025A Bonds, whether DTC or its nominee or otherwise, and shall issue a replacement Series 2025A Bond to the Insurer, registered in the name of Assured Guaranty Inc., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee’s failure to so designate any payment or issue any replacement Series 2025A Bond shall have no effect on the amount of principal or interest payable by the Board on any Series 2025A Bond or the subrogation rights of the Insurer.

The Trustee shall keep a complete and accurate record of all funds deposited by the Insurer into the Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any Series 2025A Bond. The Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

Upon payment of a claim under the Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of owners of the Series 2025A Bonds referred to herein as the “Policy Payments Account” and over which the Trustee shall have exclusive control and sole right of

withdrawal. The Trustee shall receive any amount paid under the Insurance Policy in trust on behalf of owners of the Series 2025A Bonds and shall deposit any such amount in the Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to owners of the Series 2025A Bonds in the same manner as principal and interest payments are to be made with respect to the Series 2025A Bonds under the sections of the Indenture regarding payment of Series 2025A Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything in the Indenture to the contrary, the Board agrees to pay, or cause the City to pay, to the Insurer, solely from the Trust Estate (i) a sum equal to the total of all amounts paid by the Insurer under the Insurance Policy (the "Insurer Advances"); and (ii) interest on such Insurer Advances from the date paid by the Insurer until payment thereof in full, payable to the Insurer at the Late Payment Rate per annum (collectively, the "Insurer Reimbursement Amounts"). "Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Series 2025A Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates.

The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The Board hereby covenants and agrees that the Insurer Reimbursement Amounts are secured by a lien on and pledge of the Trust Estate and payable from such Trust Estate on a parity with debt service due on the Series 2025A Bonds.

Funds held in the Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. The Trustee shall notify the Insurer of any funds remaining in the Policy Payments Account after the Trustee has made the payments for which a claim was made to the owners of the Series 2025A Bonds and shall, at the written direction of the Insurer, promptly remit such funds remaining to the Insurer.

(o) The Insurer shall, to the extent it makes any payment of principal of or interest on the Series 2025A Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Insurance Policy (which subrogation rights shall also include the rights of any such recipients in connection with any Insolvency Proceeding). Each obligation of the Board to the Insurer under the Related Documents shall survive discharge or termination of such Related Documents.

(p) After payment of reasonable expenses of the Trustee, the application of funds realized upon default shall be applied to the payment of expenses of the Board or rebate only after the payment of past due and current debt service on the Series 2025A Bonds.

(q) The Insurer shall be entitled to pay principal or interest on the Series 2025A Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Board (as such terms are defined in the Insurance Policy) and any amounts due on the Series 2025A Bonds as a result of acceleration of the maturity thereof, whether or not the Insurer has received a Notice of Nonpayment (as such terms are defined in the Insurance Policy) or a claim upon the Insurance Policy.

(r) Notices to the Insurer shall be sent to the following address (or such other address as the Insurer may designate in writing):

Assured Guaranty Inc.
1633 Broadway
New York, NY 10019
Attention: Managing Director – Municipal Surveillance
Re: Policy No. _____-N
Telephone: (212) 974-0100
Email: munidisclosure@agltd.com

In each case in which the notice or other communication refers to a claim on the Insurance Policy or an Event of Default, such notice or other communication shall be marked "URGENT MATERIAL ENCLOSED" and a copy shall also be sent to the attention of the General Counsel at the above address and at generalcounsel@agltd.com.

(s) The Insurer shall be provided with the following information by the Board or the Trustee, as the case may be:

1. Notice of any default or Event of Default under the Indenture known to the Trustee or the Board within five (5) Business Days after knowledge thereof;
2. Prior notice of the advance refunding or redemption of any of the Series 2025A Bonds, including the principal amount, maturities and CUSIP numbers thereof;
3. Notice of the resignation or removal of the Trustee and Bond Registrar and the appointment of, and acceptance of duties by, any successor thereto;
4. Notice of the commencement of any Insolvency Proceeding (as defined in subsection (b) above);
5. Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on, the Series 2025A Bonds; and
6. All reports, notices and correspondence to be delivered to owners under the terms of the Related Documents.

(t) The Insurer shall have the right to receive such additional information as it may reasonably request.

(u) The Board will permit the Insurer to discuss the affairs, finances and accounts of the Board or any information the Insurer may reasonably request regarding the security for the Series 2025A Bonds with appropriate officers of the Board and will use commercially reasonable efforts to enable the Insurer to have access to the facilities, books and records of the Board on any Business Day upon reasonable prior notice.

(v) The Trustee shall notify the Insurer of any known failure of the Board or the City to provide notices, certificates and other information under the Related Documents that are required to be delivered to the owners of the Series 2025A Bonds.

(w) Notwithstanding satisfaction of the other conditions to the issuance of Additional Bonds set forth in the Indenture and unless otherwise permitted by the Insurer, no such issuance may occur if an Event of

Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such default shall be cured upon such issuance.

(x) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under the Indenture would adversely affect the security for the Series 2025A Bonds or the rights of the owners, the effect of any such amendment, consent, waiver, action or inaction shall be considered as if there were no Insurance Policy.

(y) No contract shall be entered into or any action taken by which the rights of the Insurer or security for or sources of payment of the Series 2025A Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of the Insurer.

**MISSOURI DEVELOPMENT FINANCE BOARD
as Board**

AND

**CITY OF INDEPENDENCE, MISSOURI,
as City**

FINANCING AGREEMENT

Dated as of May 1, 2025

Relating to

\$46,825,000

**Missouri Development Finance Board
Infrastructure Facilities Revenue Bonds
(City of Independence, Missouri - Public Safety Projects)
Series 2025A**

Certain rights, title and interest of the Missouri Development Finance Board in this Financing Agreement have been pledged and assigned to UMB Bank, N.A., Kansas City, Missouri, as Trustee under a Bond Trust Indenture dated as of May 1, 2025, between the Board and the Trustee.

FINANCING AGREEMENT

TABLE OF CONTENTS

Page

ARTICLE I

DEFINITIONS

Section 1.1.	Definitions of Words and Terms	2
Section 1.2.	Rules of Interpretation	2

ARTICLE II

REPRESENTATIONS

Section 2.1.	Representations by the Board	2
Section 2.2.	Representations by the City	3
Section 2.3.	Survival of Representations	3

ARTICLE III

THE LOAN; PAYMENT OF THE SERIES 2015D BONDS; ISSUANCE OF THE SERIES 2015D BONDS

Section 3.1.	Amount and Source of the Loan; Issuance of Bonds	3
Section 3.2.	Loan Payments	4
Section 3.3.	Credits on Loan Payments	4
Section 3.4.	Additional Payments	5
Section 3.5.	Annual Appropriations	6
Section 3.6.	Annual Budget Request	6
Section 3.7.	Loan Payments to Constitute Current Expenses of the City	6

ARTICLE IV

SECURITY FOR THE LOAN

Section 4.1.	Security for the Loan	7
--------------	-----------------------------	---

ARTICLE V

TERM

Section 5.1.	Term of Financing Agreement	7
--------------	-----------------------------------	---

ARTICLE VI

GENERAL COVENANTS AND PROVISIONS

Section 6.1.	Information Provided to the Board and the Trustee.....	7
Section 6.2.	Indemnification.....	8
Section 6.3.	Continuing Disclosure	9

ARTICLE VII

ADDITIONAL BONDS

Section 7.1.	Additional Bonds.....	9
--------------	-----------------------	---

ARTICLE VIII

ASSIGNMENT OF BOARD'S RIGHTS UNDER FINANCING AGREEMENT

Section 8.1.	Assignment by the Board	9
Section 8.2.	Restriction on Transfer of Board's Rights.....	9

ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES

Section 9.1.	Events of Default Defined	10
Section 9.2.	Remedies on Default	10
Section 9.3.	No Remedy Exclusive	11
Section 9.4.	Agreement to Pay Attorneys' Fees and Expenses	11
Section 9.5.	Board and City to Give Notice of Default	11
Section 9.6.	Performance of the City's Obligations.....	12
Section 9.7.	Remedial Rights Assigned to the Trustee	12

ARTICLE X

PREPAYMENT AND ACCELERATION OF LOAN PAYMENTS

Section 10.1.	Prepayment at the Option of the City	12
Section 10.2.	Mandatory Prepayment to Satisfy Scheduled Mandatory Sinking Fund Redemption Requirements	12
Section 10.3.	Right to Prepay at Any Time	12
Section 10.4.	Notice of Prepayment	12
Section 10.5.	Precedence of this Article.....	13

ARTICLE XI

SUPPLEMENTAL FINANCING AGREEMENTS

Section 11.1.	Supplemental Financing Agreements without Consent of Bondowners	13
Section 11.2.	Supplemental Financing Agreements with Consent of Bondowners.....	13
Section 11.3.	Execution of Supplemental Financing Agreements.....	14

Section 11.4.	Effect of Supplemental Financing Agreements	14
Section 11.5.	Reference in Bonds to Supplemental Financing Agreements.....	14

ARTICLE XII

MISCELLANEOUS

Section 12.1.	Authorized Representatives	15
Section 12.2.	Notices	15
Section 12.3.	Performance Date Not a Business Day	15
Section 12.4.	Binding Effect.....	15
Section 12.5.	Execution in Counterparts	15
Section 12.6.	No Pecuniary Liability.....	15
Section 12.7.	Extent of Covenants of the Board; No Personal or Pecuniary Liability	15
Section 12.8.	Net Loan	16
Section 12.9.	Complete Agreement	16
Section 12.10.	Severability.....	16
Section 12.11.	Governing Law	16
Section 12.12.	Third Party Beneficiaries.....	16
Section 12.13.	Electronic Storage of Documents	16
Section 12.14.	Provisions Relating to Bond Insurance.	17
	Signatures and Seals.....	17
	Exhibit A – Provisions Relating to Bond Insurance	A-1

FINANCING AGREEMENT

THIS FINANCING AGREEMENT, dated as of May 1, 2025 (this “Financing Agreement”), between the **MISSOURI DEVELOPMENT FINANCE BOARD**, a body corporate and politic organized and existing under the laws of the State of Missouri (the “Board”), and the **CITY OF INDEPENDENCE, MISSOURI**, a constitutional charter city and political subdivision of the State of Missouri (the “City”);

WITNESSETH:

WHEREAS, the Board is authorized and empowered under the Missouri Development Finance Board Act, Sections 100.250 to 100.297, inclusive, of the Revised Statutes of Missouri, as amended (“Act”), to issue revenue bonds for the purpose of providing funds to finance and refinance the costs of certain “projects” as defined in the Act (which includes “infrastructure facilities,” as defined in the Act to include public facilities and any other improvements provided by any form of government) and to pay certain costs related to the issuance of such revenue bonds; and

WHEREAS, the City has requested that the Board assist in the financing of the Projects described herein through the issuance of the Board’s Infrastructure Facilities Revenue Bonds, being described as the Infrastructure Facilities Revenue Bonds (City of Independence, Missouri - Public Safety Projects), Series 2025A, in the original principal amount of \$46,825,000 (the “Series 2025A Bonds”); and

WHEREAS, the governing body of the Board passed and approved a resolution on March 18, 2025, authorizing the Board to issue the Series 2025A Bonds pursuant to the Bond Trust Indenture dated of even date herewith (the “Indenture”) between the Board and UMB Bank, N.A., as Trustee; and

WHEREAS, pursuant to such resolution, the Board is authorized (a) to execute and deliver the Indenture for the purpose of issuing and securing the Series 2025A Bonds, and (b) to enter into this Financing Agreement, under which the Board will loan the proceeds of the Series 2025A Bonds to the City in accordance with the provisions of this Financing Agreement to finance the Projects, in consideration of payments to be made by the City to the Trustee which are to be sufficient to pay the principal of, redemption premium, if any, and interest on the Series 2025A Bonds as the same become due; and

WHEREAS, the City, by Ordinance No. 19662 passed by the City Council on April 7, 2025, approved the issuance of the Series 2025A Bonds and the execution and delivery of certain documents, including this Financing Agreement, and directed the City Manager to include in each future budget submitted to the City Council an appropriation for all payments required under this Financing Agreement, as provided herein and therein; and

WHEREAS, pursuant to the foregoing, the Board desires to loan the proceeds of the Series 2025A Bonds to the City, and the City desires to borrow the proceeds of the Series 2025A Bonds from the Board, to be repaid by the City upon the terms and conditions hereinafter set forth, all for the purpose of providing funds to (a) finance the Projects and (b) pay certain costs related to the issuance of the Series 2025A Bonds; and

NOW, THEREFORE, in consideration of the premises and the mutual representations, covenants and agreements herein contained, the Board and the City, do hereby represent, covenant and agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions of Words and Terms. Capitalized terms not defined in this Financing Agreement shall have the meanings set forth in the Indenture.

Section 1.2. Rules of Interpretation.

For all purposes of this Financing Agreement, except as otherwise expressly provided or unless the context otherwise requires:

(a) Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders.

(b) Words importing the singular number shall include the plural and vice versa and words importing person shall include firms, associations and corporations, including public bodies, as well as natural persons.

(c) The table of contents hereto and the headings and captions herein are not a part of this document.

(d) Terms used in an accounting context and not otherwise defined shall have the meaning ascribed to them by accounting principles generally accepted in the United States of America.

ARTICLE II

REPRESENTATIONS

Section 2.1. Representations by the Board. The Board represents and warrants to the City and the Trustee as follows:

(a) *Organization and Authority.* The Board (1) is a public body corporate and politic duly organized and existing under the laws of the State of Missouri, and (2) has lawful power and authority to enter into, execute and deliver this Financing Agreement and the Indenture and to carry out its obligations hereunder and thereunder, and (3) by all necessary action has been duly authorized to execute and deliver this Financing Agreement and all Transaction Documents required to be executed and delivered by it in connection with the issuance of the Series 2025A Bonds (collectively, the “Board Documents”), acting by and through its duly authorized officers.

(b) *No Defaults or Violations of Law.* The execution and delivery of this Financing Agreement and the other Board Documents by the Board will not result in a breach of any of the terms of, or constitute a default under, any indenture, mortgage, deed of trust, lease or other agreement or instrument to which the Board is a party or by which it or any of its property is bound or its bylaws or any of the constitutional or statutory laws, rules or regulations applicable to the Board or its property.

Section 2.2. Representations by the City. The City represents and warrants to the Board and the Trustee as follows:

(a) *Organization and Authority.* The City (1) is a constitutional charter city and political subdivision duly organized and validly existing under the laws of the State of Missouri, and (2) has lawful power and authority to enter into, execute and deliver this Financing Agreement and all other Transaction Documents required to be executed and delivered by it in connection with the issuance of the Series 2025A Bonds (collectively, the “City Documents”) and to carry out its obligations hereunder and thereunder, and (3) by all necessary action has been duly authorized to execute and deliver this Financing Agreement and the other City Documents, acting by and through its duly authorized officers.

(b) *No Defaults or Violations of Law.* The execution and delivery of this Financing Agreement and the other City Documents by the City will not conflict with or result in a breach of any of the terms of, or constitute a default under, any indenture, mortgage, deed of trust, lease or other agreement or instrument to which the City is a party or by which it or any of its property is bound or its charter, or any of the laws, rules or regulations applicable to the City or its property.

(c) *Public Purpose.* The City believes that the appropriation of revenues to pay its obligations under this Financing Agreement is an essential public purpose.

(d) *No Litigation.* To the knowledge of the City, there is no litigation or proceeding pending or threatened against the City or any other person affecting the right of the City to execute this Financing Agreement or the other City Documents or the ability of the City to make the Loan Payments or to otherwise comply with the obligations under this Financing Agreement or the other City Documents. Neither the execution and delivery of this Financing Agreement by the City, nor compliance by the City with its obligations under this Financing Agreement require the approval of any regulatory body, or any other entity, which approval has not been obtained.

Section 2.3. Survival of Representations. All representations of the Board and the City contained in this Financing Agreement or in any certificate or other instrument delivered by any such entity pursuant to this Financing Agreement or any other Transaction Document, or in connection with the transactions contemplated thereby, shall survive the execution and delivery thereof and the issuance, sale and delivery of the Series 2025A Bonds, as representations of facts existing as of the date of execution and delivery of the instruments containing such representations.

ARTICLE III

THE LOAN; PAYMENT OF THE SERIES 2025A BONDS; ISSUANCE OF THE SERIES 2025A BONDS

Section 3.1. Amount and Source of the Loan; Issuance of Bonds. The Board agrees to lend to the City, upon the terms and conditions herein and in the Indenture specified, the net proceeds received by the Board from the sale of the Series 2025A Bonds (the “Loan”). In order to provide funds to make the Loan and finance the Costs of the Projects, the Board agrees that it will issue, sell and deliver the Series 2025A Bonds to the Original Purchaser. The proceeds of the sale of the Series 2025A Bonds shall be paid over to the Trustee for the account of the Board and shall be administered, disbursed and applied for the payment of the Costs of the Projects and other purposes upon the terms and in the manner as provided in the Indenture and in this Financing Agreement.

Section 3.2. Loan Payments. Subject to the limitations of **Sections 3.5, 3.7 and 4.1** hereof, the City shall pay the following amounts to the Trustee, all as “Loan Payments” under this Financing Agreement:

(a) *Debt Service Fund -- Interest:* On or before 10:00 a.m. on or before the Business Day preceding each June 1 and December 1, commencing on the Business Day preceding December 1, 2025, an amount which is not less than the interest to become due on the next interest payment date on the Series 2025A Bonds; provided, however that the City may be entitled to certain credits on such payments as permitted under **Section 3.3** of this Financing Agreement.

(b) *Debt Service Fund -- Principal:* On or before 10:00 a.m. on or before the Business Day preceding each December 1, commencing on the Business Day preceding December 1, 2025, an amount which is not less than the installment of principal due on the Series 2025A Bonds on the next principal payment date; provided, however, that the City may be entitled to certain credits on such payments as permitted under **Section 3.3** of this Financing Agreement.

(c) *Debt Service Fund - Redemption:* On or before 10:00 a.m. on or before the Business Day preceding the date required by this Financing Agreement or the Indenture, the amount of any moneys received which is intended or required to redeem Series 2025A Bonds then Outstanding if the City exercises its right to redeem Series 2025A Bonds under any provision of the Indenture.

Notwithstanding any schedule of payments upon the Loan set forth in this Financing Agreement or the Indenture, the City shall make payments upon the Loan and shall be liable therefor at the times and in the amounts (including interest, principal, and redemption premium, if any) equal to the amounts to be paid as interest, principal and redemption premium, if any, whether at maturity or by optional or mandatory redemption upon all Bonds from time to time Outstanding under the Indenture.

Any Supplemental Financing Agreement shall provide for similar deposits into the Debt Service Fund of amounts sufficient to insure the prompt payment of the principal of, premium, if any, and interest on any Additional Bonds as the same become due.

Unpaid Loan Payments shall bear interest at the Prime Rate. Any interest charged and collected on an unpaid Loan Payment shall be deposited to the credit of the Debt Service Fund and applied to pay interest on overdue amounts in accordance with the Indenture.

The City and the Board each acknowledge that they have no interest in the Debt Service Fund or the Rebate Fund, and any moneys deposited therein shall be in the custody of and held by the Trustee in trust for the benefit of the Bondowners and the United States of America as provided in the Indenture.

Section 3.3. Credits on Loan Payments. Notwithstanding any provision contained in this Financing Agreement or in the Indenture to the contrary, in addition to any credits on the Loan resulting from the payment or prepayment of Loan Payments from other sources:

(a) any moneys deposited (including earnings thereon) by the Trustee in the Debt Service Fund as interest (including moneys received as accrued interest from the sale of the Bonds and any initial deposit of capitalized interest made from the proceeds of the sale of any

series of the Bonds) shall be credited against the obligation of the City to pay interest on the Loan as the same becomes due;

(b) any moneys deposited (including earnings thereon) by the Trustee in the Debt Service Fund as principal shall be credited against the obligation of the City to pay the principal of the Loan as the same becomes due in the order of maturity thereof; and

(c) the amount of any moneys transferred by the Trustee from any other fund held under the Indenture and deposited in the Debt Service Fund as interest or principal shall be credited against the obligation of the City to pay interest or principal, as the case may be, as the same become due.

Section 3.4. Additional Payments. Subject to the limitations of **Sections 3.5, 3.7 and 4.1** hereof, the City shall pay the following amounts to the following persons, all as “Additional Payments” under this Financing Agreement:

(a) to the Trustee, when due, all reasonable fees and charges for its services rendered under the Indenture, this Financing Agreement and any other Transaction Documents, and all reasonable expenses (including without limitation reasonable fees and charges of any Paying Agent, bond registrar, counsel, accountant, engineer or other person) incurred in the performance of the duties of the Trustee under the Indenture or this Financing Agreement for which the Trustee and other persons are entitled to repayment or reimbursement;

(b) to the Trustee, upon demand, an amount necessary to pay rebatable arbitrage in accordance with the Tax Compliance Agreement and the Indenture;

(c) to the appropriate person, any other amounts required to be paid by the City under this Financing Agreement or the Indenture, including to the Insurer, interest on the Insurer Advances (as defined in the Indenture) from the date paid by the Insurer until payment thereof in full, payable to the Insurer at the Late Payment Rate (as defined in the Indenture) per annum;

(d) to the Board, on the Bond Issuance Date, its regular administrative and issuance fees and charges, if any, and all expenses (including without limitation attorney’s fees) incurred by the Board in relation to the transactions contemplated by this Financing Agreement and the Indenture, which are not otherwise to be paid by the City under this Financing Agreement or the Indenture;

(e) to the appropriate person, such payments as are required (i) as payment for or reimbursement of any and all reasonable costs, expenses and liabilities incurred by the Board or the Trustee or any of them in satisfaction of any obligations of the City hereunder that the City does not perform, or incurred in the defense of any action or proceeding with respect to the Projects, this Financing Agreement or the Indenture, or (ii) as reimbursement for expenses paid, or as prepayment of expenses to be paid, by the Board or the Trustee and that are incurred as a result of a request by the City, or a requirement of this Financing Agreement and that the City is not otherwise required to pay under this Financing Agreement;

(f) to the appropriate person, any other amounts required to be paid by the City under this Financing Agreement, the Tax Compliance Agreement or the Indenture; and

(g) any past due Additional Payments shall continue as an obligation of the City until they are paid and shall bear interest at the Prime Rate plus 2% during the period such Additional Payments remain unpaid.

Section 3.5. Annual Appropriations. The City intends, on or before the last day of each Fiscal Year, to budget and appropriate, specifically with respect to this Financing Agreement, moneys sufficient to pay all the Loan Payments and reasonably estimated Additional Payments for the next succeeding Fiscal Year. The City shall deliver written notice to the Trustee no later than 15 days after the commencement of its Fiscal Year stating whether or not the City Council has appropriated funds sufficient for the purpose of paying the Loan Payments and Additional Payments reasonably estimated to become due during such Fiscal Year. If the City Council shall have made the appropriation necessary to pay the Loan Payments and reasonably estimated Additional Payments to become due during such Fiscal Year, the failure of the City to deliver the foregoing notice on or before the 15th day after the commencement of its Fiscal Year shall not constitute an Event of Nonappropriation and, on failure to receive such notice 15 days after the commencement of the City's Fiscal Year, the Trustee shall request that the City confirm whether or not such appropriation has been made. If the City Council shall not have made the appropriation necessary to pay the Loan Payments and Additional Payments reasonably estimated to become due during such succeeding Fiscal Year, the failure of the City to deliver the foregoing notice on or before the 15th day after the commencement of its Fiscal Year shall constitute an Event of Nonappropriation.

Section 3.6. Annual Budget Request. The City Manager or other officer of the City at any time charged with the responsibility of formulating budget proposals shall include in the budget proposals submitted to the City Council, in each Fiscal Year in which this Financing Agreement shall be in effect, an appropriation for all payments required for the ensuing Fiscal Year; it being the intention of the City that the decision to appropriate or not to appropriate under this Financing Agreement shall be made solely by the City Council and not by any other official of the City. The City intends, subject to the provisions above respecting the failure of the City to budget or appropriate funds to make Loan Payments and Additional Payments, to pay the Loan Payments and Additional Payments hereunder. The City reasonably believes that legally available funds in an amount sufficient to make all Loan Payments and Additional Payments during each Fiscal Year can be obtained. The City further intends to do all things lawfully within its power to obtain and maintain funds from which the Loan Payments and Additional Payments may be made, including making provision for such Loan Payments and Additional Payments to the extent necessary in each proposed annual budget submitted for approval in accordance with applicable procedures of the City and to exhaust all available reviews and appeals in the event such portion of the budget is not approved. The City's Director of Finance is directed to do all things lawfully within such person's power to obtain and maintain funds from which the Loan Payments and Additional Payments may be paid, including making provision for such Loan Payments and Additional Payments to the extent necessary in each proposed annual budget submitted for approval or by supplemental appropriation in accordance with applicable procedures of the City and to exhaust all available reviews and appeals in the event such portion of the budget or supplemental appropriation is not approved. Notwithstanding the foregoing, the decision to budget and appropriate funds is to be made in accordance with the City's normal procedures for such decisions.

Section 3.7. Loan Payments to Constitute Current Expenses of the City. The Board and the City acknowledge and agree that the Loan Payments and Additional Payments hereunder shall constitute currently budgeted expenditures of the City, and shall not in any way be construed or interpreted as creating a liability or a general obligation or debt of the City in contravention of any applicable constitutional or statutory limitations or requirements concerning the creation of indebtedness by the City, nor shall anything contained herein constitute a pledge of the general credit, tax revenues, funds or moneys of the City. The City's obligations to pay Loan Payments and Additional Payments

hereunder shall be from year to year only, and shall not constitute a mandatory payment obligation of the City in any ensuing Fiscal Year beyond the then current Fiscal Year. Neither this Financing Agreement nor the issuance of the Series 2025A Bonds shall directly or indirectly obligate the City to levy or pledge any form of taxation or make any appropriation or make any payments beyond those appropriated for the City's then current Fiscal Year, but in each Fiscal Year Loan Payments and Additional Payments shall be payable solely from the amounts budgeted or appropriated therefor out of the income and revenue provided for such year, plus any unencumbered balances from previous years; provided, however, that nothing herein shall be construed to limit the rights of the owners of the Series 2025A Bonds or the Trustee to receive any amounts which may be realized from the Trust Estate pursuant to the Indenture. Failure of the City to budget and appropriate said moneys on or before the last day of any Fiscal Year shall be deemed an Event of Nonappropriation.

ARTICLE IV

SECURITY FOR THE LOAN

Section 4.1. Security for the Loan. The City's obligations to pay the Loan Payments and Additional Payments described herein and any amounts required to be paid under **Section 6.2** or **Section 9.4** hereof, as applicable, shall be limited, special obligations of the City payable solely from, and secured as to the payment of principal and interest by, a pledge of, subject to annual appropriation by the City as provided in **Section 3.5** hereof, all legally available revenues of the City. The taxing power of the City is not pledged to the payment of the Loan either as to principal or interest. The City's obligation to pay the Loan Payments and Additional Payments shall not constitute general obligations of the City, nor shall they constitute an indebtedness of the City within the meaning of any constitutional, statutory or charter provision, limitation or restriction.

ARTICLE V

TERM

Section 5.1. Term of Financing Agreement. This Financing Agreement shall be effective from and after its execution and delivery and shall continue in full force and effect until the Bonds are deemed to be paid within the meaning of **Article X** of the Indenture and provision has been made for paying all other sums payable by the City to the Board, the Trustee and the Paying Agent for the Bonds under this Financing Agreement and the Indenture. All agreements, covenants, representations and certifications by the City as to all matters affecting the status of the interest on the Series 2025A Bonds shall survive the termination of this Financing Agreement and the defeasance of the Series 2025A Bonds.

ARTICLE VI

GENERAL COVENANTS AND PROVISIONS

Section 6.1. Information Provided to the Board and the Trustee. The City shall furnish to the Board and the Trustee written notice of any Event of Nonappropriation as soon as practicable, but in no event more than **5** days after such Event of Nonappropriation.

The City will at any and all times, upon the written request of the Trustee or the Board and at the expense of the City, permit the Trustee and the Board by their representatives to inspect the properties,

books of account, records, reports and other papers of the City, and to take copies and extracts therefrom, and will promptly afford and procure a reasonable opportunity to make any such inspection, and the City will furnish to the Board and the Trustee any and all information as the Board or the Trustee may reasonably request with respect to the performance by the City of its covenants in this Financing Agreement.

Section 6.2. Indemnification.

(a) The City releases the Board and the Trustee from, agrees that the Board and the Trustee shall not be liable for, and to the extent allowed by law and without waiver of sovereign immunity or any other immunity, indemnifies the Board and the Trustee against, all liabilities, losses, damages (including attorneys' fees), causes of action, suits, claims, costs and expenses, demands and judgments of any nature imposed upon or asserted against the Board or the Trustee, on account of: (i) any breach or default on the part of the City in the performance of any covenant or agreement of the City under this Financing Agreement or any related document, or arising from any act or failure to act by the City, or any of its officials, agents, contractors, servants, employees or licensees (including, without limitation, any failure to comply or any violation, actual or alleged, in connection with Environmental Regulations); (ii) matters regarding the authorization, issuance and sale of the Series 2025A Bonds attributable to the City, and the provision of any information furnished by the City in connection therewith concerning the Projects or the City or arising from (1) any errors or omissions by the City such that the Series 2025A Bonds, when delivered to the Bondowners, are not validly issued and binding obligations of the Board, or (2) any fraud or misrepresentations or omissions contained in the proceedings of the Board furnished by or attributable to the City relating to the issuance of the Series 2025A Bonds or pertaining to the financial condition of the City which, if known to the original purchaser of the Series 2025A Bonds, might be considered a material factor in its decision to purchase the Series 2025A Bonds.

(b) The City agrees, to the extent allowed by law and without waiver of sovereign immunity or any other immunity, to indemnify the Trustee for and to hold it harmless against all liabilities, claims, costs and expenses incurred without negligence or willful misconduct on the part of the Trustee, on account of any action taken or omitted to be taken by the Trustee in accordance with the terms of this Financing Agreement, the Series 2025A Bonds, the Indenture or any other Transaction Document or any action taken at the request of or with the consent of the City, including the costs and expenses (including, without limitation, reasonable compensation, expenses and disbursements of its agents and counsel) of the Trustee in defending itself against any such claim, action or proceeding brought in connection with the exercise or performance of any of its powers or duties under this Financing Agreement, the Series 2025A Bonds or the Indenture.

(c) In case any action or proceeding is brought against the Trustee in respect of which indemnity may be sought hereunder, the party seeking indemnity promptly shall give notice of that action or proceeding to the City, and the City upon receipt of that notice shall have the obligation and the right to assume the defense of the action or proceeding; provided, that failure of a party to give that notice shall not relieve the City from any of their obligations under this Section unless that failure prejudices the defense of the action or proceeding by the City. At its own expense, an indemnified party may employ separate legal counsel and participate in the defense; provided, however, in the event the City shall fail to employ counsel or such counsel shall fail to actively defend such actions or protect the Board or the Trustee, or both, the Board or the Trustee may employ counsel at the expense of the City to defend such action. The City shall not be liable for any settlement without its written consent.

(d) The indemnification set forth above is intended to and shall include the indemnification of all affected officials, directors, officers, attorneys, accountants, financial advisors, staff and employees of the Board and the Trustee, respectively. That indemnification is intended to and shall be enforceable

by the Board and the Trustee, respectively, to the full extent permitted by law and without waiver of the City's sovereign immunity or any other immunity.

Section 6.3. Continuing Disclosure. The City hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Undertaking. Notwithstanding any other provision of this Financing Agreement, failure of the City to comply with the Continuing Disclosure Undertaking shall not be considered an event of default under this Financing Agreement; however, the Trustee may (and, at the request of the Underwriter or the owners of at least 25% aggregate principal amount in Outstanding Bonds, shall) or any bondowner or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the City to comply with its obligations under this Section. For purposes of this Section, **"Beneficial Owner"** means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

ARTICLE VII

ADDITIONAL BONDS

Section 7.1. Additional Bonds. The Board from time to time may, in its sole discretion, at the written request of the City, authorize the issuance of Additional Bonds for the purposes and upon the terms and conditions provided in **Section 203** of the Indenture; provided that (1) the terms of such Additional Bonds, the purchase price to be paid therefor and the manner in which the proceeds thereof are to be disbursed shall have been approved by resolutions adopted by the Board and the City; (2) the Board and the City shall have entered into a Supplemental Financing Agreement to acknowledge that Loan Payments are revised to the extent necessary to provide for the payment of the principal of, redemption premium, if any, and interest on the Additional Bonds and to extend the term of this Financing Agreement if the maturity of any of the Additional Bonds would otherwise occur after the expiration of the term of this Financing Agreement; and (3) the Board and the City shall have otherwise complied with the provisions of this Financing Agreement and **Section 203** of the Indenture with respect to the issuance of such Additional Bonds.

ARTICLE VIII

ASSIGNMENT OF BOARD'S RIGHTS UNDER FINANCING AGREEMENT

Section 8.1. Assignment by the Board. The Board, by means of the Indenture and as security for the payment of the principal of, purchase price, and redemption premium, if any, and interest on the Series 2025A Bonds, will assign, pledge and grant a security interest in all of its rights, title and interests in, to and under this Financing Agreement, including Loan Payments and Additional Payments and other revenues, moneys and receipts received by it pursuant to this Financing Agreement, to the Trustee (reserving its Unassigned Board's Rights) for the benefit of the bondowners.

Section 8.2. Restriction on Transfer of Board's Rights. The Board will not sell, assign, transfer or convey its interests in this Financing Agreement except pursuant to the Indenture.

ARTICLE IX

EVENTS OF DEFAULT AND REMEDIES

Section 9.1. Events of Default Defined. The term “Event of Default” or “Default” shall mean any one or more of the following events:

- (a) Failure by the City to make timely payment of any Loan Payment.
- (b) Failure by the City to make any Additional Payment when due and, after notice of such failure, the City shall have failed to make such payment within 10 days following the due date.
- (c) Failure by the City to observe and perform any covenant, condition or agreement on the part of the City under this Financing Agreement or the Indenture, other than as referred to in the preceding subparagraphs (a) and (b) of this Section, for a period of 30 days after written notice of such default has been given to the City by the Trustee or the Board during which time such default is neither cured by the City nor waived in writing by the Trustee and the Board, provided that, if the failure stated in the notice cannot be corrected within said 30-day period, the Trustee and the Board may consent in writing to an extension of such time prior to its expiration and the Trustee and the Board will not unreasonably withhold their consent to such an extension if corrective action is instituted by the City within the 30-day period and diligently pursued to completion and if such consent, in their judgment, does not materially adversely affect the interests of the bondowners.
- (d) Any representation or warranty by the City herein or in any certificate or other instrument delivered under or pursuant to this Financing Agreement or the Indenture or in connection with the financing of the Projects shall prove to have been false, incorrect, misleading or breached in any material respect on the date when made, unless waived in writing by the Board and the Trustee or cured by the City, if such representation or warranty can be cured to the satisfaction of the Board and the Trustee within 30 days after notice thereof has been given to the City.

Section 9.2. Remedies on Default. Subject to the provisions of **Section 9.7** hereof, whenever any Event of Default shall have occurred and be continuing, the Trustee, as the assignee of the Board, may take any one or more of the following remedial steps; provided that if the principal of all Bonds then Outstanding and the interest accrued thereon shall have been declared immediately due and payable pursuant to the provisions of **Section 702** of the Indenture, all Loan Payments for the remainder of the term of the Loan shall become immediately due and payable without any further act or action on the part of the Board or the Trustee and the Trustee may immediately proceed (subject to the provisions of **Section 9.7** hereof) to take any one or more of the remedial steps set forth in subparagraph (b) of this Section:

- (a) By written notice to the City declare the outstanding principal of the Loan due in such Fiscal Year to be immediately due and payable, together with interest on overdue payments of principal and redemption premium, if any, and, to the extent permitted by law, interest, at the rate or rates of interest specified in the respective Bonds or the Indenture, without presentment, demand or protest, all of which are expressly waived.
- (b) Take whatever other action at law or in equity is necessary and appropriate to exercise or to cause the exercise of the rights and powers set forth herein or in the Indenture, as

may appear necessary or desirable to collect the amounts payable pursuant to this Financing Agreement then due and thereafter to become due or to enforce the performance and observance of any obligation, agreement or covenant of the City under this Financing Agreement or the Indenture.

In the enforcement of the remedies provided in this Section, the Trustee may treat all fees, costs and expenses of enforcement, including reasonable legal, accounting and advertising fees and expenses, as Additional Payments then due and payable by the City.

Any amount collected pursuant to action taken under this Section shall be paid to the Trustee and applied, first, to the payment of any costs, expenses and fees incurred by the Board or the Trustee as a result of taking such action and, next, any balance shall be used to satisfy any Loan Payments then due by payment into the Debt Service Fund and applied in accordance with the Indenture and, then, to satisfy any other Additional Payments then due or to cure any other Event of Default.

Notwithstanding the foregoing, the Trustee shall not be obligated to take any step that in its opinion will or might cause it to expend time or money or otherwise incur liability, unless and until indemnity satisfactory to it has been furnished to the Trustee at no cost or expense to the Trustee, as may be provided in **Section 802** and **Section 804** of the Indenture.

The provisions of this Section are subject to the limitation that the annulment of a declaration that the Bonds are immediately due and payable shall automatically constitute an annulment of any corresponding declaration made pursuant to subparagraph (a) of this Section and a waiver and rescission of the consequences of such declaration and of the Event of Default with respect to which such declaration has been made, provided that no such waiver or rescission shall extend to or affect any other or subsequent Default or impair any right consequent thereon. In the event any covenant, condition or agreement contained in this Financing Agreement shall be breached or any Event of Default shall have occurred and such breach or Event of Default shall thereafter be waived by the Trustee, such waiver shall be limited to such particular breach or Event of Default.

Section 9.3. No Remedy Exclusive. Subject to the provisions of **Section 9.7** hereof, no remedy herein conferred or reserved is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Financing Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon a Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Trustee to exercise any remedy reserved to it in this Article, it shall not be necessary to give any notice, other than such notice as may be herein expressly required.

Section 9.4. Agreement to Pay Attorneys' Fees and Expenses. Subject to the provisions of **Section 3.7** hereof, in connection with any Event of Default by the City, if the Board or the Trustee employs attorneys or incurs other expenses for the collection of amounts payable hereunder or the enforcement of the performance or observance of any covenants or agreements on the part of the City herein contained, the City agrees that it will, on demand therefor, pay to the Board and the Trustee the reasonable fees of such attorneys and such other reasonable fees, costs and expenses so incurred by the Board and the Trustee.

Section 9.5. Board and City to Give Notice of Default. The Board and the City shall each, at the expense of the City, promptly give to the Trustee written notice of any Default of which the Board

or the City, as the case may be, shall have actual knowledge or written notice, but the Board shall not be liable for failing to give such notice.

Section 9.6. Performance of the City's Obligations. If the City shall fail to keep or perform any of its obligations as provided in this Financing Agreement, then the Board or the Trustee may (but shall not be obligated so to do), upon the continuance of such failure on the City's part for 15 days after notice of such failure is given to the City by the Board or the Trustee, and without waiving or releasing the City from any obligation hereunder, as an additional but not exclusive remedy, make any such payment or perform any such obligation, and all sums so paid by the Board or the Trustee and all necessary incidental costs and expenses incurred by the Board or the Trustee in performing such obligations shall be deemed to be Additional Payments and shall be paid to the Board or the Trustee plus interest at the Prime Rate plus 2% on demand.

Section 9.7. Remedial Rights Assigned to the Trustee. Upon the execution and delivery of the Indenture, the Board will thereby have assigned to the Trustee all rights and remedies conferred upon or reserved to the Board by this Financing Agreement, reserving only the Unassigned Board's Rights. The Trustee shall have the exclusive right to exercise such rights and remedies conferred upon or reserved to the Board by this Financing Agreement in the same manner and to the same extent, but under the limitations and conditions imposed thereby and hereby. The Trustee and the bondowners shall be deemed third party creditor beneficiaries of all representations, warranties, covenants and agreements contained herein.

ARTICLE X

PREPAYMENT AND ACCELERATION OF LOAN PAYMENTS

Section 10.1. Prepayment at the Option of the City. Upon the exercise by the City of its option to cause the Bonds or any portion thereof to be redeemed pursuant to the Indenture, the City shall prepay Loan Payments in whole or in part at the times and at the prepayment prices sufficient to redeem all or a corresponding portion of the Bonds then Outstanding in accordance with the Indenture. At the written direction of the City such prepayments shall be applied to the redemption of the Bonds in whole or in part in accordance with the Indenture.

Section 10.2. Mandatory Prepayment to Satisfy Scheduled Mandatory Sinking Fund Redemption Requirements. The City shall prepay Loan Payments at the times, in the amounts and at the prepayment prices sufficient to redeem corresponding portions of the Bonds in accordance with any mandatory sinking fund redemption provisions of the Indenture. The City shall be entitled to all credits on such prepayment of a portion of Loan Payments, as set forth in the Indenture, and the City shall comply with all terms and provisions of the Indenture with respect thereto.

Section 10.3 Right to Prepay at Any Time. The City shall have the option at any time to prepay all of the Loan Payments, Additional Payments and other amounts it is required to pay hereunder by paying to the Trustee all such sums as are sufficient to satisfy and discharge the Indenture and paying or making provision for the payment of all other sums payable hereunder.

Section 10.4. Notice of Prepayment. To exercise an option granted by **10.1** or **10.3**, the City shall give written notice to the Board and the Trustee which shall specify therein the date upon which a prepayment of Loan Payments will be made, which date shall be not less than 45 days from the date the notice is received by the Trustee. In the Indenture, the Board has directed the Trustee to forthwith take all

steps (other than the payment of the money required to redeem the Bonds) necessary under the applicable provisions of the Indenture to effect any redemption of the then Outstanding Bonds, in whole, or in part, pursuant to **Section 302** of the Indenture.

Section 10.5. Precedence of this Article. The rights, options and obligations of the City set forth in this Article may be exercised or shall be fulfilled, as the case may be, whether or not a Default exists hereunder, provided that such Default will not result in nonfulfillment of any condition to the exercise of any such right or option.

ARTICLE XI

SUPPLEMENTAL FINANCING AGREEMENTS

Section 11.1. Supplemental Financing Agreements without Consent of Bondowners. Without the consent of the owners of any Bonds, the Board and the City may from time to time enter into one or more Supplemental Financing Agreements, for any of the following purposes:

- (a) to subject to this Financing Agreement additional property or to more precisely identify any project financed or refinanced out of the proceeds of any series of Bonds, or to substitute or add additional property thereto; or
- (b) to add to the conditions, limitations and restrictions on the authorized amount, terms or purposes of the Loan, as herein set forth, additional conditions, limitations and restrictions thereafter to be observed; or
- (c) in connection with the issuance of any Additional Bonds, to make such other provisions as provided in **Section 7.1**; or
- (d) to evidence the succession of another entity to the City and the assumption by any such successor of the covenants of the City herein contained; or
- (e) to add to the covenants of the City or to the rights, powers and remedies of the Trustee for the benefit of the owners of all or any series of Bonds or to surrender any right or power herein conferred upon the City; or
- (f) to cure any ambiguity, to correct or supplement any provision herein which may be inconsistent with any other provision herein or to make any other provisions, with respect to matters or questions arising under this Financing Agreement, which shall not be inconsistent with the provisions of this Financing Agreement, provided such action shall not adversely affect the interests of the owners of the Bonds (and the Trustee shall be entitled to receive and rely upon and Opinion of Counsel in exercising such judgment).

Section 11.2. Supplemental Financing Agreements with Consent of Bondowners. With the prior written consent of the owners of not less than a majority in principal amount of the Bonds then Outstanding affected by such Supplemental Financing Agreement, the Board and the City may enter into Supplemental Financing Agreements, in form satisfactory to the Trustee, for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Financing Agreement or of modifying in any manner the rights of the Trustee and the owners of the Bonds under this Financing Agreement; provided, however, that no such Supplemental Financing Agreement shall, without the consent of the owner of each Outstanding Bond affected thereby:

(a) change the stated maturity of the principal of, or any installment of interest on, the Loan, or reduce the principal amount thereof or the interest thereon or any premium payable upon the redemption thereof, or change any place of payment where (except as may be required in connection with the appointment of a successor Trustee), or the coin or currency in which, the Loan, or the interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the stated maturity thereof (or, in the case of redemption, on or after the redemption date); or

(b) reduce the percentage in principal amount of the Outstanding Bonds, the consent of whose owners is required for any such Supplemental Financing Agreement, or the consent of whose owners is required for any waiver provided for in this Financing Agreement of compliance with certain provisions of this Financing Agreement or certain defaults hereunder and their consequences; or

(c) modify any of the provisions of this Section, except to increase any percentage provided thereby or to provide that certain other provisions of this Financing Agreement cannot be modified or waived without the consent of the owner of each Bond affected thereby.

The Trustee may in its discretion determine whether or not any Bonds would be affected by any Supplemental Financing Agreement and any such determination shall be conclusive upon the owners of all Bonds, whether theretofore or thereafter authenticated and delivered under the Indenture. The Trustee shall not be liable for any such determination made in good faith.

It shall not be necessary for the required percentage of owners of Bonds under this Section to approve the particular form of any proposed Supplemental Financing Agreement, but it shall be sufficient if such act shall approve the substance thereof.

Section 11.3. Execution of Supplemental Financing Agreements. In executing or consenting to any Supplemental Financing Agreement permitted by this Article, the Board and the Trustee shall be entitled to receive, and, subject to **Article VIII** of the Indenture, shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such Supplemental Financing Agreement is authorized and permitted by and in compliance with this Financing Agreement. The Trustee may, but shall not be obligated to, consent to any such Supplemental Financing Agreement which affects the Trustee's own rights, duties or immunities under this Financing Agreement, the other Transaction Documents or otherwise.

Section 11.4. Effect of Supplemental Financing Agreements. Upon the execution of any Supplemental Financing Agreement under this Article, this Financing Agreement shall be modified in accordance therewith and such Supplemental Financing Agreement shall form a part of this Financing Agreement for all purposes; and the City, the Board, the Trustee and every owner of Bonds theretofore or thereafter authenticated and delivered under the Indenture shall be bound thereby.

Section 11.5. Reference in Bonds to Supplemental Financing Agreements. Bonds authenticated and delivered after the execution of any Supplemental Financing Agreement pursuant to this Article may, and if required by the Trustee shall, bear a notation in form approved by the Trustee as to any matter provided for in such Supplemental Financing Agreement. If the Board shall so determine, new Bonds so modified as to conform, in the opinion of the Trustee and the Board, to any such Supplemental Financing Agreement may be prepared and executed by the Board and authenticated and delivered by the Trustee in exchange for Outstanding Bonds.

ARTICLE XII

MISCELLANEOUS

Section 12.1. Authorized Representatives. Whenever under this Financing Agreement the approval of the Board is required or the Board is required or permitted to take some action, such approval shall be given or such action shall be taken by the Board Representative, and the City and the Trustee shall be authorized to act on any such approval or action. Any approval shall not be unreasonably withheld or delayed.

Whenever under this Financing Agreement the approval of the City is required or the City is required or permitted to take some action, such approval shall be given or such action shall be taken by the City Representative, and the Board and the Trustee shall be authorized to act on any such approval or action.

Section 12.2. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered by hand delivery or overnight delivery service or received by registered or certified mail, postage prepaid, return receipt requested, addressed as specified in **Section 1101** of the Indenture. A duplicate copy of each notice, certificate or other communication given hereunder to any party mentioned in said **Section 1101** shall be given to all other parties mentioned therein (other than the bondowners unless a copy is required to be furnished to them by other provisions of this Financing Agreement). The Board, the City or the Trustee may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent to it.

Section 12.3. Performance Date Not a Business Day. If any date for the payment of principal of, or redemption premium, if any, or interest on the Series 2025A Bonds or the taking of any other action hereunder is not a Business Day, then such payment shall be due, or such action shall be taken, on the first Business Day thereafter with the same force and effect as if made on the date fixed for payment or performance.

Section 12.4. Binding Effect. This Financing Agreement shall inure to the benefit of and shall be binding upon the Board and the City and their respective successors and assigns.

Section 12.5. Execution in Counterparts. This Financing Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 12.6. No Pecuniary Liability. All covenants, obligations and agreements of the City contained in this Financing Agreement and the Indenture shall be effective to the extent authorized and permitted by applicable law. No such covenant, obligation or agreement shall be deemed to be a covenant, obligation or agreement of any present or future councilmember, commissioner, director, officer, agent or employee of the City other than in their official capacity.

Section 12.7. Extent of Covenants of the Board; No Personal or Pecuniary Liability. All covenants, obligations and agreements of the Board contained in this Financing Agreement and the Indenture shall be effective to the extent authorized and permitted by applicable law. No such covenant, obligation or agreement shall be deemed to be a covenant, obligation or agreement of any present or future director, officer, agent or employee of the Board in other than his official capacity, and no official executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or

accountability by reason of the issuance thereof or by reason of the covenants, obligations or agreements of the Board contained in this Financing Agreement or in the Indenture. No provision, covenant or agreement contained in this Financing Agreement, the Indenture or the Bonds, or any obligation herein or therein imposed upon the Board, or the breach thereof, shall constitute or give rise to or impose upon the Board a pecuniary liability or a charge. No provision hereof shall be construed to impose a charge against the general credit of the Board or any personal or pecuniary liability upon any director, officer, agent or employee of the Board.

Section 12.8. Net Loan. Subject to the limitations described in **Sections 3.5, 3.7 and 4.1**, the parties hereto agree (a) that the payments of Loan Payments are designed to provide the Board and the Trustee with moneys adequate in amount to pay all principal of, redemption premium, if any, and interest accruing on the Bonds as the same become due and payable, (b) that to the extent that the payments of Loan Payments are not sufficient to provide the Board and the Trustee with funds sufficient for the purposes aforesaid, the City shall be obligated to pay (subject to the limitations set forth in **Section 3.5** hereof) to, and they do hereby covenant and agree to pay, upon demand therefor, as Additional Payments, such further moneys, in cash, as may from time to time be required for such purposes, and (c) that if after the principal of, redemption premium, if any, and interest on the Bonds and all costs incident to the payment of the Bonds have been paid in full (including all Additional Payments) the Trustee or the Board holds unexpended funds received in accordance with the terms hereof, such unexpended funds shall, after payment therefrom of all sums then due and owing by the City under the terms of this Financing Agreement, be distributed in accordance with **Article IV** of the Indenture.

Section 12.9. Complete Agreement. The Board and the City understand that oral agreements or commitments to loan money, extend credit or to forbear from enforcing repayment of a debt including promises to extend or renew such debt are not enforceable. To protect the Board and the City from misunderstanding or disappointment, any agreements the Board and the City reach covering such matters are contained in this Financing Agreement, which is the complete and exclusive statement of the agreement between the Board and the City, except as the Board and the City may later agree in writing to modify this Financing Agreement.

Section 12.10. Severability. If any provision of this Financing Agreement, or any covenant, stipulation, obligation, agreement, act or action, or part thereof made, assumed, entered into or taken thereunder, or any application of such provision, is for any reason held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Financing Agreement or any other covenant, stipulation, obligation, agreement, act or action, or part thereof, made, assumed, entered into, or taken, each of which shall be construed and enforced as if such illegal or invalid portion were not contained herein. Such illegality or invalidity of any application thereof shall not affect any legal and valid application thereof, and each such provision, covenant, stipulation, obligation, agreement, act or action, or part thereof, shall be deemed to be effective, operative, made, entered into or taken in the manner and to the full extent permitted by law.

Section 12.11. Governing Law. This Financing Agreement shall be governed by and construed in accordance with the laws of the State of Missouri.

Section 12.12. Third Party Beneficiaries. The Trustee and the bondowners shall be deemed to be third party beneficiaries under this Financing Agreement.

Section 12.13. Electronic Storage of Documents. The City and the Board agree that the transaction described herein may be conducted and related documents may be stored by electronic means.

Section 12.14. Provision Relating to Bond Insurance. Notwithstanding anything to the contrary set forth in this Financing Agreement, the provisions set forth in **Exhibit A** hereto, which are hereby incorporated by reference, shall govern during such time as any Series 2025A Bonds are Outstanding.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the **MISSOURI DEVELOPMENT FINANCE BOARD** and the **CITY OF INDEPENDENCE, MISSOURI** have caused this instrument to be executed on their behalf all as of the date first above written.

(Seal)

MISSOURI DEVELOPMENT FINANCE BOARD

By: _____
Executive Director

CITY OF INDEPENDENCE, MISSOURI

(Seal)

By: _____
City Manager

ATTEST:

By: _____
City Clerk

EXHIBIT A

PROVISIONS RELATING TO BOND INSURANCE

1. The City hereby covenants (i) to include in its annual budget for each fiscal year a request for an amount sufficient to meet the City's obligations under the Financing Agreement, including amounts due to the Insurer, (ii) that payments shall be made by the City directly to the Trustee on the *third* Business Day prior to the respective dates on which interest and principal payments are due on the Series 2025A Bonds; (iii) that the Financing Agreement shall terminate no earlier than such time as all amounts payable by the City under the Financing Agreement and the Indenture have been paid, (iv) and that the Insurer shall be an explicit third party beneficiary to the Financing Agreement.
2. The City agrees and covenants that all Insurer Advances (as defined in the Indenture) shall be payable from Loan Payments, and all other amounts due to the Insurer as set forth herein or in the Indenture shall be payable from Additional Payments.
3. Notwithstanding anything to the contrary in the Financing Agreement, so long as the Insurer is insuring the Series 2025A Bonds or amounts are due to the Insurer, the Insurer shall have the sole right to control all rights and remedies for default (including any waivers) under the Financing Agreement.
4. The Financing Agreement shall not be amended, supplemented, modified or terminated without the prior written consent of the Insurer.
5. To the extent allowed by law, without waiver of sovereign or other immunity, and subject to annual appropriation by its City Council, the City shall pay or reimburse the Insurer, from Additional Payments, any and all charges, fees, costs and expenses that the Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in the Indenture, the Financing Agreement or any other related document (the "Related Documents"); (ii) the pursuit of any remedies under the Indenture or any other Related Document or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, the Indenture or any other Related Document whether or not executed or completed, or (iv) any litigation or other dispute in connection with the Indenture or any other Related Document or the transactions contemplated thereby, other than costs resulting from the failure of the Insurer to honor its obligations under the Insurance Policy. The Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Indenture or any other Related Document. The obligations of this paragraph shall survive termination of the Indenture and the Financing Agreement.
6. The Insurer shall be provided with the following information by the City:
 - (i) To the extent not otherwise filed with the Municipal Securities Rulemaking Board's EMMA system, annual audited financial statements within the filing deadline specified in the City's continuing disclosure undertaking with respect to the Series 2025A Bonds (together with a certification of the City that it is not aware of any default or Event of Default under the Financing Agreement), and, upon request, the City's annual budget within thirty (30) days after the approval thereof together with such other information, data or reports as the Insurer shall reasonably request from time to time;
 - (ii) Notice of any event of non-appropriation;
 - (iii) Notice of any default or event of default under the Financing Agreement;

- (iv) Notice of the commencement of any proceeding by or against City commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding");
- (v) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on, the Series 2025A Bonds;
- (vi) A full electronic transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to the Related Documents;
- (vii) To the extent not otherwise filed with the Municipal Securities Rulemaking Board's EMMA system, all information required to be furnished pursuant to a continuing disclosure agreement, covenant or undertaking with respect to the Series 2025A Bonds; and
- (vii) All information furnished pursuant to the Continuing Disclosure Undertaking, shall also be provided to the Insurer, simultaneously with the furnishing of such information to any information repository; and
- (viii) Such other information as the Insurer may reasonably request.

7. The City will permit the Insurer to discuss the affairs, finances and accounts of the City or any information the Insurer may reasonably request regarding the security for the Series 2025A Bonds with appropriate officers of the City and will use commercially reasonable efforts to enable the Insurer to have access to the facilities, books and records of the City on any business day upon reasonable prior notice.

CONTINUING DISCLOSURE UNDERTAKING

This **CONTINUING DISCLOSURE UNDERTAKING** (the “Disclosure Undertaking”) dated as of May 1, 2025, is executed and delivered by the City of Independence, Missouri (the “City”), in connection with the issuance of Infrastructure Facilities Revenue Bonds (City of Independence, Missouri - Public Safety Projects), Series 2025A issued by the Missouri Development Finance Board (the “Board”) on behalf of the City in the aggregate principal amount of \$46,825,000 (the “Bonds”). The Bonds are issued pursuant to a Bond Trust Indenture dated as of May 1, 2025 (the “Indenture”) between the Board of UMB Bank, N.A., as trustee.

In order to permit the Underwriter (defined below) to comply with the provisions of Rule 15c2-12 of the Securities and Exchange Commission, as amended, in connection with the public offering of the Bonds, the City, in consideration of the mutual covenants herein contained and other good and lawful consideration, hereby agrees, for the sole and exclusive benefit of holders and Beneficial Owners (as hereinafter defined) of the Bonds, as follows:

Section 1. Definitions. Capitalized terms used but not defined herein as follows shall have the meaning ascribed to them in the Indenture.

“Annual Financial Information” shall mean the information specified in Section 3 hereof.

“Beneficial Owner” means any registered owner of any Bonds and any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

“Bonds” shall mean the bonds described above.

“City” shall mean the City of Independence, Missouri, a municipality of the State of Missouri constituting a political subdivision, and any successor thereto.

“EMMA” means the Electronic Municipal Market Access system for municipal securities disclosures.

“Fiscal Year” means the 12-month period beginning on July 1 and ending on June 30 or any other 12-month period selected by the City as the Fiscal Year of the City for financial reporting purposes.

“Financial Obligation” means a (a) debt obligation; (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (c) guarantee of (a) or (b) in this definition; provided however, the term Financial Obligation shall not include “municipal securities” (as such term is defined in the Securities Exchange Act of 1934, as amended) as to which a “final official statement” (as such term is defined in Rule 15c2-12) has been provided to the MSRB consistent with Rule 15c2-12.

“Financing Agreement” means the Financing Agreement dated as of May 1, 2025, between the City and the Board with respect to the Bonds.

“GAAP” shall mean accounting principles generally accepted in the United States of America as prescribed from time to time for governmental units by the Governmental Accounting Standards Board.

“GAAS” shall mean generally accepted auditing standards as in effect from time to time in the United States.

“MSRB” shall mean the Municipal Securities Rulemaking Board.

“Obligated Person” shall mean the person (including an issuer of separate securities) that is committed by contract or other arrangements structured to support payment of all or part of the obligations under the municipal securities.

“Official Statement” shall mean the Official Statement related to the Bonds dated April 29, 2025.

“Rule 15c2-12” shall mean Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended from time to time.

“Underwriter” shall mean Stifel, Nicolaus & Company, Incorporated.

Section 2. Obligations to Provide Continuing Disclosure.

(a) Obligations of the City.

(i) The City hereby undertakes, for the benefit of the holders and Beneficial Owners of the Bonds, to provide, no later than January 2 of each year commencing January 2, 2026 (or, if the City’s Fiscal Year shall no longer end on June 30, 180 days after the end of each of its Fiscal Years) to the MSRB via EMMA, the City’s annual report (the “Annual Report”), which includes (A) the audited financial statements of the City for the prior fiscal year, and (B) updates to the information in *Appendix A* to the Official Statement in the tables labeled “FINANCIAL INFORMATION CONCERNING THE CITY – Property Valuations - *Current Assessed Valuation*, - *History of Property Valuation*, - *Major Property Taxpayers*, - Obligations of the City, and - Overlapping or Underlying Indebtedness.” If the City’s audited financial statements are not then available, unaudited financial statements in a format similar to the financial statements contained in the final Official Statement relating to the Bonds and the operating information described in (B) above shall be provided no later than January 2 of each year commencing January 2, 2026 (or, if the City’s Fiscal Year shall no longer end on June 30, 180 days after the end of each of its Fiscal Years) and the audited financial statements shall be promptly delivered to the MSRB if and when they become available. The Annual Report shall be provided to the MSRB in such manner and format as prescribed by the MSRB.

(ii) The Trustee, based upon information that has been provided to and actually received by it in its capacity as Trustee, if other than an officer of the City, shall notify the City of the occurrence of any of the events with respect to the Bonds listed in Section 2(a)(iii) hereof promptly upon becoming aware of the occurrence of any such event.

(iii) The City hereby undertakes, for the benefit of the holders and Beneficial Owners of the Bonds, to provide to the MSRB via EMMA and the Trustee, not later than 10 Business

Days from the occurrence thereof, notice of any of the following events with respect to the Bonds:

- (1) principal and interest payment delinquencies;
- (2) non-payment related defaults, if material;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on credit enhancements reflecting financial difficulties;
- (5) substitution of credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions; the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2025A Bonds, or other material events affecting the tax status of the Series 2025A Bonds;
- (7) modifications to rights of bondholders, if material;
- (8) Bond calls, if material, and tender offers;
- (9) defeasances;
- (10) release, substitution or sale of property securing repayment of the Bonds, if material;
- (11) rating changes;
- (12) bankruptcy, insolvency, receivership or similar event of the City;
- (13) the consummation of a merger, consolidation, or acquisition involving the City or the sale of all or substantially all of the assets of the City, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
- (14) appointment of a successor or additional trustee or the change of name of the trustee, if material;
- (15) incurrence of a Financial Obligation of the City, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the City, any of which affect security holders, if material; and
- (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the City, any of which reflect financial difficulties.

(iv) The City shall also provide to the MSRB in a timely manner notice of any failure of the City to provide the MSRB the Annual Report required by paragraph (i) of this Section 2(a) on or before the date specified.

(v) Notwithstanding the foregoing, notice of listed events described in (iii)(8) and (9) above need not be given any earlier than the notice (if any) of the underlying event is given to holders of affected Bonds pursuant to the Indenture.

(b) Termination or Modification of Disclosure Obligation. The City's obligations herein shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds. If the City's obligations hereunder are assumed in full by some other entity, such person shall be responsible for compliance with this Disclosure Undertaking in the same manner as if it were the City, and the City shall have no further responsibility hereunder. If such termination or substitution occurs prior to the final maturity of the Bonds the City shall give notice of such termination or substitution in the same manner as for a Material Event under **Section 2(a)(iii)**.

(c) Other Information. Nothing herein shall be deemed to prevent the City from disseminating any other information in addition to that required hereby in the manner set forth herein or in any other manner. If the City should disseminate any such additional information, the City shall have no obligation hereunder to update such information or include it in any future materials disseminated hereunder.

Section 3. Annual Financial Information.

(a) Specified Information. The Annual Financial Information of the City shall consist of the Annual Report as described in Section 2(a)(i).

(b) Incorporation by Reference. Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the City is an “obligated person” (as defined by Rule 15c2-12), which have been provided to the MSRB and is available through EMMA or the Securities and Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB via EMMA. The City shall clearly identify each such other document so included by reference.

(c) Informational Categories. The requirements contained in this Disclosure Undertaking are intended to set forth a general description of the type of financial information and operating data to be provided by the City, such descriptions are not intended to state more than general categories of financial information and operating data; and where the provisions of this Disclosure Undertaking call for information that no longer can be generated or is no longer relevant because the operations to which it related have been materially changed or discontinued, a statement to that effect shall be provided.

Section 4. Financial Statements.

The annual financial statements of the City for each fiscal year shall be prepared in accordance with GAAP (unless applicable accounting principles are otherwise disclosed) and audited by an independent accounting firm in accordance with GAAS. The annual financial statements may be provided by specific incorporation by reference to any other documents which have been filed with the MSRB and the Securities and Exchange Commission.

Section 5. Remedies.

If the City should fail to comply with any provision of this Disclosure Undertaking, then any holder or Beneficial Owner of Bonds may enforce, for the equal benefit and protection of all the holders or Beneficial Owners of the Bonds similarly situated, by mandamus or other suit or proceeding at law or in equity, against such party and any of its officers, agents and employees, and may compel such party or any such officers, agents or employees to perform and carry out their duties under this Disclosure Undertaking; provided that the sole and exclusive remedy for breach of this Disclosure Undertaking shall be an action to compel specific performance of the obligations of such party hereunder, and no person or entity shall be entitled to recover monetary damages hereunder under any circumstances; and provided, further, that the rights of any holder or Beneficial Owner to challenge the adequacy of the information provided in accordance with Sections 2 and 3 hereunder are conditioned upon the provisions of the Indenture with respect to the enforcement of remedies of holders upon the occurrence of an Event of Default as though such provisions applied hereunder. Failure of any party to perform its obligations hereunder shall not constitute an Event of Default under any agreement executed and delivered in connection with the issuance of the Bonds.

Section 6. Parties in Interest.

The provisions of this Disclosure Undertaking shall inure solely to the benefit of holders and Beneficial Owners from time to time of the Bonds, the Underwriter, the City and the Trustee, and shall create no rights in any other person or entity.

Section 7. Amendments.

(a) Without the consent of any of the holders or Beneficial Owners of the Bonds, the City, at any time and from time to time, may amend or make changes this Disclosure Undertaking for any purpose, if:

(i) the amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the City or any type of business or affairs it conducts;

(ii) the undertakings set forth herein, as amended, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of Rule 15c2-12 on the date hereof, after taking into account any amendments to, or interpretation by the staff of the Securities and Exchange Commission of, Rule 15c2-12, as well as any change in circumstances; and

(iii) the amendment, in the opinion of nationally recognized bond counsel, does not materially impair the interests of the holders or Beneficial Owners of the Bonds.

(b) Annual Financial Information for any fiscal year containing any amended operating data or financial information for such fiscal year shall explain, in narrative form, the reasons for such amendment and the impact of the change in the type of operating data or financial information in the Annual Financial Information being provided for such fiscal year. If a change in accounting principles is included in any such amendment, such Annual Financial Information shall present a comparison between the financial statements or information prepared on the basis of the amended accounting principles and those prepared on the basis of the former accounting principles. Such comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information. To the extent reasonably feasible such comparison shall also be quantitative. A notice of any such change in accounting principles shall be sent in a timely manner by the City to the MSRB.

Section 8. Termination.

This Disclosure Undertaking shall remain in full force and effect until such time as all principal, redemption premiums, if any, and interest on the Bonds shall have been paid in full or the Bonds shall have otherwise been paid or legally defeased pursuant to the Indenture; provided, however, that if Rule 15c2-12 (or successor provision) shall be amended, modified or changed so that all or any part of the information currently required to be provided thereunder shall no longer be required to be provided thereunder, then such information shall no longer be required to be provided hereunder; and provided, further, that if and to the extent Rule 15c2-12 (or successor provision), or any provision thereof, is repealed or shall be declared by a court of competent and final jurisdiction to be, in whole or in part, invalid, unconstitutional, null and void, or otherwise inapplicable to the Bonds, then the information required to be provided hereunder, insofar as it was required to be provided by a provision of Rule 15c2-12 so declared, shall no longer be required to be provided hereunder. Upon any legal defeasance of the Bonds, the City shall provide notice of such defeasance to the MSRB and such notice shall state whether

the Bonds have been defeased to maturity or to redemption and the timing of such maturity or redemption.

Section 9. Notices.

Any notices or communications to the City may be given as follows:

City of Independence, Missouri
111 East Maple
City of Independence, Missouri 64050
Attention: Director of Finance

The City may, by written notice to the Trustee, designate a different address to which subsequent notices or communications should be sent.

Section 10. Designated Agents.

The City may, from time to time, appoint or designate one or more agents (each, a “designated agent”) to submit Annual Financial Information, Material Event notices, and other notices or reports with the MSRB via EMMA. The City hereby appoints the Trustee and Gilmore & Bell, P.C. as designated agents of the City solely for the purpose of submitting City-approved Annual Financial Information, event notices, and other notices or reports to the MSRB via EMMA as requested by the City. The City may revoke this designation at any time upon written notice to the designated agent, and may designate one or more additional designated agents for purposes of this **Section 10** from time to time by written designation to the newly appointed designated agent.

Section 11. Electronic Transactions.

The arrangement described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 12. Governing Law.

This Disclosure Undertaking shall be governed by and construed in accordance with the laws of the State of Missouri.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the undersigned has duly authorized, executed and delivered this Disclosure Undertaking as of the date first above written.

CITY OF INDEPENDENCE, MISSOURI,
as Obligated Person

By: _____
Name: Zachary Walker
Title: City Manager

APPENDIX E

FORM OF OPINION OF BOND COUNSEL

May 27, 2025

Missouri Development Finance Board
Jefferson City, Missouri

Stifel, Nicolaus & Company, Incorporated
Kansas City, Missouri

City of Independence, Missouri
Independence, Missouri

UMB Bank, N.A., as Trustee
Kansas City, Missouri

Assured Guaranty Inc.
New York, New York

Re: \$46,825,000 Missouri Development Finance Board Infrastructure Facilities Revenue
Bonds (City of Independence, Missouri – Public Safety Projects) Series 2025A

Ladies and Gentlemen:

We have served as Bond Counsel in connection with the issuance by the Missouri Development Finance Board (the “Board”), of the above-referenced bonds (the “Bonds”). The Bonds have been authorized and issued pursuant to the Missouri Development Finance Board Act, Sections 100.250 to 100.297 of the Revised Statutes of Missouri, as amended (the “Act”), and the Bond Trust Indenture dated as of May 1, 2025 (said Bond Trust Indenture, together with all amendments and supplements thereto, the “Indenture”), between the Board and UMB Bank, N.A., as trustee (the “Trustee”). All capitalized terms not otherwise defined herein shall have the meanings set forth in the Indenture.

The proceeds of the Bonds will be used by the Board to make a loan to the City of Independence, Missouri, a constitutional charter city and political subdivision of the State of Missouri (the “City”), pursuant to a Financing Agreement dated as of May 1, 2025, (said Financing Agreement, together with all amendments and supplements thereto, the “Financing Agreement”), between the Board and the City.

Reference is made to an opinion of even date herewith of the City Counselor of the City, with respect to, among other matters, (a) the power of the City to enter into and perform its obligations under the Financing Agreement and the Tax Compliance Agreement, (b) the passage and effectiveness of the Authorizing Ordinance, and (c) the due authorization, execution and delivery of the Financing Agreement and the Tax Compliance Agreement by the City and the binding effect and enforceability thereof against the City.

In our capacity as Bond Counsel, we have examined a certified transcript of proceedings relating to the authorization and issuance of the Bonds, which transcript includes, among other documents and proceedings, the following:

- (i) the Indenture;
- (ii) the Financing Agreement; and
- (iii) the Tax Compliance Agreement.

We have also examined the Constitution and statutes of the State of Missouri, insofar as the same relate to the authorization and issuance of the Bonds and the authorization, execution and delivery of the Indenture, Financing Agreement and the Tax Compliance Agreement.

Regarding questions of fact material to our opinion, we have relied upon representations of the Board and the City contained in the Indenture, the Financing Agreement, the Tax Compliance Agreement and other financing documents and on the certified proceedings and other certifications of the Board, the City and others furnished to us, without undertaking to verify them by independent investigation.

Based on the foregoing, we are of the opinion that:

1. The Board is a body corporate and politic duly and legally organized and validly existing under the Act and has lawful power and authority to issue the Bonds and to enter into the Indenture, the Financing Agreement and the Tax Compliance Agreement and to perform its obligations thereunder.

2. The Bonds are in proper form and have been duly authorized and issued in accordance with the Constitution and statutes of the State of Missouri, including the Act.

3. The Bonds are valid and legally binding limited obligations of the Board according to the terms thereof, payable as to principal and interest solely from, and secured by a valid and enforceable pledge and assignment of the Trust Estate, all in the manner provided in the Indenture. The Bonds do not constitute a debt of the State of Missouri or of any other political subdivision thereof and do not constitute an indebtedness within the meaning of any constitutional, statutory or charter debt limitation or restriction and are not payable in any manner by taxation. The Board has no taxing power.

4. The Indenture, the Financing Agreement and the Tax Compliance Agreement have been duly authorized, executed and delivered by the Board and constitute valid and legally binding agreements enforceable against the Board in accordance with the respective provisions thereof.

5. The interest on the Bonds (including any original issue discount properly allocable to an owner thereof) (i) is excludable from gross income for federal income tax purposes, (ii) is exempt from income taxation by the State of Missouri, and (iii) is not an item of tax preference for purposes of computing the federal alternative minimum tax. The opinions set forth in this paragraph are subject to the condition that the Board and the City comply with all requirements of the Code that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Board and the City have covenanted to comply with all of these requirements. Failure to comply with certain of these requirements may cause the interest on the Bonds to be included in gross income for federal and Missouri income tax purposes retroactive to the date of issuance of the Bonds. The Bonds have not been designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code.

The rights of the owners of the Bonds and the enforceability of the Bonds, the Indenture, the Financing Agreement and the Tax Compliance Agreement may be limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights and remedies of creditors, and by equitable principles, whether considered at law or in equity.

We express no opinion regarding the accuracy, adequacy or completeness of the Official Statement or other offering material relating to the Bonds, except as may be set forth in our supplemental opinion of even date herewith, or the tax consequences arising with respect to the Bonds other than as expressly set forth in this opinion letter.

The opinions given in this opinion letter are given as of the date set forth above, and we assume no obligation to revise or supplement them to reflect any facts or circumstances that may later come to our attention, or any changes in law that may later occur.

This opinion is limited to the laws of the State of Missouri and applicable laws of the United States.

Very truly yours,

APPENDIX F

**ACTUARIAL REPORT OF
GRS RETIREMENT CONSULTING**



Missouri Local Government Employees Retirement System

The City of Independence

GASB Statement No. 68 Employer Reporting

Accounting Schedules – June 30, 2024





October 22, 2024

The City of Independence
Independence, Missouri

Ladies and Gentlemen:

The accounting schedules submitted in this report are required under the Governmental Accounting Standards Board (GASB) Statement No. 68 "Accounting and Financial Reporting for Pensions."

Our actuarial calculations for this report were prepared for the purpose of complying with the requirements of GASB Statement No. 68. These calculations have been made on a basis that is consistent with our understanding of the accounting standard. These results are subject to review by the employer's auditor and may be revised.


Our calculation of the liability associated with the benefits described in this report was performed for the purpose of satisfying the requirements of GASB Statement No. 68. Our calculation of the plan's liability for this report may not be applicable for funding purposes of the plan. A calculation of the plan's liability for purposes other than satisfying the requirements of GASB Statement No. 68 may produce significantly different results. This report may be provided to parties other than the City of Independence only in its entirety and only with the permission of the City of Independence. GRS is not responsible for unauthorized use of this report.

This report is based upon information, furnished to us by LAGERS, concerning retirement and ancillary benefits, active members, deferred vested members, retirees and beneficiaries, and financial data. If your understanding of this information is different from ours, please let us know and do not use or distribute this report until those differences have been resolved to your satisfaction. This information was checked for internal consistency, but was not audited. GRS is not responsible for any of the information provided by LAGERS.

Please see the actuarial valuation report as of February 29, 2024 for additional discussions of the nature of actuarial calculations and more information related to participant data, economic and demographic assumptions, and benefit provisions. This report was prepared using our proprietary valuation model and related software, which in our professional judgment, has the capability to provide results that are consistent with the purposes of the valuation. We performed tests to ensure that the model reasonably represents that which is intended to be modeled.

To the best of our knowledge, the information contained within this report is accurate and fairly represents the actuarial position of the City of Independence as it pertains to their membership in LAGERS for the purposes of GASB Statement No. 68. All calculations have been made in conformity with generally accepted actuarial principles and practices as well as with the Actuarial Standards of Practice issued by the Actuarial Standards Board. Mita D. Drazilov and Judith A. Kermans are Members of the American Academy of Actuaries (MAAA) and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. The signing actuaries are independent of the plan sponsor.

Respectfully submitted,
Gabriel, Roeder, Smith & Company

By 
Mita D. Drazilov, ASA, FCA, MAAA

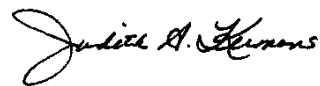
By 
Judith A. Kermans, EA, FCA, MAAA

Table of Contents

		<u>Page</u>
Section A	Executive Summary	
	Executive Summary	1-2
	Discussion	3-5
Section B	Financial Statements	
General Division	Pension Expense under GASB Statement No. 68	7
	Statement of Outflows and Inflows Arising from Current Reporting Period	8
	Statement of Outflows and Inflows Arising from Current and Prior Reporting Periods	9
	Recognition of Outflows and Inflows of Resources	10
	Schedule of Changes in Net Pension Liability and Related Ratios	11
	Sensitivity of Net Pension Liability to the Single Discount Rate	11
	Schedule of Changes in Net Pension Liability and Related Ratios Multiyear	12-13
	Schedule of Contributions Multiyear	14
	Notes to Schedule of Contributions	15
Police Division	Pension Expense under GASB Statement No. 68	16
	Statement of Outflows and Inflows Arising from Current Reporting Period	17
	Statement of Outflows and Inflows Arising from Current and Prior Reporting Periods	18
	Recognition of Outflows and Inflows of Resources	19
	Schedule of Changes in Net Pension Liability and Related Ratios	20
	Sensitivity of Net Pension Liability to the Single Discount Rate	20
	Schedule of Changes in Net Pension Liability and Related Ratios Multiyear	21-22
	Schedule of Contributions Multiyear	23
	Notes to Schedule of Contributions	24
Fire Division	Pension Expense under GASB Statement No. 68	25
	Statement of Outflows and Inflows Arising from Current Reporting Period	26
	Statement of Outflows and Inflows Arising from Current and Prior Reporting Periods	27
	Recognition of Outflows and Inflows of Resources	28
	Schedule of Changes in Net Pension Liability and Related Ratios	29
	Sensitivity of Net Pension Liability to the Single Discount Rate	29
	Schedule of Changes in Net Pension Liability and Related Ratios Multiyear	30-31
	Schedule of Contributions Multiyear	32
	Notes to Schedule of Contributions	33
Public Safety Division	Pension Expense under GASB Statement No. 68	34
	Statement of Outflows and Inflows Arising from Current Reporting Period	35
	Statement of Outflows and Inflows Arising from Current and Prior Reporting Periods	36
	Recognition of Outflows and Inflows of Resources	37
	Schedule of Changes in Net Pension Liability and Related Ratios	38
	Sensitivity of Net Pension Liability to the Single Discount Rate	38
	Schedule of Changes in Net Pension Liability and Related Ratios Multiyear	39
	Schedule of Contributions Multiyear	40
	Notes to Schedule of Contributions	41
Section C	Calculation of the Single Discount Rate	43
General Division	Projection of Contributions	44
	Projection of Plan Fiduciary Net Position	45
	Present Values of Projected Benefits	46-47
Police Division	Projection of Contributions	48
	Projection of Plan Fiduciary Net Position	49
	Present Values of Projected Benefits	50-51
Fire Division	Projection of Contributions	52
	Projection of Plan Fiduciary Net Position	53
	Present Values of Projected Benefits	54-55
Public Safety Division	Projection of Contributions	56
	Projection of Plan Fiduciary Net Position	57
	Present Values of Projected Benefits	58-59
Section D	Glossary of Terms	61-64



SECTION A

EXECUTIVE SUMMARY

Executive Summary as of June 30, 2024

	General	Police	Fire	Public Safety
Actuarial Valuation Date	February 29, 2024	February 29, 2024	February 29, 2024	February 29, 2024
Measurement Date of the Net Pension Liability	June 30, 2024	June 30, 2024	June 30, 2024	June 30, 2024

Membership

Number of				
- Retirees and Beneficiaries	846	211	205	0
- Inactive, Nonretired Members	239	47	12	14
- Active Members	568	191	173	24
- Total	1,653	449	390	38
Covered Payroll	\$44,405,464	\$17,152,238	\$15,447,310	\$1,714,992

Net Pension Liability

Total Pension Liability	\$362,507,384	\$158,552,097	\$130,482,820	\$3,387,329
Plan Fiduciary Net Position	334,225,809	126,896,072	126,457,676	1,428,256
Net Pension Liability/(Asset)	\$28,281,575	\$31,656,025	\$4,025,144	\$1,959,073
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	92.20%	80.03%	96.92%	42.16%
Net Pension Liability as a Percentage of Covered Payroll	63.69%	184.56%	26.06%	114.23%

Development of the Single Discount Rate

Single Discount Rate	7.00%	7.00%	7.00%	7.00%
Long-Term Expected Rate of Investment Return	7.00%	7.00%	7.00%	7.00%
Long-Term Municipal Bond Rate*	3.97%	3.97%	3.97%	3.97%
Last year ending February 28 in the 100-year projection period for which projected benefit payments are fully funded	2124	2124	2124	2124

Total Pension Expense	\$5,866,064	\$5,234,639	\$2,773,749	\$2,266,807
------------------------------	--------------------	--------------------	--------------------	--------------------

*Source: Fixed-income municipal bonds with 20 years to maturity that include only federally tax-exempt municipal bonds as reported in Fidelity Index's "20-Year Municipal GO AA Index" as of June 28, 2024. In describing this index, Fidelity notes that the municipal curves are constructed using option-adjusted analytics of a diverse population of over 10,000 tax-exempt securities.



Executive Summary (Concluded) as of June 30, 2024

Deferred Outflows and Deferred Inflows of Resources by Source to be Recognized in Future Pension Expenses

	General		Police		Fire		Public Safety	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$7,348,084	\$(202,541)	\$13,193,408	\$(216,417)	\$9,220,003	\$0	\$0	\$(60,842)
Changes in assumptions	0	(470,347)	0	(560,016)	0	(970,980)	0	0
Net Difference between projected and actual earnings on pension plan investments	9,722,219	0	3,186,683	0	3,457,830	0	0	(10,634)
Employer contributions subsequent to the measurement date								
Total	\$17,070,303	\$(672,888)	\$16,380,091	\$(776,433)	\$12,677,833	\$(970,980)	\$0	\$(71,476)

Discussion

Accounting Standard

For state and local government employers (as well as certain non-employers) that contribute to a defined benefit (DB) pension plan administered through a trust or equivalent arrangement, Governmental Accounting Standards Board (GASB) Statement No. 68 establishes standards for pension accounting and financial reporting. Under Statement No. 68, the employer must account for and disclose the net pension liability, pension expense, and other information associated with providing retirement benefits to their employees (and former employees) on their basic financial statements.

The following discussion provides a summary of the information that is required to be disclosed under these accounting standards. A number of these disclosure items are provided in this report. However, certain information is not included in this report if it is not actuarial in nature, such as the notes to the financial statements regarding accounting policies and investments. As a result, the retirement system and/or plan sponsor is responsible for preparing and disclosing the non-actuarial information needed to comply with these accounting standards.

Financial Statements

GASB Statement No. 68 requires state and local government employers that contribute to DB pension plans to recognize the net pension liability and the pension expense on their financial statements, along with the related deferred outflows of resources and deferred inflows of resources. The net pension liability is the difference between the total pension liability and the plan's fiduciary net position. In traditional actuarial terms, this is analogous to the accrued liability less the market value of assets (not the smoothed actuarial value of assets that is often encountered in actuarial valuations performed to determine the employer's contribution requirement).

The pension expense recognized each fiscal year is equal to the change in the net pension liability from the beginning of the year to the end of the year, adjusted for deferred recognition of the certain changes in the liability and investment experience.

Notes to Financial Statements

GASB Statement No. 68 requires the notes of the employer's financial statements to disclose the total pension expense, the pension plan's liabilities and assets, and deferred outflows of resources and inflows of resources related to pensions.

In addition, GASB Statement No. 68 requires the notes of the financial statements for the employers to include certain additional information, including:

- A description of the types of benefits provided by the plan, as well as automatic or ad hoc COLAs;
- The number and classes of employees covered by the benefit terms;
- For the current year, sources of changes in the net pension liability;
- Significant assumptions and methods used to calculate the total pension liability;
- Inputs to the single discount rate;
- Certain information about mortality assumptions and the dates of experience studies;
- The date of the valuation used to determine the total pension liability;
- Information about changes of assumptions or other inputs and benefit terms;
- The basis for determining contributions to the plan, including a description of the plan's funding policy, as well as member and employer contribution requirements;
- The total pension liability, fiduciary net position, net pension liability, and the pension plan's fiduciary net position as a percentage of the total pension liability;
- The net pension liability using a discount rate that is 1% higher and 1% lower than used to calculate the total pension liability and net pension liability for financial reporting purposes; and
- A description of the system that administers the pension plan.

Required Supplementary Information

The financial statements of employers also include required supplementary information showing the 10-year fiscal history of:

- Sources of changes in the net pension liability;
- Information about the components of the net pension liability and related ratios, including the pension plan's fiduciary net position as a percentage of the total pension liability, and the net pension liability as a percent of covered-employee payroll; and
- Comparison of actual employer contributions to the actuarially determined contributions based on the plan's funding policy.

While the first two tables may be built prospectively as the information becomes available, sufficient information is currently available for the third table.

Timing of the Valuation

An actuarial valuation to determine the total pension liability is required to be performed at least every two years. For the employer's financial reporting purposes, the net pension liability and pension expense should be measured as of the employer's "measurement date" which may not be earlier than the employer's prior fiscal year-end date. If the actuarial valuation used to determine the total pension liability is not calculated as of the measurement date, the total pension liability is required to be rolled forward from the actuarial valuation date to the measurement date.

The total pension liability shown in this report is based on an actuarial valuation performed as of February 29, 2024 and a measurement date of June 30, 2024.

Single Discount Rate

Projected benefit payments are required to be discounted to their actuarial present values using a single discount rate that reflects (1) a long-term expected rate of return on pension plan investments (to the extent that the plan's fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the plan's projected fiduciary net position is not sufficient to pay benefits).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 3.97% (based on the weekly rate closest to but not later than the measurement date of the "20-Year Municipal GO AA Index" rate from Fidelity); and the resulting single discount rate is 7.00% for General, 7.00% for Police, 7.00% for Fire and 7.00% for Public Safety.

Effective Date and Transition

GASB Statement No. 68 is effective for an employer's fiscal years beginning after June 15, 2014.



SECTION B

FINANCIAL STATEMENTS

General Division
Pension Expense under GASB Statement No. 68
Year Ended June 30, 2024

A. Expense

1. Service Cost	\$5,291,843
2. Interest on the Total Pension Liability	23,961,007
3. Current-Period Benefit Changes	0
4. Employee Contributions (made negative for addition here)	(1,883,563)
5. Projected Earnings on Plan Investments (made negative for addition here)	(22,550,213)
6. Pension Plan Administrative Expense	206,137
7. Other Changes in Plan Fiduciary Net Position	(100,143)
8. Recognition of Outflow (Inflow) of Resources due to Liabilities	466,377
9. Recognition of Outflow (Inflow) of Resources due to Assets	474,619
10. Total Pension Expense	<hr/> \$5,866,064

General Division

Statement of Outflows and Inflows Arising from Current Reporting Period

Year Ended June 30, 2024

A. Outflows (Inflows) of Resources due to Liabilities

1. Difference between expected and actual experience of the Total Pension Liability (gains) or losses	\$4,642,255
2. Assumption Changes (gains) or losses	\$0
3. Recognition period for Liabilities: Average of the expected remaining service lives of all employees {in years}	3.9159
4. Outflow (Inflow) of Resources to be recognized in the current pension expense for the difference between expected and actual experience of the Total Pension Liability	\$1,185,489
5. Outflow (Inflow) of Resources to be recognized in the current pension expense for Assumption Changes	\$0
6. Outflow (Inflow) of Resources to be recognized in the current pension expense due to Liabilities	\$1,185,489
7. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses for the difference between expected and actual experience of the Total Pension Liability	\$3,456,766
8. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses for Assumption Changes	\$0
9. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Liabilities	\$3,456,766

B. Outflows (Inflows) of Resources due to Assets

1. Net difference between projected and actual earnings on Pension plan investments (gains) or losses	\$5,551,162
2. Recognition period for Assets {in years}	5.0000
3. Outflow (Inflow) of Resources to be recognized in the current pension expense due to Assets	\$1,110,232
4. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Assets	\$4,440,930



General Division

Statement of Outflows and Inflows Arising from Current and Prior Reporting Periods

Year Ended June 30, 2024

A. Outflows and Inflows of Resources due to Liabilities and Assets to be Recognized in Current Pension Expense

	Outflows of Resources	Inflows of Resources	Net Outflows of Resources
1. Due to Liabilities	\$3,450,064	\$(2,983,687)	\$466,377
2. Due to Assets	11,308,829	(10,834,210)	474,619
3. Total	\$14,758,893	\$(13,817,897)	\$940,996

B. Outflows and Inflows of Resources by Source to be Recognized in Current Pension Expense

	Outflows of Resources	Inflows of Resources	Net Outflows of Resources
1. Differences between expected and actual experience	\$3,450,064	\$(955,448)	\$2,494,616
2. Assumption Changes	0	(2,028,239)	(2,028,239)
3. Net Difference between projected and actual earnings on pension plan investments	11,308,829	(10,834,210)	474,619
4. Total	\$14,758,893	\$(13,817,897)	\$940,996

C. Deferred Outflows and Deferred Inflows of Resources by Source to be Recognized in Future Pension Expenses

	Outflows of Resources	Inflows of Resources	Net Outflows of Resources
1. Differences between expected and actual experience	\$7,348,084	\$(202,541)	\$7,145,543
2. Assumption Changes	0	(470,347)	(470,347)
3. Net Difference between projected and actual earnings on pension plan investments	9,722,219	0	9,722,219
4. Total	\$17,070,303	\$(672,888)	\$16,397,415

D. Deferred Outflows and Deferred Inflows of Resources by Year to be Recognized in Future Pension Expenses

Year Ending June 30	Net Deferred Outflows of Resources
2025	\$(32,031)
2026	10,837,232
2027	4,481,980
2028	1,110,234
2029	0
Thereafter	0
Total	\$16,397,415

General Division

Recognition of Outflows and Inflows of Resources

Year Ended June 30, 2024

Year Established	Initial Amount	Initial Recognition Period	Current Year Recognition	Remaining Recognition	Remaining Recognition Period
Deferred Outflow(Inflow) Due to Differences Between Expected and Actual Experience on Liabilities					
2020	\$(1,020,916)	4.3496	\$(82,056)	\$0	0.0000
2021	(3,696,109)	4.2319	(873,392)	(202,541)	0.2319
2022	2,414,756	4.1436	582,768	666,452	1.1436
2023	6,588,480	3.9175	1,681,807	3,224,866	1.9175
2024	4,642,255	3.9159	1,185,489	3,456,766	2.9159
Total			\$2,494,616	\$7,145,543	
Deferred Outflow(Inflow) Due to Assumption Changes					
2021	\$(8,583,303)	4.2319	\$(2,028,239)	\$(470,347)	0.2319
2022	0	4.1436	0	0	1.1436
2023	0	3.9175	0	0	1.9175
2024	0	3.9159	0	0	2.9159
Total			\$(2,028,239)	\$(470,347)	
Deferred Outflow(Inflow) Due to Differences Between Projected and Actual Earnings on Plan Investments					
2020	\$16,419,139	5.0000	\$3,283,827	\$0	0.0000
2021	(54,171,049)	5.0000	(10,834,210)	(10,834,209)	1.0000
2022	23,144,053	5.0000	4,628,811	9,257,620	2.0000
2023	11,429,796	5.0000	2,285,959	6,857,878	3.0000
2024	5,551,162	5.0000	1,110,232	4,440,930	4.0000
Total			\$474,619	\$9,722,219	

General Division

Schedule of Changes in Net Pension Liability and Related Ratios

Year Ended June 30, 2024

A. Total Pension Liability

1. Service Cost	\$5,291,843
2. Interest on Total Pension Liability	23,961,007
3. Changes of Benefit Terms	0
4. Difference between expected and actual experience of the Total Pension Liability	4,642,255
5. Changes of Assumptions	0
6. Benefit payments, including refunds of employee contributions	(21,804,512)
7. Net change in total pension liability	\$12,090,593
8. Total pension liability – beginning	350,416,791
9. Total pension liability – ending	\$362,507,384

B. Plan fiduciary net position

1. Contributions – employer	\$10,352,297
2. Contributions – employee	1,883,563
3. Net investment income	16,999,051
4. Benefit payments, including refunds of employee contributions	(21,804,512)
5. Pension Plan Administrative Expense	(206,137)
6. Other (Net Transfer)	100,143
7. Net change in plan fiduciary net position	\$7,324,405
8. Plan fiduciary net position – beginning	326,901,404
9. Plan fiduciary net position – ending	\$334,225,809

C. Net pension liability/(asset)

\$28,281,575

D. Plan fiduciary net position as a percentage of the total pension liability

92.20%

E. Covered-employee payroll

\$44,405,464

F. Net pension liability as a percentage of covered-employee payroll

63.69%

Sensitivity of Net Pension Liability to the Single Discount Rate

	1% Decrease 6.00%	Current Single Discount Rate Assumption 7.00%	1% Increase 8.00%
Total Pension Liability (TPL)	\$407,135,027	\$362,507,384	\$325,168,228
Plan Fiduciary Net Position	334,225,809	334,225,809	334,225,809
Net Pension Liability/(Asset) (NPL)	\$72,909,218	\$28,281,575	\$(9,057,581)



General Division

Schedule of Changes in Net Pension Liability and Related Ratios Multiyear

Last 10 Fiscal Years

Fiscal year ending June 30,	2024	2023	2022	2021	2020
Total Pension Liability					
Service Cost	\$5,291,843	\$5,010,215	\$4,992,179	\$5,063,690	\$5,096,854
Interest on Total Pension Liability	23,961,007	23,011,443	22,374,879	23,435,806	22,852,540
Changes of Benefit Terms	0	0	0	0	0
Difference between expected and actual experience	4,642,255	6,588,480	2,414,756	(3,696,109)	(1,020,916)
Changes of Assumptions	0	0	0	(8,583,303)	0
Benefit payments, including refunds	(21,804,512)	(20,582,893)	(20,807,140)	(18,811,184)	(18,921,180)
Net change in total pension liability	\$12,090,593	\$14,027,245	\$8,974,674	\$(2,591,100)	\$8,007,298
Total pension liability – beginning	350,416,791	336,389,546	327,414,872	330,005,972	321,998,674
Total pension liability – ending (a)	\$362,507,384	\$350,416,791	\$336,389,546	\$327,414,872	\$330,005,972
Plan fiduciary net position					
Contributions – employer	\$10,352,297	\$9,527,566	\$8,755,383	\$8,488,443	\$8,016,053
Contributions – employee	1,883,563	1,789,205	1,725,206	1,796,075	1,748,650
Net investment income	16,999,051	11,099,917	240,119	73,790,280	3,621,969
Benefit payments, including refunds	(21,804,512)	(20,582,893)	(20,807,140)	(18,811,184)	(18,921,180)
Pension Plan Administrative Expense	(206,137)	(236,039)	(168,905)	(155,426)	(202,532)
Other (Net Transfer)	100,143	(2,399,661)	(2,477,939)	890,856	(1,674,943)
Net change in plan fiduciary net position	\$7,324,405	\$(801,905)	\$(12,733,276)	\$65,999,044	\$(7,411,983)
Plan fiduciary net position – beginning	326,901,404	327,703,309	340,436,585	274,437,541	281,849,524
Plan fiduciary net position – ending (b)	\$334,225,809	\$326,901,404	\$327,703,309	\$340,436,585	\$274,437,541
Net pension liability/(asset) – ending (a) – (b)	\$28,281,575	\$23,515,387	\$8,686,237	\$(13,021,713)	\$55,568,431
Plan fiduciary net position as a percentage of the total pension liability	92.20%	93.29%	97.42%	103.98%	83.16%
Covered-employee payroll	\$44,405,464	\$44,589,057	\$41,035,189	\$43,215,525	\$43,807,496
Net pension liability as a percentage of covered-employee payroll	63.69%	52.74%	21.17%	(30.13)%	126.85%

Notes to schedule:



General Division

Schedule of Changes in Net Pension Liability and Related Ratios Multiyear Last 10 Fiscal Years (Concluded)

Fiscal year ending June 30,	2019	2018	2017	2016	2015
Total Pension Liability					
Service Cost	\$5,250,519	\$5,103,844	\$5,075,444	\$5,038,105	\$5,065,557
Interest on Total Pension Liability	22,176,244	21,354,080	20,855,818	19,091,117	18,832,431
Changes of Benefit Terms	0	0	0	0	0
Difference between expected and actual experience	222,572	1,967,786	(2,860,130)	3,388,716	(6,976,179)
Changes of Assumptions	0	0	0	11,661,771	0
Benefit payments, including refunds	(17,593,299)	(16,736,836)	(15,706,206)	(14,037,682)	(12,666,782)
Net change in total pension liability	\$10,056,036	\$11,688,874	\$7,364,926	\$25,142,027	\$4,255,027
Total pension liability – beginning	311,942,638	300,253,764	292,888,838	267,746,811	263,491,784
Total pension liability – ending (a)	\$321,998,674	\$311,942,638	\$300,253,764	\$292,888,838	\$267,746,811
Plan fiduciary net position					
Contributions – employer	\$8,019,128	\$7,607,308	\$7,139,614	\$6,586,149	\$5,768,526
Contributions – employee	1,854,183	1,866,824	1,866,481	1,842,290	1,734,878
Net investment income	17,969,216	30,187,450	28,042,263	(592,511)	4,694,233
Benefit payments, including refunds	(17,593,299)	(16,736,836)	(15,706,206)	(14,037,682)	(12,666,782)
Pension Plan Administrative Expense	(181,142)	(126,655)	(123,116)	(121,262)	(133,461)
Other (Net Transfer)	(734,363)	(212,578)	(788,019)	790,723	(3,998,370)
Net change in plan fiduciary net position	\$9,333,723	\$22,585,513	\$20,431,017	\$(5,532,293)	\$(4,600,976)
Plan fiduciary net position – beginning	272,515,801	249,930,288	229,499,271	235,031,564	239,632,540
Plan fiduciary net position – ending (b)	\$281,849,524	\$272,515,801	\$249,930,288	\$229,499,271	\$235,031,564
Net pension liability/(asset) – ending (a) – (b)	\$40,149,150	\$39,426,837	\$50,323,476	\$63,389,567	\$32,715,247
Plan fiduciary net position as a percentage of the total pension liability	87.53%	87.36%	83.24%	78.36%	87.78%
Covered-employee payroll	\$44,315,369	\$46,338,758	\$43,487,268	\$44,752,305	\$43,225,806
Net pension liability as a percentage of covered-employee payroll	90.60%	85.08%	115.72%	141.65%	75.68%

Notes to schedule:



General Division Schedule of Contributions Multiyear

Due to differing fiscal years for each employer, this information is to be supplied by LAGERS.

General Division

Notes to Schedule of Contributions

Valuation Date: February 29, 2024

Notes: The roll-forward of total pension liability from February 29, 2024 to June 30, 2024 reflects expected service cost and interest reduced by actual benefit payments.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal and Modified Terminal Funding
Amortization Method	A level percentage of payroll amortization method is used to amortize the UAAL over a closed period of years. If the UAAL (excluding the UAAL associated with benefit changes) is negative, then this amount is amortized over the greater of (i) the remaining initial amortization period or (ii) 15 years.
Remaining Amortization Period	Multiple bases from 5 to 15 years
Asset Valuation Method	5-Year smoothed market; 20% corridor
Inflation	2.75% wage inflation; 2.25% price inflation
Salary Increases	2.75% to 6.75% including wage inflation
Investment Rate of Return	7.00%, net of investment expenses
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	<p>The healthy retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubG-2010 Retiree Mortality Table for males and females. The disabled retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females. The pre-retirement mortality tables used were 75% of the PubG-2010 Employee Mortality Table for males and females of General groups and 75% of the PubS-2010 Employee Mortality Table for males and females of Police, Fire and Public Safety groups.</p> <p>Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above described tables.</p>
Other Information:	None



Police Division
Pension Expense under GASB Statement No. 68
Year Ended June 30, 2024

A. Expense

1. Service Cost	\$2,027,660
2. Interest on the Total Pension Liability	10,109,030
3. Current-Period Benefit Changes	0
4. Employee Contributions (made negative for addition here)	(728,927)
5. Projected Earnings on Plan Investments (made negative for addition here)	(8,496,708)
6. Pension Plan Administrative Expense	57,120
7. Other Changes in Plan Fiduciary Net Position	(2,014,564)
8. Recognition of Outflow (Inflow) of Resources due to Liabilities	4,325,272
9. Recognition of Outflow (Inflow) of Resources due to Assets	(44,244)
10. Total Pension Expense	<hr/> \$5,234,639

Police Division

Statement of Outflows and Inflows Arising from Current Reporting Period

Year Ended June 30, 2024

A. Outflows (Inflows) of Resources due to Liabilities

1. Difference between expected and actual experience of the Total Pension Liability (gains) or losses	\$7,562,153
2. Assumption Changes (gains) or losses	\$0
3. Recognition period for Liabilities: Average of the expected remaining service lives of all employees {in years}	4.9119
4. Outflow (Inflow) of Resources to be recognized in the current pension expense for the difference between expected and actual experience of the Total Pension Liability	\$1,539,558
5. Outflow (Inflow) of Resources to be recognized in the current pension expense for Assumption Changes	\$0
6. Outflow (Inflow) of Resources to be recognized in the current pension expense due to Liabilities	\$1,539,558
7. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses for the difference between expected and actual experience of the Total Pension Liability	\$6,022,595
8. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses for Assumption Changes	\$0
9. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Liabilities	\$6,022,595

B. Outflows (Inflows) of Resources due to Assets

1. Net difference between projected and actual earnings on Pension plan investments (gains) or losses	\$1,960,735
2. Recognition period for Assets {in years}	5.0000
3. Outflow (Inflow) of Resources to be recognized in the current pension expense due to Assets	\$392,147
4. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Assets	\$1,568,588

Police Division

Statement of Outflows and Inflows Arising from Current and Prior Reporting Periods

Year Ended June 30, 2024

A. Outflows and Inflows of Resources due to Liabilities and Assets to be Recognized in Current Pension Expense

	Outflows of Resources	Inflows of Resources	Net Outflows of Resources
1. Due to Liabilities	\$4,794,447	\$(469,175)	\$4,325,272
2. Due to Assets	3,936,059	(3,980,303)	(44,244)
3. Total	\$8,730,506	\$(4,449,478)	\$4,281,028

B. Outflows and Inflows of Resources by Source to be Recognized in Current Pension Expense

	Outflows of Resources	Inflows of Resources	Net Outflows of Resources
1. Differences between expected and actual experience	\$4,794,447	\$(187,391)	\$4,607,056
2. Assumption Changes	0	(281,784)	(281,784)
3. Net Difference between projected and actual earnings on pension plan investments	3,936,059	(3,980,303)	(44,244)
4. Total	\$8,730,506	\$(4,449,478)	\$4,281,028

C. Deferred Outflows and Deferred Inflows of Resources by Source to be Recognized in Future Pension Expenses

	Outflows of Resources	Inflows of Resources	Net Outflows of Resources
1. Differences between expected and actual experience	\$13,193,408	\$(216,417)	\$12,976,991
2. Assumption Changes	0	(560,016)	(560,016)
3. Net Difference between projected and actual earnings on pension plan investments	3,186,683	0	3,186,683
4. Total	\$16,380,091	\$(776,433)	\$15,603,658

D. Deferred Outflows and Deferred Inflows of Resources by Year to be Recognized in Future Pension Expenses

Year Ending June 30	Net Deferred Outflows of Resources
2025	\$2,518,762
2026	6,592,034
2027	4,438,984
2028	2,053,878
2029	0
Thereafter	0
Total	\$15,603,658

Police Division

Recognition of Outflows and Inflows of Resources

Year Ended June 30, 2024

Year Established	Initial Amount	Initial Recognition Period	Current Year Recognition	Remaining Recognition	Remaining Recognition Period
Deferred Outflow(Inflow) Due to Differences Between Expected and Actual Experience on Liabilities					
2018	\$2,488,245	6.2895	\$114,531	\$0	0.0000
2019	3,606,580	6.1157	589,725	68,230	0.1157
2020	(1,153,372)	6.1549	(187,391)	(216,417)	1.1549
2021	341,042	5.9874	56,960	113,202	1.9874
2022	5,699,262	5.3027	1,074,785	2,474,907	2.3027
2023	7,352,250	5.1817	1,418,888	4,514,474	3.1817
2024	7,562,153	4.9119	1,539,558	6,022,595	3.9119
Total			\$4,607,056	\$12,976,991	
Deferred Outflow(Inflow) Due to Assumption Changes					
2021	\$(1,687,152)	5.9874	\$(281,784)	\$(560,016)	1.9874
2022	0	5.3027	0	0	2.3027
2023	0	5.1817	0	0	3.1817
2024	0	4.9119	0	0	3.9119
Total			\$(281,784)	\$(560,016)	
Deferred Outflow(Inflow) Due to Differences Between Projected and Actual Earnings on Plan Investments					
2020	\$5,631,213	5.0000	\$1,126,241	\$0	0.0000
2021	(19,901,514)	5.0000	(3,980,303)	(3,980,302)	1.0000
2022	8,273,086	5.0000	1,654,617	3,309,235	2.0000
2023	3,815,270	5.0000	763,054	2,289,162	3.0000
2024	1,960,735	5.0000	392,147	1,568,588	4.0000
Total			\$(44,244)	\$3,186,683	

Police Division

Schedule of Changes in Net Pension Liability and Related Ratios

Year Ended June 30, 2024

A. Total Pension Liability

1. Service Cost	\$2,027,660
2. Interest on Total Pension Liability	10,109,030
3. Changes of Benefit Terms	0
4. Difference between expected and actual experience of the Total Pension Liability	7,562,153
5. Changes of Assumptions	0
6. Benefit payments, including refunds of employee contributions	(8,977,720)
7. Net change in total pension liability	\$10,721,123
8. Total pension liability – beginning	147,830,974
9. Total pension liability – ending	\$158,552,097

B. Plan fiduciary net position

1. Contributions – employer	\$4,282,444
2. Contributions – employee	728,927
3. Net investment income	6,535,973
4. Benefit payments, including refunds of employee contributions	(8,977,720)
5. Pension Plan Administrative Expense	(57,120)
6. Other (Net Transfer)	2,014,564
7. Net change in plan fiduciary net position	\$4,527,068
8. Plan fiduciary net position – beginning	122,369,004
9. Plan fiduciary net position – ending	\$126,896,072

C. Net pension liability/(asset)

\$31,656,025

D. Plan fiduciary net position as a percentage of the total pension liability

80.03%

E. Covered-employee payroll

\$17,152,238

F. Net pension liability as a percentage of covered-employee payroll

184.56%

Sensitivity of Net Pension Liability to the Single Discount Rate

	1% Decrease 6.00%	Current Single Discount Rate Assumption 7.00%	1% Increase 8.00%
Total Pension Liability (TPL)	\$180,405,989	\$158,552,097	\$140,473,563
Plan Fiduciary Net Position	126,896,072	126,896,072	126,896,072
Net Pension Liability/(Asset) (NPL)	\$53,509,917	\$31,656,025	\$13,577,491



Police Division

Schedule of Changes in Net Pension Liability and Related Ratios Multiyear

Last 10 Fiscal Years

Fiscal year ending June 30,	2024	2023	2022	2021	2020
Total Pension Liability					
Service Cost	\$2,027,660	\$1,961,778	\$1,842,273	\$1,749,429	\$1,769,501
Interest on Total Pension Liability	10,109,030	9,388,775	8,758,093	8,869,424	8,622,879
Changes of Benefit Terms	0	0	0	0	0
Difference between expected and actual experience	7,562,153	7,352,250	5,699,262	341,042	(1,153,372)
Changes of Assumptions	0	0	0	(1,687,152)	0
Benefit payments, including refunds	(8,977,720)	(7,931,622)	(6,785,019)	(6,299,826)	(5,373,452)
Net change in total pension liability	\$10,721,123	\$10,771,181	\$9,514,609	\$2,972,917	\$3,865,556
Total pension liability – beginning	147,830,974	137,059,793	127,545,184	124,572,267	120,706,711
Total pension liability – ending (a)	\$158,552,097	\$147,830,974	\$137,059,793	\$127,545,184	\$124,572,267
Plan fiduciary net position					
Contributions – employer	\$4,282,444	\$3,826,392	\$3,482,619	\$3,139,870	\$3,118,245
Contributions – employee	728,927	743,082	647,929	612,695	642,976
Net investment income	6,535,973	4,424,701	81,128	26,752,402	1,187,940
Benefit payments, including refunds	(8,977,720)	(7,931,622)	(6,785,019)	(6,299,826)	(5,373,452)
Pension Plan Administrative Expense	(57,120)	(63,772)	(44,966)	(40,155)	(52,026)
Other (Net Transfer)	2,014,564	3,879,109	(1,108,020)	2,528,516	246,506
Net change in plan fiduciary net position	\$4,527,068	\$4,877,890	\$(3,726,329)	\$26,693,502	\$(229,811)
Plan fiduciary net position – beginning	122,369,004	117,491,114	121,217,443	94,523,941	94,753,752
Plan fiduciary net position – ending (b)	\$126,896,072	\$122,369,004	\$117,491,114	\$121,217,443	\$94,523,941
Net pension liability/(asset) – ending (a) – (b)	\$31,656,025	\$25,461,970	\$19,568,679	\$6,327,741	\$30,048,326
Plan fiduciary net position as a percentage of the total pension liability	80.03%	82.78%	85.72%	95.04%	75.88%
Covered-employee payroll	\$17,152,238	\$16,197,497	\$16,057,468	\$14,743,761	\$15,317,738
Net pension liability as a percentage of covered-employee payroll	184.56%	157.20%	121.87%	42.92%	196.17%

Notes to schedule:



Police Division

Schedule of Changes in Net Pension Liability and Related Ratios Multiyear Last 10 Fiscal Years (Concluded)

Fiscal year ending June 30,	2019	2018	2017	2016	2015
Total Pension Liability					
Service Cost	\$1,670,103	\$1,614,623	\$1,594,085	\$1,552,685	\$1,572,058
Interest on Total Pension Liability	8,045,898	7,606,303	7,352,213	6,884,789	6,667,024
Changes of Benefit Terms	0	0	0	0	0
Difference between expected and actual experience	3,606,580	2,488,245	222,238	(120,425)	(604,748)
Changes of Assumptions	0	0	0	3,106,039	0
Benefit payments, including refunds	(5,451,298)	(5,887,159)	(5,468,042)	(4,540,583)	(4,698,969)
Net change in total pension liability	\$7,871,283	\$5,822,012	\$3,700,494	\$6,882,505	\$2,935,365
Total pension liability – beginning	112,835,428	107,013,416	103,312,922	96,430,417	93,495,052
Total pension liability – ending (a)	\$120,706,711	\$112,835,428	\$107,013,416	\$103,312,922	\$96,430,417
Plan fiduciary net position					
Contributions – employer	\$2,834,308	\$2,482,857	\$2,383,556	\$2,148,531	\$2,019,304
Contributions – employee	620,634	567,489	577,830	554,449	557,049
Net investment income	5,684,879	9,869,958	9,002,131	(121,512)	1,557,269
Benefit payments, including refunds	(5,451,298)	(5,887,159)	(5,468,042)	(4,540,583)	(4,698,969)
Pension Plan Administrative Expense	(46,841)	(32,436)	(30,676)	(30,700)	(33,273)
Other (Net Transfer)	859,191	1,534,535	(212,513)	(178,196)	(321,328)
Net change in plan fiduciary net position	\$4,500,873	\$8,535,244	\$6,252,286	\$(2,168,011)	\$(919,948)
Plan fiduciary net position – beginning	90,252,879	81,717,635	75,465,349	77,633,360	78,553,308
Plan fiduciary net position – ending (b)	\$94,753,752	\$90,252,879	\$81,717,635	\$75,465,349	\$77,633,360
Net pension liability/(asset) – ending (a) – (b)	\$25,952,959	\$22,582,549	\$25,295,781	\$27,847,573	\$18,797,057
Plan fiduciary net position as a percentage of the total pension liability	78.50%	79.99%	76.36%	73.05%	80.51%
Covered-employee payroll	\$15,230,541	\$13,974,455	\$13,865,769	\$13,768,377	\$13,633,099
Net pension liability as a percentage of covered-employee payroll	170.40%	161.60%	182.43%	202.26%	137.88%

Notes to schedule:



Police Division Schedule of Contributions Multiyear

Due to differing fiscal years for each employer, this information is to be supplied by LAGERS.

Police Division

Notes to Schedule of Contributions

Valuation Date: February 29, 2024

Notes: The roll-forward of total pension liability from February 29, 2024 to June 30, 2024 reflects expected service cost and interest reduced by actual benefit payments.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal and Modified Terminal Funding
Amortization Method	A level percentage of payroll amortization method is used to amortize the UAAL over a closed period of years. If the UAAL (excluding the UAAL associated with benefit changes) is negative, then this amount is amortized over the greater of (i) the remaining initial amortization period or (ii) 15 years.
Remaining Amortization Period	Multiple bases from 5 to 15 years
Asset Valuation Method	5-Year smoothed market; 20% corridor
Inflation	2.75% wage inflation; 2.25% price inflation
Salary Increases	2.75% to 6.55% including wage inflation
Investment Rate of Return	7.00%, net of investment expenses
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	<p>The healthy retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubG-2010 Retiree Mortality Table for males and females. The disabled retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females. The pre-retirement mortality tables used were 75% of the PubG-2010 Employee Mortality Table for males and females of General groups and 75% of the PubS-2010 Employee Mortality Table for males and females of Police, Fire and Public Safety groups.</p> <p>Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above described tables.</p>

Other Information: None



Fire Division
Pension Expense under GASB Statement No. 68
Year Ended June 30, 2024

A. Expense

1. Service Cost	\$2,309,055
2. Interest on the Total Pension Liability	8,353,117
3. Current-Period Benefit Changes	0
4. Employee Contributions (made negative for addition here)	(665,437)
5. Projected Earnings on Plan Investments (made negative for addition here)	(8,481,479)
6. Pension Plan Administrative Expense	52,973
7. Other Changes in Plan Fiduciary Net Position	(1,066,261)
8. Recognition of Outflow (Inflow) of Resources due to Liabilities	2,114,230
9. Recognition of Outflow (Inflow) of Resources due to Assets	157,551
10. Total Pension Expense	<hr/> \$2,773,749

Fire Division

Statement of Outflows and Inflows Arising from Current Reporting Period

Year Ended June 30, 2024

A. Outflows (Inflows) of Resources due to Liabilities

1. Difference between expected and actual experience of the Total Pension Liability (gains) or losses	\$5,433,937
2. Assumption Changes (gains) or losses	\$0
3. Recognition period for Liabilities: Average of the expected remaining service lives of all employees {in years}	6.1168
4. Outflow (Inflow) of Resources to be recognized in the current pension expense for the difference between expected and actual experience of the Total Pension Liability	\$888,363
5. Outflow (Inflow) of Resources to be recognized in the current pension expense for Assumption Changes	\$0
6. Outflow (Inflow) of Resources to be recognized in the current pension expense due to Liabilities	<hr/> \$888,363
7. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses for the difference between expected and actual experience of the Total Pension Liability	\$4,545,574
8. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses for Assumption Changes	\$0
9. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Liabilities	<hr/> \$4,545,574

B. Outflows (Inflows) of Resources due to Assets

1. Net difference between projected and actual earnings on Pension plan investments (gains) or losses	\$2,017,588
2. Recognition period for Assets {in years}	5.0000
3. Outflow (Inflow) of Resources to be recognized in the current pension expense due to Assets	\$403,518
4. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Assets	\$1,614,070

Fire Division

Statement of Outflows and Inflows Arising from Current and Prior Reporting Periods

Year Ended June 30, 2024

A. Outflows and Inflows of Resources due to Liabilities and Assets to be Recognized in Current Pension Expense

	Outflows of Resources	Inflows of Resources	Net Outflows of Resources
1. Due to Liabilities	\$2,531,174	\$(416,944)	\$2,114,230
2. Due to Assets	3,991,874	(3,834,323)	157,551
3. Total	\$6,523,048	\$(4,251,267)	\$2,271,781

B. Outflows and Inflows of Resources by Source to be Recognized in Current Pension Expense

	Outflows of Resources	Inflows of Resources	Net Outflows of Resources
1. Differences between expected and actual experience	\$2,531,174	\$0	\$2,531,174
2. Assumption Changes	0	(416,944)	(416,944)
3. Net Difference between projected and actual earnings on pension plan investments	3,991,874	(3,834,323)	157,551
4. Total	\$6,523,048	\$(4,251,267)	\$2,271,781

C. Deferred Outflows and Deferred Inflows of Resources by Source to be Recognized in Future Pension Expenses

	Outflows of Resources	Inflows of Resources	Net Outflows of Resources
1. Differences between expected and actual experience	\$9,220,003	\$0	\$9,220,003
2. Assumption Changes	0	(970,980)	(970,980)
3. Net Difference between projected and actual earnings on pension plan investments	3,457,830	0	3,457,830
4. Total	\$12,677,833	\$(970,980)	\$11,706,853

D. Deferred Outflows and Deferred Inflows of Resources by Year to be Recognized in Future Pension Expenses

Year Ending June 30	Net Deferred Outflows of Resources
2025	\$924,888
2026	4,645,952
2027	3,173,778
2028	1,970,113
2029	888,363
Thereafter	103,759
Total	\$11,706,853

Fire Division

Recognition of Outflows and Inflows of Resources

Year Ended June 30, 2024

Year Established	Initial Amount	Initial Recognition Period	Current Year Recognition	Remaining Recognition	Remaining Recognition Period
Deferred Outflow(Inflow) Due to Differences Between Expected and Actual Experience on Liabilities					
2018	\$502,427	6.3452	\$27,335	\$0	0.0000
2019	1,464,144	6.2566	234,016	60,048	0.2566
2020	539,484	6.3715	84,671	116,129	1.3715
2021	663,314	6.3288	104,809	244,078	2.3288
2022	3,479,967	6.1820	562,919	1,791,210	3.1820
2023	3,721,086	5.9153	629,061	2,462,964	3.9153
2024	5,433,937	6.1168	888,363	4,545,574	5.1168
Total			\$2,531,174	\$9,220,003	
Deferred Outflow(Inflow) Due to Assumption Changes					
2021	\$(2,638,756)	6.3288	\$(416,944)	\$(970,980)	2.3288
2022	0	6.1820	0	0	3.1820
2023	0	5.9153	0	0	3.9153
2024	0	6.1168	0	0	5.1168
Total			\$(416,944)	\$(970,980)	
Deferred Outflow(Inflow) Due to Differences Between Projected and Actual Earnings on Plan Investments					
2020	\$5,727,941	5.0000	\$1,145,589	\$0	0.0000
2021	(19,171,616)	5.0000	(3,834,323)	(3,834,324)	1.0000
2022	8,251,081	5.0000	1,650,216	3,300,433	2.0000
2023	3,962,753	5.0000	792,551	2,377,651	3.0000
2024	2,017,588	5.0000	403,518	1,614,070	4.0000
Total			\$157,551	\$3,457,830	

Fire Division

Schedule of Changes in Net Pension Liability and Related Ratios

Year Ended June 30, 2024

A. Total Pension Liability

1. Service Cost	\$2,309,055
2. Interest on Total Pension Liability	8,353,117
3. Changes of Benefit Terms	0
4. Difference between expected and actual experience of the Total Pension Liability	5,433,937
5. Changes of Assumptions	0
6. Benefit payments, including refunds of employee contributions	(7,490,390)
7. Net change in total pension liability	\$8,605,719
8. Total pension liability – beginning	121,877,101
9. Total pension liability – ending	\$130,482,820

B. Plan fiduciary net position

1. Contributions – employer	\$3,510,180
2. Contributions – employee	665,437
3. Net investment income	6,463,891
4. Benefit payments, including refunds of employee contributions	(7,490,390)
5. Pension Plan Administrative Expense	(52,973)
6. Other (Net Transfer)	1,066,261
7. Net change in plan fiduciary net position	\$4,162,406
8. Plan fiduciary net position – beginning	122,295,270
9. Plan fiduciary net position – ending	\$126,457,676

C. Net pension liability/(asset)

\$4,025,144

D. Plan fiduciary net position as a percentage of the total pension liability

96.92%

E. Covered-employee payroll

\$15,447,310

F. Net pension liability as a percentage of covered-employee payroll

26.06%

Sensitivity of Net Pension Liability to the Single Discount Rate

	1% Decrease 6.00%	Current Single Discount Rate Assumption 7.00%	1% Increase 8.00%
Total Pension Liability (TPL)	\$147,633,949	\$130,482,820	\$116,199,436
Plan Fiduciary Net Position	126,457,676	126,457,676	126,457,676
Net Pension Liability/(Asset) (NPL)	\$21,176,273	\$4,025,144	\$(10,258,240)



Fire Division

Schedule of Changes in Net Pension Liability and Related Ratios Multiyear

Last 10 Fiscal Years

Fiscal year ending June 30,	2024	2023	2022	2021	2020
Total Pension Liability					
Service Cost	\$2,309,055	\$2,228,445	\$2,151,514	\$2,022,584	\$1,946,318
Interest on Total Pension Liability	8,353,117	7,877,413	7,405,500	7,533,329	7,223,985
Changes of Benefit Terms	0	0	0	0	0
Difference between expected and actual experience	5,433,937	3,721,086	3,479,967	663,314	539,484
Changes of Assumptions	0	0	0	(2,638,756)	0
Benefit payments, including refunds	(7,490,390)	(6,665,134)	(6,012,295)	(5,512,068)	(5,449,904)
Net change in total pension liability	\$8,605,719	\$7,161,810	\$7,024,686	\$2,068,403	\$4,259,883
Total pension liability – beginning	121,877,101	114,715,291	107,690,605	105,622,202	101,362,319
Total pension liability – ending (a)	\$130,482,820	\$121,877,101	\$114,715,291	\$107,690,605	\$105,622,202
Plan fiduciary net position					
Contributions – employer	\$3,510,180	\$3,094,856	\$2,972,108	\$2,734,698	\$2,495,752
Contributions – employee	665,437	586,703	585,637	555,220	533,853
Net investment income	6,463,891	4,321,236	107,617	26,088,838	1,264,686
Benefit payments, including refunds	(7,490,390)	(6,665,134)	(6,012,295)	(5,512,068)	(5,449,904)
Pension Plan Administrative Expense	(52,973)	(58,441)	(40,432)	(37,372)	(47,981)
Other (Net Transfer)	1,066,261	2,316,940	885,256	(290,999)	400,817
Net change in plan fiduciary net position	\$4,162,406	\$3,596,160	\$(1,502,109)	\$23,538,317	\$(802,777)
Plan fiduciary net position – beginning	122,295,270	118,699,110	120,201,219	96,662,902	97,465,679
Plan fiduciary net position – ending (b)	\$126,457,676	\$122,295,270	\$118,699,110	\$120,201,219	\$96,662,902
Net pension liability/(asset) – ending (a) – (b)	\$4,025,144	\$(418,169)	\$(3,983,819)	\$(12,510,614)	\$8,959,300
Plan fiduciary net position as a percentage of the total pension liability	96.92%	100.34%	103.47%	111.62%	91.52%
Covered-employee payroll	\$15,447,310	\$14,677,046	\$14,286,438	\$13,752,138	\$13,050,285
Net pension liability as a percentage of covered-employee payroll	26.06%	(2.85)%	(27.89)%	(90.97)%	68.65%

Notes to schedule:



Fire Division

Schedule of Changes in Net Pension Liability and Related Ratios Multiyear Last 10 Fiscal Years (Concluded)

Fiscal year ending June 30,	2019	2018	2017	2016	2015
Total Pension Liability					
Service Cost	\$1,847,138	\$1,772,818	\$1,718,488	\$1,628,563	\$1,641,411
Interest on Total Pension Liability	6,875,371	6,604,972	6,434,763	5,933,859	5,904,882
Changes of Benefit Terms	0	0	0	0	0
Difference between expected and actual experience	1,464,144	502,427	(912,338)	1,648,708	(2,794,802)
Changes of Assumptions	0	0	0	2,431,596	0
Benefit payments, including refunds	(5,404,686)	(4,976,968)	(4,864,787)	(4,693,951)	(4,009,027)
Net change in total pension liability	\$4,781,967	\$3,903,249	\$2,376,126	\$6,948,775	\$742,464
Total pension liability – beginning	96,580,352	92,677,103	90,300,977	83,352,202	82,609,738
Total pension liability – ending (a)	\$101,362,319	\$96,580,352	\$92,677,103	\$90,300,977	\$83,352,202
Plan fiduciary net position					
Contributions – employer	\$2,330,214	\$2,086,405	\$1,979,869	\$1,869,202	\$1,687,386
Contributions – employee	517,764	490,919	494,967	464,406	446,972
Net investment income	6,042,696	10,380,355	9,379,245	(77,602)	1,585,494
Benefit payments, including refunds	(5,404,686)	(4,976,968)	(4,864,787)	(4,693,951)	(4,009,027)
Pension Plan Administrative Expense	(43,810)	(30,469)	(29,747)	(29,263)	(31,501)
Other (Net Transfer)	(427,149)	(199,218)	299,311	368,477	(1,022,296)
Net change in plan fiduciary net position	\$3,015,029	\$7,751,024	\$7,258,858	\$(2,098,731)	\$(1,342,972)
Plan fiduciary net position – beginning	94,450,650	86,699,626	79,440,768	81,539,499	82,882,471
Plan fiduciary net position – ending (b)	\$97,465,679	\$94,450,650	\$86,699,626	\$79,440,768	\$81,539,499
Net pension liability/(asset) – ending (a) – (b)	\$3,896,640	\$2,129,702	\$5,977,477	\$10,860,209	\$1,812,703
Plan fiduciary net position as a percentage of the total pension liability	96.16%	97.79%	93.55%	87.97%	97.83%
Covered-employee payroll	\$12,706,459	\$11,966,019	\$11,653,914	\$11,326,657	\$10,832,158
Net pension liability as a percentage of covered-employee payroll	30.67%	17.80%	51.29%	95.88%	16.73%

Notes to schedule:



Fire Division

Schedule of Contributions Multiyear

Due to differing fiscal years for each employer, this information is to be supplied by LAGERS.

Fire Division

Notes to Schedule of Contributions

Valuation Date: February 29, 2024

Notes: The roll-forward of total pension liability from February 29, 2024 to June 30, 2024 reflects expected service cost and interest reduced by actual benefit payments.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal and Modified Terminal Funding
Amortization Method	A level percentage of payroll amortization method is used to amortize the UAAL over a closed period of years. If the UAAL (excluding the UAAL associated with benefit changes) is negative, then this amount is amortized over the greater of (i) the remaining initial amortization period or (ii) 15 years.
Remaining Amortization Period	Multiple bases from 5 to 15 years
Asset Valuation Method	5-Year smoothed market; 20% corridor
Inflation	2.75% wage inflation; 2.25% price inflation
Salary Increases	2.75% to 7.15% including wage inflation
Investment Rate of Return	7.00%, net of investment expenses
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	<p>The healthy retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubG-2010 Retiree Mortality Table for males and females. The disabled retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females. The pre-retirement mortality tables used were 75% of the PubG-2010 Employee Mortality Table for males and females of General groups and 75% of the PubS-2010 Employee Mortality Table for males and females of Police, Fire and Public Safety groups.</p> <p>Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above described tables.</p>
Other Information:	None



Public Safety Division
Pension Expense under GASB Statement No. 68
Year Ended June 30, 2024

A. Expense

1. Service Cost	\$69,022
2. Interest on the Total Pension Liability	2,375
3. Current-Period Benefit Changes	3,387,329
4. Employee Contributions (made negative for addition here)	(48,577)
5. Projected Earnings on Plan Investments (made negative for addition here)	(47,067)
6. Pension Plan Administrative Expense	4,014
7. Other Changes in Plan Fiduciary Net Position	(1,087,075)
8. Recognition of Outflow (Inflow) of Resources due to Liabilities	(10,555)
9. Recognition of Outflow (Inflow) of Resources due to Assets	(2,659)
10. Total Pension Expense	<hr/> \$2,266,807

Public Safety Division

Statement of Outflows and Inflows Arising from Current Reporting Period

Year Ended June 30, 2024

A. Outflows (Inflows) of Resources due to Liabilities

1. Difference between expected and actual experience of the Total Pension Liability (gains) or losses	\$(71,397)
2. Assumption Changes (gains) or losses	\$0
3. Recognition period for Liabilities: Average of the expected remaining service lives of all employees {in years}	6.7642
4. Outflow (Inflow) of Resources to be recognized in the current pension expense for the difference between expected and actual experience of the Total Pension Liability	\$(10,555)
5. Outflow (Inflow) of Resources to be recognized in the current pension expense for Assumption Changes	\$0
6. Outflow (Inflow) of Resources to be recognized in the current pension expense due to Liabilities	<div style="border-top: 1px solid black;">\$(10,555)</div>
7. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses for the difference between expected and actual experience of the Total Pension Liability	\$(60,842)
8. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses for Assumption Changes	\$0
9. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Liabilities	<div style="border-top: 1px solid black;">\$(60,842)</div>

B. Outflows (Inflows) of Resources due to Assets

1. Net difference between projected and actual earnings on Pension plan investments (gains) or losses	\$(13,293)
2. Recognition period for Assets {in years}	5.0000
3. Outflow (Inflow) of Resources to be recognized in the current pension expense due to Assets	\$(2,659)
4. Deferred Outflow (Inflow) of Resources to be recognized in future pension expenses due to Assets	\$(10,634)

Public Safety Division

Statement of Outflows and Inflows Arising from Current and Prior Reporting Periods

Year Ended June 30, 2024

A. Outflows and Inflows of Resources due to Liabilities and Assets to be Recognized in Current Pension Expense

	Outflows of Resources	Inflows of Resources	Net Outflows of Resources
1. Due to Liabilities	\$0	\$(10,555)	\$(10,555)
2. Due to Assets	0	(2,659)	(2,659)
3. Total	\$0	\$(13,214)	\$(13,214)

B. Outflows and Inflows of Resources by Source to be Recognized in Current Pension Expense

	Outflows of Resources	Inflows of Resources	Net Outflows of Resources
1. Differences between expected and actual experience	\$0	\$(10,555)	\$(10,555)
2. Assumption Changes	0	0	0
3. Net Difference between projected and actual earnings on pension plan investments	0	(2,659)	(2,659)
4. Total	\$0	\$(13,214)	\$(13,214)

C. Deferred Outflows and Deferred Inflows of Resources by Source to be Recognized in Future Pension Expenses

	Outflows of Resources	Inflows of Resources	Net Outflows of Resources
1. Differences between expected and actual experience	\$0	\$(60,842)	\$(60,842)
2. Assumption Changes	0	0	0
3. Net Difference between projected and actual earnings on pension plan investments	0	(10,634)	(10,634)
4. Total	\$0	\$(71,476)	\$(71,476)

D. Deferred Outflows and Deferred Inflows of Resources by Year to be Recognized in Future Pension Expenses

Year Ending June 30	Net Deferred Outflows of Resources
2025	\$(13,214)
2026	(13,214)
2027	(13,214)
2028	(13,212)
2029	(10,555)
Thereafter	(8,067)
Total	\$(71,476)



Public Safety Division

Recognition of Outflows and Inflows of Resources

Year Ended June 30, 2024

Year Established	Initial Amount	Initial Recognition Period	Current Year Recognition	Remaining Recognition	Remaining Recognition Period
Deferred Outflow(Inflow) Due to Differences Between Expected and Actual Experience on Liabilities					
2024	\$(71,397)	6.7642	\$(10,555)	\$(60,842)	5.7642
Total			\$(10,555)	\$(60,842)	
Deferred Outflow(Inflow) Due to Assumption Changes					
Total			\$0	\$0	
Deferred Outflow(Inflow) Due to Differences Between Projected and Actual Earnings on Plan Investments					
2024	\$(13,293)	5.0000	\$(2,659)	\$(10,634)	4.0000
Total			\$(2,659)	\$(10,634)	

Public Safety Division

Schedule of Changes in Net Pension Liability and Related Ratios

Year Ended June 30, 2024

A. Total Pension Liability

1. Service Cost	\$69,022
2. Interest on Total Pension Liability	2,375
3. Changes of Benefit Terms	3,387,329
4. Difference between expected and actual experience of the Total Pension Liability	(71,397)
5. Changes of Assumptions	0
6. Benefit payments, including refunds of employee contributions	0
7. Net change in total pension liability	\$3,387,329
8. Total pension liability – beginning	0
9. Total pension liability – ending	\$3,387,329

B. Plan fiduciary net position

1. Contributions – employer	\$236,258
2. Contributions – employee	48,577
3. Net investment income	60,360
4. Benefit payments, including refunds of employee contributions	0
5. Pension Plan Administrative Expense	(4,014)
6. Other (Net Transfer)	1,087,075
7. Net change in plan fiduciary net position	\$1,428,256
8. Plan fiduciary net position – beginning	0
9. Plan fiduciary net position – ending	\$1,428,256

C. Net pension liability/(asset)

\$1,959,073

D. Plan fiduciary net position as a percentage of the total pension liability

42.16%

E. Covered-employee payroll

\$1,714,992

F. Net pension liability as a percentage of covered-employee payroll

114.23%

Sensitivity of Net Pension Liability to the Single Discount Rate

	1% Decrease 6.00%	Current Single Discount Rate Assumption 7.00%	1% Increase 8.00%
Total Pension Liability (TPL)	\$4,157,617	\$3,387,329	\$2,784,603
Plan Fiduciary Net Position	1,428,256	1,428,256	1,428,256
Net Pension Liability/(Asset) (NPL)	\$2,729,361	\$1,959,073	\$1,356,347



Public Safety Division

Schedule of Changes in Net Pension Liability and Related Ratios Multiyear

Ultimately 10 Fiscal Years will be Displayed

Fiscal year ending June 30,	2024
Total Pension Liability	
Service Cost	\$69,022
Interest on Total Pension Liability	2,375
Changes of Benefit Terms	3,387,329
Difference between expected and actual experience	(71,397)
Changes of Assumptions	0
Benefit payments, including refunds	0
Net change in total pension liability	\$3,387,329
Total pension liability – beginning	0
Total pension liability – ending (a)	\$3,387,329
Plan fiduciary net position	
Contributions – employer	\$236,258
Contributions – employee	48,577
Net investment income	60,360
Benefit payments, including refunds	0
Pension Plan Administrative Expense	(4,014)
Other (Net Transfer)	1,087,075
Net change in plan fiduciary net position	\$1,428,256
Plan fiduciary net position – beginning	0
Plan fiduciary net position – ending (b)	\$1,428,256
Net pension liability/(asset) – ending (a) – (b)	\$1,959,073
Plan fiduciary net position as a percentage of the total pension liability	42.16%
Covered-employee payroll	\$1,714,992
Net pension liability as a percentage of covered-employee payroll	114.23%
Notes to schedule:	

Public Safety Division Schedule of Contributions Multiyear

Due to differing fiscal years for each employer, this information is to be supplied by LAGERS.

Public Safety Division

Notes to Schedule of Contributions

Valuation Date: February 29, 2024

Notes: The roll-forward of total pension liability from February 29, 2024 to June 30, 2024 reflects expected service cost and interest reduced by actual benefit payments.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal and Modified Terminal Funding
Amortization Method	A level percentage of payroll amortization method is used to amortize the UAAL over a closed period of years. If the UAAL (excluding the UAAL associated with benefit changes) is negative, then this amount is amortized over the greater of (i) the remaining initial amortization period or (ii) 15 years.
Remaining Amortization Period	Multiple bases from 5 to 19 years
Asset Valuation Method	5-Year smoothed market; 20% corridor
Inflation	2.75% wage inflation; 2.25% price inflation
Salary Increases	2.75% to 6.75% including wage inflation
Investment Rate of Return	7.00%, net of investment expenses
Retirement Age	Experience-based table of rates that are specific to the type of eligibility condition.
Mortality	<p>The healthy retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubG-2010 Retiree Mortality Table for males and females. The disabled retiree mortality tables, for post-retirement mortality, used in evaluating allowances to be paid were 115% of the PubNS-2010 Disabled Retiree Mortality Table for males and females. The pre-retirement mortality tables used were 75% of the PubG-2010 Employee Mortality Table for males and females of General groups and 75% of the PubS-2010 Employee Mortality Table for males and females of Police, Fire and Public Safety groups.</p> <p>Mortality rates for a particular calendar year are determined by applying the MP-2020 mortality improvement scale to the above described tables.</p>

Other Information: None



SECTION C

CALCULATION OF THE SINGLE DISCOUNT RATE

Calculation of the Single Discount Rate

GASB Statement No. 68 includes a specific requirement for the discount rate that is used for the purpose of the measurement of the Total Pension Liability. This rate considers the ability of the fund to meet benefit obligations in the future. To make this determination, employer contributions, employee contributions, benefit payments, expenses and investment returns are projected into the future. The Plan Net Position (assets) in future years can then be determined and compared to its obligation to make benefit payments in those years. As long as assets are projected to be on hand in a future year, the assumed valuation discount rate is used. In years where assets are not projected to be sufficient to meet benefit payments, the use of a “risk-free” rate is required, as described in the following paragraph.

The *Single Discount Rate* (SDR) is equivalent to applying these two rates to the benefits that are projected to be paid during the different time periods. The SDR reflects (1) the long-term expected rate of return on pension plan investments (during the period in which the fiduciary net position is projected to be sufficient to pay benefits) and (2) tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date (to the extent that the contributions for use with the long-term expected rate of return are not met).

For the purpose of this valuation, the expected rate of return on pension plan investments is 7.00%; the municipal bond rate is 3.97%; and the resulting single discount rate is 7.00% for General, 7.00% for Police, 7.00% for Fire and 7.00% for Public Safety.

The tables in this section provide background for the development of the single discount rate.

The **Projection of Contributions** table shows the development of expected contributions in future years. Normal Cost contributions for future hires are not included (nor are their liabilities).

The **Projection of Plan Fiduciary Net Position** table shows the development of expected asset levels in future years.

The **Present Values of Projected Benefit Payments** table shows the development of the Single Discount Rate. It breaks down the benefit payments into present values for funded and unfunded portions and shows the equivalent total at the SDR.

General Division

Single Discount Rate Development

Projection of Contributions

Year	Payroll for Current Employees	Contributions from Current Employees	Normal Cost	Administrative Expense Contributions	UAL Contributions	Total Contributions
1	\$44,131,542	\$1,765,262	\$3,601,881	\$176,526	\$7,149,280	\$12,692,949
2	41,888,743	1,675,550	3,387,883	167,555	7,802,151	13,033,139
3	40,088,972	1,603,559	3,215,690	160,356	8,485,524	13,465,129
4	38,503,088	1,540,124	3,062,704	154,012	8,767,046	13,523,886
5	37,204,132	1,488,165	2,935,799	148,817	9,008,140	13,580,921
6	36,021,733	1,440,869	2,819,426	144,087	6,763,900	11,168,282
7	34,808,405	1,392,336	2,703,666	139,234	7,472,457	11,707,693
8	33,579,872	1,343,195	2,588,567	134,319	4,832,276	8,898,357
9	32,413,663	1,296,547	2,479,716	129,655	4,689,321	8,595,239
10	31,234,297	1,249,372	2,371,267	124,937	4,478,164	8,223,740
11	30,007,252	1,200,290	2,261,027	120,029	4,310,091	7,891,437
12	28,789,200	1,151,568	2,153,320	115,157	3,890,003	7,310,048
13	27,643,630	1,105,745	2,054,608	110,575	4,119,962	7,390,890
14	26,482,873	1,059,315	1,956,485	105,931	4,106,895	7,228,626
15	25,299,957	1,011,998	1,858,650	101,200	3,570,629	6,542,477
16	24,099,183	963,967	1,760,885	96,397	0	2,821,249
17	22,820,364	912,815	1,655,887	91,281	0	2,659,983
18	21,460,657	858,426	1,543,681	85,843	0	2,487,950
19	20,101,744	804,070	1,433,446	80,407	0	2,317,923
20	18,777,923	751,117	1,328,810	75,112	0	2,155,039
21	17,453,962	698,158	1,226,615	69,816	0	1,994,589
22	16,142,937	645,717	1,125,482	64,572	0	1,835,771
23	14,818,175	592,727	1,023,903	59,273	0	1,675,903
24	13,491,674	539,667	923,875	53,967	0	1,517,509
25	12,247,981	489,919	829,568	48,992	0	1,368,479
26	11,076,879	443,075	739,764	44,308	0	1,227,147
27	9,971,619	398,865	655,492	39,886	0	1,094,243
28	8,921,206	356,848	577,563	35,685	0	970,096
29	7,970,119	318,805	508,144	31,880	0	858,829
30	7,136,632	285,465	447,618	28,547	0	761,630
31	6,323,086	252,923	390,288	25,292	0	668,503
32	5,561,899	222,476	337,056	22,248	0	581,780
33	4,879,600	195,184	289,794	19,518	0	504,496
34	4,227,013	169,081	246,788	16,908	0	432,777
35	3,606,457	144,258	207,330	14,426	0	366,014
36	3,024,136	120,965	170,840	12,097	0	303,902
37	2,510,523	100,421	138,857	10,042	0	249,320
38	2,040,008	81,600	110,580	8,160	0	200,340
39	1,639,947	65,598	87,802	6,560	0	159,960
40	1,307,298	52,292	68,972	5,229	0	126,493
41	1,008,487	40,339	52,301	4,034	0	96,674
42	729,944	29,198	37,077	2,920	0	69,195
43	499,942	19,998	24,939	2,000	0	46,937
44	333,918	13,357	16,329	1,336	0	31,022
45	241,492	9,660	11,609	966	0	22,235
46	160,573	6,423	7,589	642	0	14,654
47	88,819	3,553	4,059	355	0	7,967
48	51,360	2,054	2,295	205	0	4,554
49	26,746	1,070	1,154	107	0	2,331
50	9,162	366	382	37	0	785

General Division

Single Discount Rate Development

Projection of Plan Fiduciary Net Position

Year	Projected Beginning Plan Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expenses	Projected Investment Earnings	Projected Ending Plan Net Position
	(a)	(b)	(c)	(d)	(e)	(f)=(a)+(b)-(c)-(d)+(e)
1	\$334,225,809	\$12,692,949	\$21,560,227	\$176,526	\$23,084,627	\$348,266,632
2	348,266,632	13,033,139	22,283,916	167,555	24,054,598	362,902,898
3	362,902,898	13,465,129	22,965,014	160,356	25,070,813	378,313,470
4	378,313,470	13,523,886	23,668,845	154,012	26,127,575	394,142,074
5	394,142,074	13,580,921	24,348,075	148,817	27,214,348	410,440,451
6	410,440,451	11,168,282	25,076,945	144,087	28,247,304	424,635,005
7	424,635,005	11,707,693	25,908,777	139,234	29,231,028	439,525,715
8	439,525,715	8,898,357	26,701,541	134,319	30,149,606	451,737,818
9	451,737,818	8,595,239	27,464,190	129,655	30,967,942	463,707,154
10	463,707,154	8,223,740	28,177,058	124,937	31,768,647	475,397,546
11	475,397,546	7,891,437	28,900,837	120,029	32,550,806	486,818,923
12	486,818,923	7,310,048	29,558,915	115,157	33,307,822	497,762,721
13	497,762,721	7,390,890	30,139,171	110,575	34,056,862	508,960,727
14	508,960,727	7,228,626	30,719,503	105,931	34,815,331	520,179,250
15	520,179,250	6,542,477	31,326,810	101,200	35,556,285	530,850,002
16	530,850,002	2,821,249	31,897,187	96,397	36,155,737	537,833,404
17	537,833,404	2,659,983	32,450,883	91,281	36,620,151	544,571,374
18	544,571,374	2,487,950	33,053,580	85,843	37,065,339	550,985,240
19	550,985,240	2,317,923	33,559,674	80,407	37,491,233	557,154,315
20	557,154,315	2,155,039	33,968,647	75,112	37,903,574	563,169,169
21	563,169,169	1,994,589	34,344,267	69,816	38,306,350	569,056,025
22	569,056,025	1,835,771	34,684,389	64,572	38,701,443	574,844,278
23	574,844,278	1,675,903	34,982,341	59,273	39,091,051	580,569,618
24	580,569,618	1,517,509	35,177,608	53,967	39,479,838	586,335,390
25	586,335,390	1,368,479	35,266,467	48,992	39,875,428	592,263,838
26	592,263,838	1,227,147	35,261,816	44,308	40,285,878	598,470,739
27	598,470,739	1,094,243	35,169,389	39,886	40,719,120	605,074,827
28	605,074,827	970,096	35,022,475	35,685	41,182,334	612,169,097
29	612,169,097	858,829	34,786,952	31,880	41,683,340	619,892,434
30	619,892,434	761,630	34,469,541	28,547	42,231,665	628,387,641
31	628,387,641	668,503	34,160,816	25,292	42,833,860	637,703,896
32	637,703,896	581,780	33,827,185	22,248	43,494,598	647,930,841
33	647,930,841	504,496	33,446,704	19,518	44,221,010	659,190,125
34	659,190,125	432,777	33,020,513	16,908	45,021,447	671,606,928
35	671,606,928	366,014	32,504,413	14,426	45,906,169	685,360,272
36	685,360,272	303,902	31,995,678	12,097	46,884,351	700,540,750
37	700,540,750	249,320	31,462,770	10,042	47,963,513	717,280,771
38	717,280,771	200,340	30,850,566	8,160	49,154,759	735,777,144
39	735,777,144	159,960	30,165,974	6,560	50,471,726	756,236,296
40	756,236,296	126,493	29,417,784	5,229	51,928,505	778,868,281
41	778,868,281	96,674	28,616,643	4,034	53,539,325	803,883,603
42	803,883,603	69,195	27,777,782	2,920	55,318,353	831,490,449
43	831,490,449	46,937	26,883,770	2,000	57,280,860	861,932,476
44	861,932,476	31,022	25,917,758	1,336	59,444,515	895,488,919
45	895,488,919	22,235	24,871,131	966	61,829,189	932,468,246
46	932,468,246	14,654	23,799,186	642	64,454,376	973,137,448
47	973,137,448	7,967	22,703,278	355	67,338,708	1,017,780,490
48	1,017,780,490	4,554	21,564,759	205	70,502,783	1,066,722,863
49	1,066,722,863	2,331	20,405,492	107	73,968,564	1,120,288,159
50	1,120,288,159	785	19,234,951	37	77,758,360	1,178,812,316

General Division

Single Discount Rate Development

Present Values of Projected Benefits

Year	Projected Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Benefit Payments	Unfunded Portion of Benefit Payments	Present Value of Funded Benefit Payments using Expected Return Rate (v)	Present Value of Unfunded Benefit Payments using Municipal Bond Rate (vf)	Present Value of Benefit Payments using Single Discount Rate (sdr)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v^((a)-.5)	(g)=(e)*vf^((a)-.5)	(h)=((c)/(1+sdr))^((a)-.5)
1	\$334,225,809	\$21,560,227	\$21,560,227	\$0	\$20,843,058	\$0	\$20,843,058
2	348,266,632	22,283,916	22,283,916	0	20,133,341	0	20,133,341
3	362,902,898	22,965,014	22,965,014	0	19,391,315	0	19,391,315
4	378,313,470	23,668,845	23,668,845	0	18,678,149	0	18,678,149
5	394,142,074	24,348,075	24,348,075	0	17,957,159	0	17,957,159
6	410,440,451	25,076,945	25,076,945	0	17,284,780	0	17,284,780
7	424,635,005	25,908,777	25,908,777	0	16,689,847	0	16,689,847
8	439,525,715	26,701,541	26,701,541	0	16,075,260	0	16,075,260
9	451,737,818	27,464,190	27,464,190	0	15,452,711	0	15,452,711
10	463,707,154	28,177,058	28,177,058	0	14,816,641	0	14,816,641
11	475,397,546	28,900,837	28,900,837	0	14,203,022	0	14,203,022
12	486,818,923	29,558,915	29,558,915	0	13,576,101	0	13,576,101
13	497,762,721	30,139,171	30,139,171	0	12,937,015	0	12,937,015
14	508,960,727	30,719,503	30,719,503	0	12,323,475	0	12,323,475
15	520,179,250	31,326,810	31,326,810	0	11,744,956	0	11,744,956
16	530,850,002	31,897,187	31,897,187	0	11,176,449	0	11,176,449
17	537,833,404	32,450,883	32,450,883	0	10,626,596	0	10,626,596
18	544,571,374	33,053,580	33,053,580	0	10,115,850	0	10,115,850
19	550,985,240	33,559,674	33,559,674	0	9,598,820	0	9,598,820
20	557,154,315	33,968,647	33,968,647	0	9,080,183	0	9,080,183
21	563,169,169	34,344,267	34,344,267	0	8,579,991	0	8,579,991
22	569,056,025	34,684,389	34,684,389	0	8,098,094	0	8,098,094
23	574,844,278	34,982,341	34,982,341	0	7,633,327	0	7,633,327
24	580,569,618	35,177,608	35,177,608	0	7,173,771	0	7,173,771
25	586,335,390	35,266,467	35,266,467	0	6,721,395	0	6,721,395
26	592,263,838	35,261,816	35,261,816	0	6,280,849	0	6,280,849
27	598,470,739	35,169,389	35,169,389	0	5,854,566	0	5,854,566
28	605,074,827	35,022,475	35,022,475	0	5,448,701	0	5,448,701
29	612,169,097	34,786,952	34,786,952	0	5,057,999	0	5,057,999
30	619,892,434	34,469,541	34,469,541	0	4,683,970	0	4,683,970
31	628,387,641	34,160,816	34,160,816	0	4,338,334	0	4,338,334
32	637,703,896	33,827,185	33,827,185	0	4,014,920	0	4,014,920
33	647,930,841	33,446,704	33,446,704	0	3,710,057	0	3,710,057
34	659,190,125	33,020,513	33,020,513	0	3,423,161	0	3,423,161
35	671,606,928	32,504,413	32,504,413	0	3,149,213	0	3,149,213
36	685,360,272	31,995,678	31,995,678	0	2,897,125	0	2,897,125
37	700,540,750	31,462,770	31,462,770	0	2,662,497	0	2,662,497
38	717,280,771	30,850,566	30,850,566	0	2,439,897	0	2,439,897
39	735,777,144	30,165,974	30,165,974	0	2,229,677	0	2,229,677
40	756,236,296	29,417,784	29,417,784	0	2,032,126	0	2,032,126
41	778,868,281	28,616,643	28,616,643	0	1,847,463	0	1,847,463
42	803,883,603	27,777,782	27,777,782	0	1,675,988	0	1,675,988
43	831,490,449	26,883,770	26,883,770	0	1,515,932	0	1,515,932
44	861,932,476	25,917,758	25,917,758	0	1,365,850	0	1,365,850
45	895,488,919	24,871,131	24,871,131	0	1,224,947	0	1,224,947
46	932,468,246	23,799,186	23,799,186	0	1,095,469	0	1,095,469
47	973,137,448	22,703,278	22,703,278	0	976,659	0	976,659
48	1,017,780,490	21,564,759	21,564,759	0	866,992	0	866,992
49	1,066,722,863	20,405,492	20,405,492	0	766,715	0	766,715
50	1,120,288,159	19,234,951	19,234,951	0	675,451	0	675,451



General Division

Single Discount Rate Development

Present Values of Projected Benefits (Concluded)

Year	Projected Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Benefit Payments	Unfunded Portion of Benefit Payments	Present Value of Funded Benefit Payments using Expected Return Rate (v)	Present Value of Unfunded Benefit Payments using Municipal Bond Rate (vf)	Present Value of Benefit Payments using Single Discount Rate (sdr)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v^((a)-.5)	(g)=(e)*vf^((a)-.5)	(h)=((c)/(1+sdr)^((a)-.5)
51	\$1,178,812,316	\$18,056,914	\$18,056,914	\$0	\$592,602	\$0	\$592,602
52	1,242,651,034	16,881,661	16,881,661	0	517,786	0	517,786
53	1,312,174,080	15,719,742	15,719,742	0	450,606	0	450,606
54	1,387,765,638	14,579,444	14,579,444	0	390,579	0	390,579
55	1,469,828,139	13,466,877	13,466,877	0	337,172	0	337,172
56	1,558,785,863	12,387,581	12,387,581	0	289,859	0	289,859
57	1,655,087,060	11,346,299	11,346,299	0	248,125	0	248,125
58	1,759,206,451	10,346,941	10,346,941	0	211,468	0	211,468
59	1,871,647,944	9,392,455	9,392,455	0	179,402	0	179,402
60	1,992,947,669	8,484,713	8,484,713	0	151,462	0	151,462
61	2,123,677,350	7,624,746	7,624,746	0	127,206	0	127,206
62	2,264,447,666	6,813,136	6,813,136	0	106,229	0	106,229
63	2,415,911,440	6,050,005	6,050,005	0	88,160	0	88,160
64	2,578,767,067	5,335,328	5,335,328	0	72,659	0	72,659
65	2,753,761,855	4,669,163	4,669,163	0	59,427	0	59,427
66	2,941,695,365	4,051,490	4,051,490	0	48,192	0	48,192
67	3,143,423,147	3,482,501	3,482,501	0	38,714	0	38,714
68	3,359,860,440	2,962,674	2,962,674	0	30,781	0	30,781
69	3,591,986,057	2,492,280	2,492,280	0	24,200	0	24,200
70	3,840,847,047	2,071,213	2,071,213	0	18,795	0	18,795
71	4,107,563,861	1,698,785	1,698,785	0	14,407	0	14,407
72	4,393,336,094	1,373,593	1,373,593	0	10,887	0	10,887
73	4,699,448,765	1,093,806	1,093,806	0	8,102	0	8,102
74	5,027,278,737	856,985	856,985	0	5,933	0	5,933
75	5,378,301,776	659,952	659,952	0	4,270	0	4,270
76	5,754,100,241	499,014	499,014	0	3,017	0	3,017
77	6,156,371,074	370,108	370,108	0	2,092	0	2,092
78	6,586,934,206	268,949	268,949	0	1,420	0	1,420
79	7,047,741,397	191,249	191,249	0	944	0	944
80	7,540,885,465	132,905	132,905	0	613	0	613
81	8,068,609,970	90,138	90,138	0	389	0	389
82	8,633,319,428	59,580	59,580	0	240	0	240
83	9,237,590,158	38,331	38,331	0	144	0	144
84	9,884,181,819	23,971	23,971	0	84	0	84
85	10,576,049,751	14,553	14,553	0	48	0	48
86	11,316,358,180	8,566	8,566	0	26	0	26
87	12,108,494,392	4,883	4,883	0	14	0	14
88	12,956,083,948	2,694	2,694	0	7	0	7
89	13,863,007,038	1,438	1,438	0	4	0	4
90	14,833,416,043	743	743	0	2	0	2
91	15,871,754,397	373	373	0	1	0	1
92	16,982,776,819	182	182	0	0	0	0
93	18,171,571,008	86	86	0	0	0	0
94	19,443,580,890	40	40	0	0	0	0
95	20,804,631,511	18	18	0	0	0	0
96	22,260,955,698	8	8	0	0	0	0
97	23,819,222,589	3	3	0	0	0	0
98	25,486,568,167	1	1	0	0	0	0
99	27,270,627,938	1	1	0	0	0	0
100	29,179,571,893	0	0	0	0	0	0

Police Division

Single Discount Rate Development

Projection of Contributions

Year	Payroll for Current Employees	Contributions from Current Employees	Normal Cost	Administrative Expense Contributions	UAL Contributions	Total Contributions
1	\$17,352,722	\$694,109	\$1,487,437	\$69,411	\$2,830,119	\$5,081,076
2	16,913,255	676,530	1,446,044	67,653	3,084,187	5,274,414
3	16,490,856	659,634	1,406,524	65,963	3,350,088	5,482,209
4	16,049,946	641,998	1,364,893	64,200	3,628,281	5,699,372
5	15,632,746	625,310	1,326,100	62,531	3,919,241	5,933,182
6	15,280,646	611,226	1,295,011	61,123	4,223,460	6,190,820
7	14,882,025	595,281	1,259,082	59,528	4,541,447	6,455,338
8	14,444,230	577,769	1,219,744	57,777	4,873,730	6,729,020
9	13,969,197	558,768	1,178,201	55,877	5,220,854	7,013,700
10	13,401,428	536,057	1,128,933	53,606	5,583,383	7,301,979
11	12,808,628	512,345	1,077,163	51,235	5,961,904	7,602,647
12	12,076,173	483,047	1,011,702	48,305	5,964,041	7,507,095
13	11,279,640	451,186	942,002	45,119	5,748,018	7,186,325
14	10,600,055	424,002	884,057	42,400	5,173,929	6,524,388
15	9,958,507	398,340	828,630	39,834	4,538,841	5,805,645
16	9,390,300	375,612	780,246	37,561	2,731,204	3,924,623
17	8,757,741	350,310	726,465	35,031	2,726,888	3,838,694
18	8,070,782	322,831	667,524	32,283	2,339,432	3,362,070
19	7,477,597	299,104	618,083	29,910	1,928,603	2,875,700
20	6,937,771	277,511	572,849	27,751	1,464,690	2,342,801
21	6,435,462	257,418	529,406	25,742	944,294	1,756,860
22	5,955,979	238,239	489,603	23,824	667,055	1,418,721
23	5,518,251	220,730	453,207	22,073	405,009	1,101,019
24	5,039,537	201,581	412,569	20,158	192,068	826,376
25	4,534,493	181,380	369,581	18,138	65,783	634,882
26	4,096,479	163,859	331,586	16,386	0	511,831
27	3,580,442	143,218	287,786	14,322	0	445,326
28	3,120,275	124,811	248,856	12,481	0	386,148
29	2,809,179	112,367	222,271	11,237	0	345,875
30	2,493,885	99,755	196,392	9,976	0	306,123
31	2,114,764	84,591	165,635	8,459	0	258,685
32	1,719,854	68,794	133,122	6,879	0	208,795
33	1,387,521	55,501	105,151	5,550	0	166,202
34	1,118,116	44,725	83,270	4,472	0	132,467
35	920,298	36,812	68,092	3,681	0	108,585
36	763,766	30,551	56,209	3,055	0	89,815
37	628,251	25,130	45,876	2,513	0	73,519
38	482,080	19,283	34,722	1,928	0	55,933
39	317,990	12,720	22,079	1,272	0	36,071
40	220,935	8,837	14,815	884	0	24,536
41	156,302	6,252	10,330	625	0	17,207
42	91,201	3,648	5,818	365	0	9,831
43	46,682	1,867	2,926	187	0	4,980
44	13,255	530	843	53	0	1,426
45	0	0	0	0	0	0
46	0	0	0	0	0	0
47	0	0	0	0	0	0
48	0	0	0	0	0	0
49	0	0	0	0	0	0
50	0	0	0	0	0	0

Police Division

Single Discount Rate Development

Projection of Plan Fiduciary Net Position

Year	Projected Beginning Plan Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expenses	Projected Investment Earnings	Projected Ending Plan Net Position
	(a)	(b)	(c)	(d)	(e)	(f)=(a)+(b)-(c)-(d)+(e)
1	\$126,896,072	\$5,081,076	\$8,205,950	\$69,411	\$8,772,816	\$132,474,603
2	132,474,603	5,274,414	8,376,910	67,653	9,164,144	138,468,598
3	138,468,598	5,482,209	8,631,232	65,963	9,582,180	144,835,792
4	144,835,792	5,699,372	8,935,785	64,200	10,024,938	151,560,117
5	151,560,117	5,933,182	9,263,938	62,531	10,492,452	158,659,282
6	158,659,282	6,190,820	9,534,387	61,123	10,989,001	166,243,593
7	166,243,593	6,455,338	9,900,606	59,528	11,516,458	174,255,255
8	174,255,255	6,729,020	10,312,308	57,777	12,072,586	182,686,776
9	182,686,776	7,013,700	10,690,451	55,877	12,659,642	191,613,790
10	191,613,790	7,301,979	11,138,880	53,606	13,279,101	201,002,384
11	201,002,384	7,602,647	11,634,072	51,235	13,929,691	210,849,415
12	210,849,415	7,507,095	12,220,000	48,305	14,595,635	220,683,840
13	220,683,840	7,186,325	12,839,714	45,119	15,251,794	230,237,126
14	230,237,126	6,524,388	13,437,931	42,400	15,877,258	239,158,441
15	239,158,441	5,805,645	13,941,975	39,834	16,459,765	247,442,042
16	247,442,042	3,924,623	14,372,849	37,561	16,960,148	253,916,403
17	253,916,403	3,838,694	14,910,472	35,031	17,391,985	260,201,579
18	260,201,579	3,362,070	15,428,071	32,283	17,797,832	265,901,127
19	265,901,127	2,875,700	15,821,207	29,910	18,166,620	271,092,330
20	271,092,330	2,342,801	16,174,906	27,751	18,499,573	275,732,047
21	275,732,047	1,756,860	16,526,401	25,742	18,792,167	279,728,931
22	279,728,931	1,418,721	16,874,132	23,824	19,048,415	283,298,111
23	283,298,111	1,101,019	17,155,855	22,073	19,277,693	286,498,895
24	286,498,895	826,376	17,442,241	20,158	19,482,510	289,345,382
25	289,345,382	634,882	17,704,967	18,138	19,666,204	291,923,363
26	291,923,363	511,831	17,889,976	16,386	19,836,124	294,364,956
27	294,364,956	445,326	18,121,011	14,322	19,996,868	296,671,817
28	296,671,817	386,148	18,299,305	12,481	20,150,241	298,896,420
29	298,896,420	345,875	18,358,012	11,237	20,302,600	301,175,646
30	301,175,646	306,123	18,362,675	9,976	20,460,661	303,569,779
31	303,569,779	258,685	18,375,618	8,459	20,626,225	306,070,612
32	306,070,612	208,795	18,379,702	6,879	20,799,481	308,692,307
33	308,692,307	166,202	18,303,573	5,550	20,984,199	311,533,585
34	311,533,585	132,467	18,147,255	4,472	21,187,343	314,701,668
35	314,701,668	108,585	17,888,088	3,681	21,417,232	318,335,716
36	318,335,716	89,815	17,553,157	3,055	21,682,516	322,551,835
37	322,551,835	73,519	17,167,237	2,513	21,990,381	327,445,985
38	327,445,985	55,933	16,757,051	1,928	22,346,500	333,089,439
39	333,089,439	36,071	16,326,609	1,272	22,755,691	339,553,320
40	339,553,320	24,536	15,814,509	884	23,225,400	346,987,863
41	346,987,863	17,207	15,253,304	625	23,764,885	355,516,026
42	355,516,026	9,831	14,670,643	365	24,381,659	365,236,508
43	365,236,508	4,980	14,057,811	187	25,083,019	376,266,509
44	376,266,509	1,426	13,426,389	53	25,876,727	388,718,220
45	388,718,220	0	12,773,525	0	26,770,763	402,715,458
46	402,715,458	0	12,110,936	0	27,773,368	418,377,890
47	418,377,890	0	11,453,752	0	28,892,351	435,816,489
48	435,816,489	0	10,805,950	0	30,135,343	455,145,882
49	455,145,882	0	10,170,345	0	31,510,270	476,485,807
50	476,485,807	0	9,548,878	0	33,025,448	499,962,377

Police Division

Single Discount Rate Development

Present Values of Projected Benefits

Year	Projected Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Benefit Payments	Unfunded Portion of Benefit Payments	Present Value of Funded Benefit Payments using Expected Return Rate (v)	Present Value of Unfunded Benefit Payments using Municipal Bond Rate (vf)	Present Value of Benefit Payments using Single Discount Rate (sdr)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v^((a)-.5)	(g)=(e)*vf^((a)-.5)	(h)=((c)/(1+sdr)^((a)-.5)
1	\$126,896,072	\$8,205,950	\$8,205,950	\$0	\$7,932,991	\$0	\$7,932,991
2	132,474,603	8,376,910	8,376,910	0	7,568,472	0	7,568,472
3	138,468,598	8,631,232	8,631,232	0	7,288,084	0	7,288,084
4	144,835,792	8,935,785	8,935,785	0	7,051,630	0	7,051,630
5	151,560,117	9,263,938	9,263,938	0	6,832,327	0	6,832,327
6	158,659,282	9,534,387	9,534,387	0	6,571,765	0	6,571,765
7	166,243,593	9,900,606	9,900,606	0	6,377,746	0	6,377,746
8	174,255,255	10,312,308	10,312,308	0	6,208,369	0	6,208,369
9	182,686,776	10,690,451	10,690,451	0	6,014,976	0	6,014,976
10	191,613,790	11,138,880	11,138,880	0	5,857,275	0	5,857,275
11	201,002,384	11,634,072	11,634,072	0	5,717,446	0	5,717,446
12	210,849,415	12,220,000	12,220,000	0	5,612,518	0	5,612,518
13	220,683,840	12,839,714	12,839,714	0	5,511,352	0	5,511,352
14	230,237,126	13,437,931	13,437,931	0	5,390,778	0	5,390,778
15	239,158,441	13,941,975	13,941,975	0	5,227,085	0	5,227,085
16	247,442,042	14,372,849	14,372,849	0	5,036,100	0	5,036,100
17	253,916,403	14,910,472	14,910,472	0	4,882,689	0	4,882,689
18	260,201,579	15,428,071	15,428,071	0	4,721,669	0	4,721,669
19	265,901,127	15,821,207	15,821,207	0	4,525,220	0	4,525,220
20	271,092,330	16,174,906	16,174,906	0	4,323,725	0	4,323,725
21	275,732,047	16,526,401	16,526,401	0	4,128,676	0	4,128,676
22	279,728,931	16,874,132	16,874,132	0	3,939,764	0	3,939,764
23	283,298,111	17,155,855	17,155,855	0	3,743,496	0	3,743,496
24	286,498,895	17,442,241	17,442,241	0	3,556,997	0	3,556,997
25	289,345,382	17,704,967	17,704,967	0	3,374,369	0	3,374,369
26	291,923,363	17,889,976	17,889,976	0	3,186,570	0	3,186,570
27	294,364,956	18,121,011	18,121,011	0	3,016,562	0	3,016,562
28	296,671,817	18,299,305	18,299,305	0	2,846,956	0	2,846,956
29	298,896,420	18,358,012	18,358,012	0	2,669,242	0	2,669,242
30	301,175,646	18,362,675	18,362,675	0	2,495,253	0	2,495,253
31	303,569,779	18,375,618	18,375,618	0	2,333,655	0	2,333,655
32	306,070,612	18,379,702	18,379,702	0	2,181,471	0	2,181,471
33	308,692,307	18,303,573	18,303,573	0	2,030,313	0	2,030,313
34	311,533,585	18,147,255	18,147,255	0	1,881,284	0	1,881,284
35	314,701,668	17,888,088	17,888,088	0	1,733,100	0	1,733,100
36	318,335,716	17,553,157	17,553,157	0	1,589,392	0	1,589,392
37	322,551,835	17,167,237	17,167,237	0	1,452,755	0	1,452,755
38	327,445,985	16,757,051	16,757,051	0	1,325,275	0	1,325,275
39	333,089,439	16,326,609	16,326,609	0	1,206,759	0	1,206,759
40	339,553,320	15,814,509	15,814,509	0	1,092,437	0	1,092,437
41	346,987,863	15,253,304	15,253,304	0	984,739	0	984,739
42	355,516,026	14,670,643	14,670,643	0	885,161	0	885,161
43	365,236,508	14,057,811	14,057,811	0	792,697	0	792,697
44	376,266,509	13,426,389	13,426,389	0	707,563	0	707,563
45	388,718,220	12,773,525	12,773,525	0	629,119	0	629,119
46	402,715,458	12,110,936	12,110,936	0	557,463	0	557,463
47	418,377,890	11,453,752	11,453,752	0	492,722	0	492,722
48	435,816,489	10,805,950	10,805,950	0	434,444	0	434,444
49	455,145,882	10,170,345	10,170,345	0	382,140	0	382,140
50	476,485,807	9,548,878	9,548,878	0	335,317	0	335,317

Police Division

Single Discount Rate Development

Present Values of Projected Benefits (Concluded)

Year	Projected Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Benefit Payments	Unfunded Portion of Benefit Payments	Present Value of Funded Benefit Payments using Expected Return Rate (v)	Present Value of Unfunded Benefit Payments using Municipal Bond Rate (vf)	Present Value of Benefit Payments using Single Discount Rate (sdr)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v^((a)-.5)	(g)=(e)*vf^((a)-.5)	(h)=((c)/(1+sdr))^((a)-.5)
51	\$499,962,377	\$8,942,934	\$8,942,934	\$0	\$293,494	\$0	\$293,494
52	525,709,101	8,353,136	8,353,136	0	256,203	0	256,203
53	553,868,187	7,779,729	7,779,729	0	223,006	0	223,006
54	584,591,546	7,222,791	7,222,791	0	193,496	0	193,496
55	618,041,641	6,682,078	6,682,078	0	167,300	0	167,300
56	654,392,561	6,157,497	6,157,497	0	144,080	0	144,080
57	693,830,676	5,649,292	5,649,292	0	123,541	0	123,541
58	736,555,150	5,157,994	5,157,994	0	105,418	0	105,418
59	782,778,540	4,684,491	4,684,491	0	89,477	0	89,477
60	832,727,363	4,229,708	4,229,708	0	75,505	0	75,505
61	886,643,034	3,794,643	3,794,643	0	63,307	0	63,307
62	944,782,837	3,380,685	3,380,685	0	52,711	0	52,711
63	1,007,420,628	2,989,460	2,989,460	0	43,562	0	43,562
64	1,074,847,750	2,622,507	2,622,507	0	35,715	0	35,715
65	1,147,374,350	2,281,110	2,281,110	0	29,033	0	29,033
66	1,225,330,956	1,966,117	1,966,117	0	23,387	0	23,387
67	1,309,070,356	1,677,946	1,677,946	0	18,653	0	18,653
68	1,398,969,600	1,416,791	1,416,791	0	14,720	0	14,720
69	1,495,431,932	1,182,572	1,182,572	0	11,483	0	11,483
70	1,598,888,905	974,980	974,980	0	8,848	0	8,848
71	1,709,802,601	793,345	793,345	0	6,728	0	6,728
72	1,828,668,141	636,471	636,471	0	5,045	0	5,045
73	1,956,016,540	502,867	502,867	0	3,725	0	3,725
74	2,092,417,528	390,834	390,834	0	2,706	0	2,706
75	2,238,482,473	298,454	298,454	0	1,931	0	1,931
76	2,394,867,523	223,651	223,651	0	1,352	0	1,352
77	2,562,276,903	164,228	164,228	0	928	0	928
78	2,741,466,407	117,976	117,976	0	623	0	623
79	2,933,247,020	82,772	82,772	0	409	0	409
80	3,138,488,691	56,621	56,621	0	261	0	261
81	3,358,124,330	37,700	37,700	0	163	0	163
82	3,593,154,036	24,390	24,390	0	98	0	98
83	3,844,649,589	15,308	15,308	0	58	0	58
84	4,113,759,226	9,306	9,306	0	33	0	33
85	4,401,712,746	5,473	5,473	0	18	0	18
86	4,709,826,977	3,111	3,111	0	10	0	10
87	5,039,511,647	1,706	1,706	0	5	0	5
88	5,392,275,698	903	903	0	2	0	2
89	5,769,734,063	461	461	0	1	0	1
90	6,173,614,971	229	229	0	1	0	1
91	6,605,767,782	110	110	0	0	0	0
92	7,068,171,413	52	52	0	0	0	0
93	7,562,943,358	24	24	0	0	0	0
94	8,092,349,368	11	11	0	0	0	0
95	8,658,813,812	5	5	0	0	0	0
96	9,264,930,774	2	2	0	0	0	0
97	9,913,475,926	1	1	0	0	0	0
98	10,607,419,240	0	0	0	0	0	0
99	11,349,938,587	0	0	0	0	0	0
100	12,144,434,288	0	0	0	0	0	0

Fire Division

Single Discount Rate Development

Projection of Contributions

Year	Payroll for Current Employees	Contributions from Current Employees	Normal Cost	Administrative Expense Contributions	UAL Contributions	Total Contributions
1	\$15,783,929	\$631,357	\$1,769,301	\$63,136	\$1,745,546	\$4,209,340
2	15,702,237	628,089	1,758,063	62,809	1,730,060	4,179,021
3	15,566,108	622,644	1,741,013	62,264	1,777,637	4,203,558
4	15,376,250	615,050	1,717,843	61,505	1,826,522	4,220,920
5	15,180,609	607,224	1,694,177	60,722	1,876,751	4,238,874
6	14,952,803	598,112	1,667,201	59,811	1,556,842	3,881,966
7	14,708,011	588,320	1,638,008	58,832	1,781,435	4,066,595
8	14,466,494	578,660	1,609,995	57,866	1,382,157	3,628,678
9	14,163,810	566,552	1,574,950	56,655	1,458,549	3,656,706
10	13,838,109	553,524	1,536,604	55,352	1,459,221	3,604,701
11	13,552,886	542,115	1,502,664	54,212	1,256,212	3,355,203
12	13,226,652	529,066	1,463,964	52,907	1,207,483	3,253,420
13	12,856,983	514,279	1,421,335	51,428	1,112,342	3,099,384
14	12,466,934	498,677	1,377,015	49,868	1,098,972	3,024,532
15	11,989,883	479,595	1,322,629	47,960	993,691	2,843,875
16	11,429,383	457,175	1,258,567	45,718	(23,205)	1,738,255
17	10,882,150	435,286	1,196,156	43,529	(23,843)	1,651,128
18	10,367,144	414,686	1,138,402	41,469	(24,499)	1,570,058
19	9,782,811	391,312	1,072,609	39,131	0	1,503,052
20	9,206,636	368,265	1,007,432	36,827	0	1,412,524
21	8,610,775	344,431	939,781	34,443	0	1,318,655
22	7,950,823	318,033	865,365	31,803	(27,307)	1,187,894
23	7,293,380	291,735	792,012	29,174	0	1,112,921
24	6,628,367	265,135	717,562	26,513	0	1,009,210
25	5,902,919	236,117	635,913	23,612	0	895,642
26	5,168,489	206,740	554,183	20,674	0	781,597
27	4,546,280	181,851	485,917	18,185	(31,274)	654,679
28	4,023,211	160,928	428,292	16,093	0	605,313
29	3,527,075	141,083	373,660	14,108	0	528,851
30	3,089,900	123,596	325,381	12,360	0	461,337
31	2,681,679	107,267	280,698	10,727	0	398,692
32	2,287,601	91,504	238,196	9,150	(35,817)	303,033
33	1,974,541	78,982	204,559	7,898	0	291,439
34	1,668,638	66,746	171,816	6,675	0	245,237
35	1,371,273	54,851	140,491	5,485	0	200,827
36	1,084,059	43,362	110,553	4,336	(39,922)	118,329
37	817,556	32,702	82,877	3,270	0	118,849
38	633,392	25,336	63,820	2,534	0	91,690
39	501,336	20,053	50,143	2,005	0	72,201
40	381,268	15,251	37,904	1,525	0	54,680
41	270,817	10,833	26,774	1,083	(25,149)	13,541
42	172,359	6,894	16,949	689	0	24,532
43	110,680	4,427	10,946	443	(10,282)	5,534
44	47,204	1,888	4,685	189	(4,402)	2,360
45	0	0	0	0	0	0
46	0	0	0	0	0	0
47	0	0	0	0	0	0
48	0	0	0	0	0	0
49	0	0	0	0	0	0
50	0	0	0	0	0	0

Fire Division

Single Discount Rate Development

Projection of Plan Fiduciary Net Position

Year	Projected Beginning Plan Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expenses	Projected Investment Earnings	Projected Ending Plan Net Position
	(a)	(b)	(c)	(d)	(e)	(f)=(a)+(b)-(c)-(d)+(e)
1	\$126,457,676	\$4,209,340	\$6,862,496	\$63,136	\$8,758,575	\$132,499,959
2	132,499,959	4,179,021	7,152,938	62,809	9,170,509	138,633,742
3	138,633,742	4,203,558	7,409,608	62,264	9,591,906	144,957,334
4	144,957,334	4,220,920	7,690,295	61,505	10,025,523	151,451,977
5	151,451,977	4,238,874	7,982,134	60,722	10,470,751	158,118,746
6	158,118,746	3,881,966	8,287,772	59,811	10,914,659	164,567,788
7	164,567,788	4,066,595	8,577,163	58,832	11,362,521	171,360,909
8	171,360,909	3,628,678	8,882,250	57,866	11,812,507	177,861,978
9	177,861,978	3,656,706	9,218,218	56,655	12,257,028	184,500,839
10	184,500,839	3,604,701	9,569,310	55,352	12,707,924	191,188,802
11	191,188,802	3,355,203	9,871,650	54,212	13,157,133	197,775,276
12	197,775,276	3,253,420	10,204,783	52,907	13,603,266	204,374,272
13	204,374,272	3,099,384	10,565,324	51,428	14,047,541	210,904,445
14	210,904,445	3,024,532	10,935,629	49,868	14,489,390	217,432,870
15	217,432,870	2,843,875	11,375,761	47,960	14,925,085	223,778,109
16	223,778,109	1,738,255	11,849,331	45,718	15,314,992	228,936,307
17	228,936,307	1,651,128	12,269,085	43,529	15,658,701	233,933,522
18	233,933,522	1,570,058	12,646,549	41,469	15,992,799	238,808,361
19	238,808,361	1,503,052	13,066,937	39,131	16,317,348	243,522,693
20	243,522,693	1,412,524	13,457,920	36,827	16,630,863	248,071,333
21	248,071,333	1,318,655	13,854,360	34,443	16,932,479	252,433,664
22	252,433,664	1,187,894	14,281,210	31,803	17,218,747	256,527,292
23	256,527,292	1,112,921	14,679,743	29,174	17,489,099	260,420,395
24	260,420,395	1,009,210	15,075,708	26,513	17,744,515	264,071,899
25	264,071,899	895,642	15,505,140	23,612	17,981,536	267,420,325
26	267,420,325	781,597	15,943,773	20,674	18,197,011	270,434,486
27	270,434,486	654,679	16,289,046	18,185	18,391,840	273,173,774
28	273,173,774	605,313	16,521,078	16,093	18,573,980	275,815,896
29	275,815,896	528,851	16,709,983	14,108	18,749,866	278,370,522
30	278,370,522	461,337	16,837,443	12,360	18,922,041	280,904,097
31	280,904,097	398,692	16,936,573	10,727	19,093,882	283,449,371
32	283,449,371	303,033	17,007,370	9,150	19,266,378	286,002,262
33	286,002,262	291,439	16,984,752	7,898	19,445,502	288,746,553
34	288,746,553	245,237	16,950,076	6,675	19,637,248	291,672,287
35	291,672,287	200,827	16,883,239	5,485	19,842,862	294,827,252
36	294,827,252	118,329	16,769,234	4,336	20,064,833	298,236,844
37	298,236,844	118,849	16,621,230	3,270	20,308,652	302,039,845
38	302,039,845	91,690	16,390,571	2,534	20,581,889	306,320,319
39	306,320,319	72,201	16,104,658	2,005	20,890,708	311,176,565
40	311,176,565	54,680	15,794,265	1,525	21,240,739	316,676,194
41	316,676,194	13,541	15,464,874	1,083	21,635,646	322,859,424
42	322,859,424	24,532	15,113,142	689	22,080,966	329,851,091
43	329,851,091	5,534	14,717,021	443	22,583,368	337,722,529
44	337,722,529	2,360	14,310,785	189	23,148,246	346,562,161
45	346,562,161	0	13,874,311	0	23,781,963	356,469,813
46	356,469,813	0	13,383,734	0	24,492,379	367,578,458
47	367,578,458	0	12,876,855	0	25,287,425	379,989,028
48	379,989,028	0	12,353,059	0	26,174,187	393,810,156
49	393,810,156	0	11,812,285	0	27,160,273	409,158,144
50	409,158,144	0	11,253,667	0	28,253,853	426,158,330

Fire Division

Single Discount Rate Development

Present Values of Projected Benefits

Year	Projected Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Benefit Payments	Unfunded Portion of Benefit Payments	Present Value of Funded Benefit Payments using Expected Return Rate (v)	Present Value of Unfunded Benefit Payments using Municipal Bond Rate (vf)	Present Value of Benefit Payments using Single Discount Rate (sdr)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v^((a)-.5)	(g)=(e)*vf^((a)-.5)	(h)=((c)/(1+sdr)^((a)-.5)
1	\$126,457,676	\$6,862,496	\$6,862,496	\$0	\$6,634,225	\$0	\$6,634,225
2	132,499,959	7,152,938	7,152,938	0	6,462,623	0	6,462,623
3	138,633,742	7,409,608	7,409,608	0	6,256,563	0	6,256,563
4	144,957,334	7,690,295	7,690,295	0	6,068,757	0	6,068,757
5	151,451,977	7,982,134	7,982,134	0	5,886,973	0	5,886,973
6	158,118,746	8,287,772	8,287,772	0	5,712,511	0	5,712,511
7	164,567,788	8,577,163	8,577,163	0	5,525,214	0	5,525,214
8	171,360,909	8,882,250	8,882,250	0	5,347,424	0	5,347,424
9	177,861,978	9,218,218	9,218,218	0	5,186,625	0	5,186,625
10	184,500,839	9,569,310	9,569,310	0	5,031,932	0	5,031,932
11	191,188,802	9,871,650	9,871,650	0	4,851,322	0	4,851,322
12	197,775,276	10,204,783	10,204,783	0	4,686,950	0	4,686,950
13	204,374,272	10,565,324	10,565,324	0	4,535,087	0	4,535,087
14	210,904,445	10,935,629	10,935,629	0	4,386,951	0	4,386,951
15	217,432,870	11,375,761	11,375,761	0	4,264,967	0	4,264,967
16	223,778,109	11,849,331	11,849,331	0	4,151,885	0	4,151,885
17	228,936,307	12,269,085	12,269,085	0	4,017,722	0	4,017,722
18	233,933,522	12,646,549	12,646,549	0	3,870,401	0	3,870,401
19	238,808,361	13,066,937	13,066,937	0	3,737,437	0	3,737,437
20	243,522,693	13,457,920	13,457,920	0	3,597,446	0	3,597,446
21	248,071,333	13,854,360	13,854,360	0	3,461,139	0	3,461,139
22	252,433,664	14,281,210	14,281,210	0	3,334,370	0	3,334,370
23	256,527,292	14,679,743	14,679,743	0	3,203,196	0	3,203,196
24	260,420,395	15,075,708	15,075,708	0	3,074,390	0	3,074,390
25	264,071,899	15,505,140	15,505,140	0	2,955,107	0	2,955,107
26	267,420,325	15,943,773	15,943,773	0	2,839,911	0	2,839,911
27	270,434,486	16,289,046	16,289,046	0	2,711,599	0	2,711,599
28	273,173,774	16,521,078	16,521,078	0	2,570,304	0	2,570,304
29	275,815,896	16,709,983	16,709,983	0	2,429,620	0	2,429,620
30	278,370,522	16,837,443	16,837,443	0	2,287,993	0	2,287,993
31	280,904,097	16,936,573	16,936,573	0	2,150,900	0	2,150,900
32	283,449,371	17,007,370	17,007,370	0	2,018,590	0	2,018,590
33	286,002,262	16,984,752	16,984,752	0	1,884,024	0	1,884,024
34	288,746,553	16,950,076	16,950,076	0	1,757,175	0	1,757,175
35	291,672,287	16,883,239	16,883,239	0	1,635,744	0	1,635,744
36	294,827,252	16,769,234	16,769,234	0	1,518,410	0	1,518,410
37	298,236,844	16,621,230	16,621,230	0	1,406,550	0	1,406,550
38	302,039,845	16,390,571	16,390,571	0	1,296,291	0	1,296,291
39	306,320,319	16,104,658	16,104,658	0	1,190,354	0	1,190,354
40	311,176,565	15,794,265	15,794,265	0	1,091,039	0	1,091,039
41	316,676,194	15,464,874	15,464,874	0	998,397	0	998,397
42	322,859,424	15,113,142	15,113,142	0	911,860	0	911,860
43	329,851,091	14,717,021	14,717,021	0	829,869	0	829,869
44	337,722,529	14,310,785	14,310,785	0	754,170	0	754,170
45	346,562,161	13,874,311	13,874,311	0	683,334	0	683,334
46	356,469,813	13,383,734	13,383,734	0	616,049	0	616,049
47	367,578,458	12,876,855	12,876,855	0	553,942	0	553,942
48	379,989,028	12,353,059	12,353,059	0	496,644	0	496,644
49	393,810,156	11,812,285	11,812,285	0	443,834	0	443,834
50	409,158,144	11,253,667	11,253,667	0	395,182	0	395,182

Fire Division

Single Discount Rate Development

Present Values of Projected Benefits (Concluded)

Year	Projected Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Benefit Payments	Unfunded Portion of Benefit Payments	Present Value of Funded Benefit Payments using Expected Return Rate (v)	Present Value of Unfunded Benefit Payments using Municipal Bond Rate (vf)	Present Value of Benefit Payments using Single Discount Rate (sdr)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v^((a)-.5)	(g)=(e)*vf^((a)-.5)	(h)=((c)/(1+sdr)^((a)-.5)
51	\$426,158,330	\$10,677,854	\$10,677,854	\$0	\$350,432	\$0	\$350,432
52	444,944,155	10,086,603	10,086,603	0	309,372	0	309,372
53	465,656,583	9,482,658	9,482,658	0	271,820	0	271,820
54	488,443,606	8,869,862	8,869,862	0	237,621	0	237,621
55	513,459,602	8,253,273	8,253,273	0	206,638	0	206,638
56	540,864,522	7,638,595	7,638,595	0	178,737	0	178,737
57	570,823,614	7,031,803	7,031,803	0	153,774	0	153,774
58	603,507,513	6,438,607	6,438,607	0	131,591	0	131,591
59	639,092,892	5,863,812	5,863,812	0	112,003	0	112,003
60	677,763,820	5,311,435	5,311,435	0	94,815	0	94,815
61	719,713,096	4,784,656	4,784,656	0	79,824	0	79,824
62	765,143,726	4,285,729	4,285,729	0	66,822	0	66,822
63	814,270,594	3,816,226	3,816,226	0	55,609	0	55,609
64	867,322,001	3,376,916	3,376,916	0	45,989	0	45,989
65	924,541,432	2,967,967	2,967,967	0	37,775	0	37,775
66	986,189,243	2,589,283	2,589,283	0	30,799	0	30,799
67	1,052,544,115	2,240,644	2,240,644	0	24,909	0	24,909
68	1,123,904,463	1,921,832	1,921,832	0	19,967	0	19,967
69	1,200,589,817	1,632,362	1,632,362	0	15,850	0	15,850
70	1,282,942,576	1,371,510	1,371,510	0	12,446	0	12,446
71	1,371,329,855	1,138,557	1,138,557	0	9,656	0	9,656
72	1,466,145,212	932,656	932,656	0	7,392	0	7,392
73	1,567,810,630	752,918	752,918	0	5,577	0	5,577
74	1,676,778,550	598,286	598,286	0	4,142	0	4,142
75	1,793,534,177	467,340	467,340	0	3,024	0	3,024
76	1,918,598,149	358,453	358,453	0	2,167	0	2,167
77	2,052,529,233	269,635	269,635	0	1,524	0	1,524
78	2,195,927,367	198,576	198,576	0	1,049	0	1,049
79	2,349,436,874	142,927	142,927	0	705	0	705
80	2,513,749,610	100,357	100,357	0	463	0	463
81	2,689,608,273	68,620	68,620	0	296	0	296
82	2,877,809,871	45,611	45,611	0	184	0	184
83	3,079,209,382	29,423	29,423	0	111	0	111
84	3,294,723,603	18,390	18,390	0	65	0	65
85	3,525,335,232	11,119	11,119	0	37	0	37
86	3,772,097,197	6,494	6,494	0	20	0	20
87	4,036,137,283	3,659	3,659	0	11	0	11
88	4,318,663,108	1,987	1,987	0	5	0	5
89	4,620,967,470	1,041	1,041	0	3	0	3
90	4,944,434,116	527	527	0	1	0	1
91	5,290,543,959	260	260	0	1	0	1
92	5,660,881,767	125	125	0	0	0	0
93	6,057,143,361	59	59	0	0	0	0
94	6,481,143,335	27	27	0	0	0	0
95	6,934,823,341	12	12	0	0	0	0
96	7,420,260,962	5	5	0	0	0	0
97	7,939,679,224	2	2	0	0	0	0
98	8,495,456,768	1	1	0	0	0	0
99	9,090,138,741	0	0	0	0	0	0
100	9,726,448,453	0	0	0	0	0	0

Public Safety Division

Single Discount Rate Development

Projection of Contributions

Year	Payroll for Current Employees	Contributions from Current Employees	Normal Cost	Administrative Expense Contributions	UAL Contributions	Total Contributions
1	\$1,706,876	\$68,275	\$143,913	\$6,828	\$202,369	\$421,385
2	1,601,988	64,080	134,834	6,408	207,934	413,256
3	1,516,422	60,657	127,340	6,066	213,652	407,715
4	1,448,573	57,943	121,314	5,794	219,528	404,579
5	1,400,106	56,004	117,145	5,600	225,565	404,314
6	1,343,179	53,727	111,853	5,373	190,521	361,474
7	1,290,299	51,612	106,852	5,161	209,887	373,512
8	1,261,467	50,459	104,400	5,046	155,524	315,429
9	1,227,833	49,113	101,515	4,911	153,408	308,947
10	1,192,894	47,716	98,586	4,772	151,059	302,133
11	1,153,185	46,127	94,889	4,613	150,715	296,344
12	1,104,787	44,191	90,409	4,419	143,303	282,322
13	1,066,065	42,643	87,100	4,264	149,618	283,625
14	1,038,184	41,527	84,651	4,153	151,293	281,624
15	1,012,363	40,495	82,326	4,049	142,917	269,787
16	973,897	38,956	78,682	3,896	48,949	170,483
17	928,379	37,135	74,438	3,714	50,295	165,582
18	892,390	35,696	71,212	3,570	54,398	164,876
19	844,924	33,797	67,093	3,380	55,894	160,164
20	799,695	31,988	63,230	3,199	(2,872)	95,545
21	769,331	30,773	60,253	3,077	(2,951)	91,152
22	743,010	29,720	57,610	2,972	(3,032)	87,270
23	704,773	28,191	54,427	2,819	0	85,437
24	655,023	26,201	49,958	2,620	(3,201)	75,578
25	620,720	24,829	46,627	2,483	0	73,939
26	583,258	23,330	43,440	2,333	0	69,103
27	527,471	21,099	38,400	2,110	0	61,609
28	486,131	19,445	34,526	1,945	0	55,916
29	469,000	18,760	33,050	1,876	(3,666)	50,020
30	450,887	18,035	31,507	1,804	0	51,346
31	429,170	17,167	29,716	1,717	0	48,600
32	402,404	16,096	27,662	1,610	0	45,368
33	364,341	14,574	24,811	1,457	(4,086)	36,756
34	315,633	12,625	21,046	1,263	0	34,934
35	267,965	10,719	17,536	1,072	0	29,327
36	228,674	9,147	14,768	915	0	24,830
37	196,363	7,855	12,291	785	0	20,931
38	164,248	6,570	9,931	657	(4,679)	12,479
39	138,404	5,536	8,252	554	0	14,342
40	120,574	4,823	7,227	482	0	12,532
41	96,974	3,879	5,868	388	0	10,135
42	65,350	2,614	4,045	261	(3,979)	2,941
43	37,359	1,494	2,422	149	0	4,065
44	13,372	535	912	53	0	1,500
45	0	0	0	0	0	0
46	0	0	0	0	0	0
47	0	0	0	0	0	0
48	0	0	0	0	0	0
49	0	0	0	0	0	0
50	0	0	0	0	0	0

Public Safety Division

Single Discount Rate Development

Projection of Plan Fiduciary Net Position

Year	Projected Beginning Plan Net Position	Projected Total Contributions	Projected Benefit Payments	Projected Administrative Expenses	Projected Investment Earnings	Projected Ending Plan Net Position
	(a)	(b)	(c)	(d)	(e)	(f)=(a)+(b)-(c)-(d)+(e)
1	\$1,428,256	\$421,385	\$18,546	\$6,828	\$113,604	\$1,937,871
2	1,937,871	413,256	28,500	6,408	148,669	2,464,888
3	2,464,888	407,715	40,466	6,066	184,970	3,011,041
4	3,011,041	404,579	51,394	5,794	222,726	3,581,158
5	3,581,158	404,314	60,289	5,600	262,326	4,181,909
6	4,181,909	361,474	83,251	5,373	302,122	4,756,881
7	4,756,881	373,512	104,757	5,161	342,051	5,362,526
8	5,362,526	315,429	116,930	5,046	382,033	5,938,012
9	5,938,012	308,947	133,824	4,911	421,518	6,529,742
10	6,529,742	302,133	154,319	4,772	462,004	7,134,788
11	7,134,788	296,344	178,008	4,613	503,348	7,751,859
12	7,751,859	282,322	206,003	4,419	545,104	8,368,863
13	8,368,863	283,625	237,188	4,264	587,272	8,998,308
14	8,998,308	281,624	267,171	4,153	630,236	9,638,844
15	9,638,844	269,787	298,620	4,049	673,588	10,279,550
16	10,279,550	170,483	334,984	3,896	713,774	10,824,927
17	10,824,927	165,582	381,685	3,714	750,181	11,355,291
18	11,355,291	164,876	419,630	3,570	785,982	11,882,949
19	11,882,949	160,164	462,994	3,380	821,270	12,398,009
20	12,398,009	95,545	504,310	3,199	853,686	12,839,731
21	12,839,731	91,152	540,388	3,077	883,218	13,270,636
22	13,270,636	87,270	577,417	2,972	911,977	13,689,494
23	13,689,494	85,437	623,104	2,819	939,668	14,088,676
24	14,088,676	75,578	678,630	2,620	965,367	14,448,371
25	14,448,371	73,939	724,319	2,483	988,922	14,784,430
26	14,784,430	69,103	770,848	2,333	1,010,684	15,091,036
27	15,091,036	61,609	825,341	2,110	1,030,021	15,355,215
28	15,355,215	55,916	877,840	1,945	1,046,517	15,577,863
29	15,577,863	50,020	912,436	1,876	1,060,712	15,774,283
30	15,774,283	51,346	937,511	1,804	1,073,647	15,959,961
31	15,959,961	48,600	970,527	1,717	1,085,416	16,121,733
32	16,121,733	45,368	1,018,883	1,610	1,094,969	16,241,577
33	16,241,577	36,756	1,083,084	1,457	1,100,858	16,294,650
34	16,294,650	34,934	1,144,564	1,263	1,102,402	16,286,159
35	16,286,159	29,327	1,196,028	1,072	1,099,850	16,218,236
36	16,218,236	24,830	1,229,114	915	1,093,808	16,106,845
37	16,106,845	20,931	1,254,645	785	1,085,002	15,957,348
38	15,957,348	12,479	1,279,195	657	1,073,407	15,763,382
39	15,763,382	14,342	1,297,456	554	1,059,268	15,538,982
40	15,538,982	12,532	1,307,801	482	1,043,144	15,286,375
41	15,286,375	10,135	1,321,204	388	1,024,922	14,999,840
42	14,999,840	2,941	1,339,292	261	1,003,999	14,667,227
43	14,667,227	4,065	1,351,657	149	980,333	14,299,819
44	14,299,819	1,500	1,358,182	53	954,305	13,897,389
45	13,897,389	0	1,352,449	0	926,282	13,471,222
46	13,471,222	0	1,332,792	0	897,127	13,035,557
47	13,035,557	0	1,310,206	0	867,407	12,592,758
48	12,592,758	0	1,284,820	0	837,285	12,145,223
49	12,145,223	0	1,256,837	0	806,920	11,695,306
50	11,695,306	0	1,226,210	0	776,480	11,245,576

Public Safety Division

Single Discount Rate Development

Present Values of Projected Benefits

Year	Projected Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Benefit Payments	Unfunded Portion of Benefit Payments	Present Value of Funded Benefit Payments using Expected Return Rate (v)	Present Value of Unfunded Benefit Payments using Municipal Bond Rate (vf)	Present Value of Benefit Payments using Single Discount Rate (sdr)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v^((a)-.5)	(g)=(e)*vf^((a)-.5)	(h)=((c)/(1+sdr)^((a)-.5)
1	\$1,428,256	\$18,546	\$18,546	\$0	\$17,929	\$0	\$17,929
2	1,937,871	28,500	28,500	0	25,750	0	25,750
3	2,464,888	40,466	40,466	0	34,169	0	34,169
4	3,011,041	51,394	51,394	0	40,557	0	40,557
5	3,581,158	60,289	60,289	0	44,464	0	44,464
6	4,181,909	83,251	83,251	0	57,382	0	57,382
7	4,756,881	104,757	104,757	0	67,482	0	67,482
8	5,362,526	116,930	116,930	0	70,396	0	70,396
9	5,938,012	133,824	133,824	0	75,296	0	75,296
10	6,529,742	154,319	154,319	0	81,147	0	81,147
11	7,134,788	178,008	178,008	0	87,480	0	87,480
12	7,751,859	206,003	206,003	0	94,615	0	94,615
13	8,368,863	237,188	237,188	0	101,811	0	101,811
14	8,998,308	267,171	267,171	0	107,179	0	107,179
15	9,638,844	298,620	298,620	0	111,958	0	111,958
16	10,279,550	334,984	334,984	0	117,375	0	117,375
17	10,824,927	381,685	381,685	0	124,989	0	124,989
18	11,355,291	419,630	419,630	0	128,425	0	128,425
19	11,882,949	462,994	462,994	0	132,427	0	132,427
20	12,398,009	504,310	504,310	0	134,807	0	134,807
21	12,839,731	540,388	540,388	0	135,001	0	135,001
22	13,270,636	577,417	577,417	0	134,815	0	134,815
23	13,689,494	623,104	623,104	0	135,965	0	135,965
24	14,088,676	678,630	678,630	0	138,393	0	138,393
25	14,448,371	724,319	724,319	0	138,047	0	138,047
26	14,784,430	770,848	770,848	0	137,304	0	137,304
27	15,091,036	825,341	825,341	0	137,393	0	137,393
28	15,355,215	877,840	877,840	0	136,572	0	136,572
29	15,577,863	912,436	912,436	0	132,668	0	132,668
30	15,774,283	937,511	937,511	0	127,396	0	127,396
31	15,959,961	970,527	970,527	0	123,254	0	123,254
32	16,121,733	1,018,883	1,018,883	0	120,930	0	120,930
33	16,241,577	1,083,084	1,083,084	0	120,140	0	120,140
34	16,294,650	1,144,564	1,144,564	0	118,654	0	118,654
35	16,286,159	1,196,028	1,196,028	0	115,878	0	115,878
36	16,218,236	1,229,114	1,229,114	0	111,293	0	111,293
37	16,106,845	1,254,645	1,254,645	0	106,173	0	106,173
38	15,957,348	1,279,195	1,279,195	0	101,168	0	101,168
39	15,763,382	1,297,456	1,297,456	0	95,900	0	95,900
40	15,538,982	1,307,801	1,307,801	0	90,340	0	90,340
41	15,286,375	1,321,204	1,321,204	0	85,296	0	85,296
42	14,999,840	1,339,292	1,339,292	0	80,807	0	80,807
43	14,667,227	1,351,657	1,351,657	0	76,218	0	76,218
44	14,299,819	1,358,182	1,358,182	0	71,575	0	71,575
45	13,897,389	1,352,449	1,352,449	0	66,611	0	66,611
46	13,471,222	1,332,792	1,332,792	0	61,348	0	61,348
47	13,035,557	1,310,206	1,310,206	0	56,363	0	56,363
48	12,592,758	1,284,820	1,284,820	0	51,655	0	51,655
49	12,145,223	1,256,837	1,256,837	0	47,224	0	47,224
50	11,695,306	1,226,210	1,226,210	0	43,059	0	43,059



Public Safety Division

Single Discount Rate Development

Present Values of Projected Benefits (Concluded)

Year	Projected Beginning Plan Net Position	Projected Benefit Payments	Funded Portion of Benefit Payments	Unfunded Portion of Benefit Payments	Present Value of Funded Benefit Payments using Expected Return Rate (v)	Present Value of Unfunded Benefit Payments using Municipal Bond Rate (vf)	Present Value of Benefit Payments using Single Discount Rate (sdr)
(a)	(b)	(c)	(d)	(e)	(f)=(d)*v^((a)-.5)	(g)=(e)*vf^((a)-.5)	(h)=((c)/(1+sdr))^((a)-.5)
51	\$11,245,576	\$1,193,133	\$1,193,133	\$0	\$39,157	\$0	\$39,157
52	10,798,580	1,157,825	1,157,825	0	35,512	0	35,512
53	10,356,817	1,120,565	1,120,565	0	32,121	0	32,121
54	9,922,673	1,081,657	1,081,657	0	28,977	0	28,977
55	9,498,385	1,041,401	1,041,401	0	26,074	0	26,074
56	9,086,038	1,000,075	1,000,075	0	23,401	0	23,401
57	8,687,575	957,890	957,890	0	20,948	0	20,948
58	8,304,856	914,991	914,991	0	18,700	0	18,700
59	7,939,722	871,445	871,445	0	16,645	0	16,645
60	7,594,073	827,214	827,214	0	14,767	0	14,767
61	7,269,981	782,202	782,202	0	13,050	0	13,050
62	6,969,764	736,334	736,334	0	11,481	0	11,481
63	6,695,978	689,565	689,565	0	10,048	0	10,048
64	6,451,405	641,920	641,920	0	8,742	0	8,742
65	6,238,996	593,522	593,522	0	7,554	0	7,554
66	6,061,782	544,557	544,557	0	6,477	0	6,477
67	5,922,813	495,301	495,301	0	5,506	0	5,506
68	5,825,067	446,127	446,127	0	4,635	0	4,635
69	5,771,344	397,484	397,484	0	3,859	0	3,859
70	5,764,177	349,908	349,908	0	3,175	0	3,175
71	5,805,722	303,965	303,965	0	2,578	0	2,578
72	5,897,699	260,214	260,214	0	2,062	0	2,062
73	6,041,370	219,236	219,236	0	1,624	0	1,624
74	6,237,486	181,584	181,584	0	1,257	0	1,257
75	6,486,278	147,684	147,684	0	956	0	956
76	6,787,552	117,800	117,800	0	712	0	712
77	7,140,827	92,006	92,006	0	520	0	520
78	7,545,513	70,219	70,219	0	371	0	371
79	8,001,064	52,257	52,257	0	258	0	258
80	8,507,083	37,842	37,842	0	175	0	175
81	9,063,435	26,609	26,609	0	115	0	115
82	9,670,351	18,132	18,132	0	73	0	73
83	10,328,520	11,951	11,951	0	45	0	45
84	11,039,154	7,604	7,604	0	27	0	27
85	11,804,029	4,663	4,663	0	15	0	15
86	12,625,488	2,751	2,751	0	8	0	8
87	13,506,427	1,558	1,558	0	4	0	4
88	14,450,265	847	847	0	2	0	2
89	15,460,907	441	441	0	1	0	1
90	16,542,714	221	221	0	1	0	1
91	17,700,475	107	107	0	0	0	0
92	18,939,398	50	50	0	0	0	0
93	20,265,104	23	23	0	0	0	0
94	21,683,637	10	10	0	0	0	0
95	23,201,481	5	5	0	0	0	0
96	24,825,579	2	2	0	0	0	0
97	26,563,367	1	1	0	0	0	0
98	28,422,802	0	0	0	0	0	0
99	30,412,398	0	0	0	0	0	0
100	32,541,266	0	0	0	0	0	0

SECTION D

GLOSSARY OF TERMS

Glossary of Terms

<i>Accrued Service</i>	Service credited under the system which was rendered before the date of the actuarial valuation.
<i>Actuarial Accrued Liability (AAL)</i>	The AAL is the difference between the actuarial present value of all benefits and the actuarial value of future normal costs. The definition comes from the fundamental equation of funding which states that the present value of all benefits is the sum of the Actuarial Accrued Liability and the present value of future normal costs. The AAL may also be referred to as "accrued liability" or "actuarial liability".
<i>Actuarial Assumptions</i>	These assumptions are estimates of future experience with respect to rates of mortality, disability, turnover, retirement, rate or rates of investment income and compensation increases. Actuarial assumptions are generally based on past experience, often modified for projected changes in conditions. Economic assumptions (compensation increases, payroll growth, inflation and investment return) consist of an underlying real rate of return plus an assumption for a long-term average rate of inflation.
<i>Actuarial Cost Method</i>	A mathematical budgeting procedure for allocating the dollar amount of the actuarial present value of the pension trust benefits between future normal cost and actuarial accrued liability. The actuarial cost method may also be referred to as the "actuarial funding method".
<i>Actuarially Determined Contribution (ADC) or Annual Required Contribution (ARC)</i>	A calculated contribution into a defined benefit pension plan for the reporting period, most often determined based on the funding policy of the plan. Typically, the Actuarially Determined Contribution has a normal cost payment and an amortization payment.
<i>Actuarial Equivalent</i>	A single amount or series of amounts of equal actuarial value to another single amount or series of amounts, computed on the basis of appropriate actuarial assumptions.
<i>Actuarial Gain (Loss)</i>	The difference in liabilities between actual experience and expected experience during the period between two actuarial valuations is the gain (loss) on the accrued liabilities.
<i>Actuarial Present Value (APV)</i>	The amount of funds currently required to provide a payment or series of payments in the future. The present value is determined by discounting future payments at predetermined rates of interest and probabilities of payment.
<i>Actuarial Valuation</i>	The actuarial valuation report determines, as of the actuarial valuation date, the service cost, total pension liability, and related actuarial present value of projected benefit payments for pensions.
<i>Actuarial Valuation Date</i>	The date as of which an actuarial valuation is performed.

Glossary of Terms

<i>Amortization Method</i>	The method used to determine the periodic amortization payment may be a level dollar amount, or a level percent of pay amount. The period will typically be expressed in years, and the method will either be “open” (meaning, reset each year) or “closed” (the number of years remaining will decline each year).
<i>Amortization Payment</i>	The amortization payment is the periodic payment required to pay off an interest-discounted amount with payments of interest and principal.
<i>Cost-of-Living Adjustments</i>	Postemployment benefit changes intended to adjust benefit payments for the effects of inflation.
<i>Cost-Sharing Multiple-Employer Defined Benefit Pension Plan (cost-sharing pension plan)</i>	A multiple-employer defined benefit pension plan in which the pension obligations to the employees of more than one employer are pooled and pension plan assets can be used to pay the benefits of the employees of any employer that provides pensions through the pension plan.
<i>Covered-Employee Payroll</i>	The payroll of covered employees, which is typically only the pensionable pay and does not include pay above any pay cap.
<i>Deferred Inflows and Outflows</i>	The deferred inflows and outflows of pension resources are amounts used under GASB Statement No. 68 in developing the annual pension expense. Deferred inflows and outflows arise with differences between expected and actual experiences; changes of assumptions. The portion of these amounts not included in pension expense should be included in the deferred inflows or outflows of resources.
<i>Discount Rate</i>	<p>For GASB purposes, the discount rate is the single rate of return that results in the present value of all projected benefit payments to be equal to the sum of the funded and unfunded projected benefit payments, specifically:</p> <ol style="list-style-type: none">1. The benefit payments to be made while the pension plan’s fiduciary net position is projected to be greater than the benefit payments that are projected to be made in the period; and2. The present value of the benefit payments not in (1) above, discounted using the municipal bond rate.
<i>Entry Age Actuarial Cost Method (EAN)</i>	The EAN is a funding method for allocating the costs of the plan between the normal cost and the accrued liability. The actuarial present value of the projected benefits of each individual included in an actuarial valuation is allocated on a level basis (either level dollar or level percent of pay) over the earnings or service of the individual between entry age and assumed exit age(s). The portion of the actuarial present value allocated to a valuation year is the normal cost. The portion of this actuarial present value not provided for at a valuation date by the actuarial present value of future normal costs is the actuarial accrued liability. The sum of the accrued liability plus the present value of all future normal costs is the present value of all benefits.

Glossary of Terms

<i>Fiduciary Net Position</i>	The fiduciary net position is the value of the assets of the trust.
<i>GASB</i>	The Governmental Accounting Standards Board is an organization that exists in order to promulgate accounting standards for governmental entities.
<i>Long-Term Expected Rate of Return</i>	The long-term rate of return is the expected return to be earned over the entire trust portfolio based on the asset allocation of the portfolio.
<i>Money-Weighted Rate of Return</i>	The money-weighted rate of return is a method of calculating the returns that adjusts for the changing amounts actually invested. For purposes of GASB Statement No. 67, money-weighted rate of return is calculated as the internal rate of return on pension plan investments, net of pension plan investment expense.
<i>Multiple-Employer Defined Benefit Pension Plan</i>	A multiple-employer plan is a defined benefit pension plan that is used to provide pensions to the employees of more than one employer.
<i>Municipal Bond Rate</i>	The Municipal Bond Rate is the discount rate to be used for those benefit payments that occur after the assets of the trust have been depleted.
<i>Net Pension Liability (NPL)</i>	The NPL is the liability of employers and non-employer contribution entities to plan members for benefits provided through a defined benefit pension plan.
<i>Non-employer Contribution Entities</i>	Non-employer contribution entities are entities that make contributions to a pension plan that is used to provide pensions to the employees of other entities. For purposes of the GASB Accounting statement, plan members are not considered non-employer contribution entities.
<i>Normal Cost</i>	The actuarial present value of the pension trust benefits allocated to the current year by the actuarial cost method.
<i>Other Postemployment Benefits (OPEB)</i>	All postemployment benefits other than retirement income (such as death benefits, life insurance, disability, and long-term care) that are provided separately from a pension plan, as well as postemployment healthcare benefits, regardless of the manner in which they are provided. Other postemployment benefits do not include termination benefits.
<i>Real Rate of Return</i>	The real rate of return is the rate of return on an investment after adjustment to eliminate inflation.
<i>Service Cost</i>	The service cost is the portion of the actuarial present value of projected benefit payments that is attributed to a valuation year.

Glossary of Terms

Total Pension Expense

The total pension expense is the sum of the following items that are recognized at the end of the employer's fiscal year:

1. Service Cost
2. Interest on the Total Pension Liability
3. Current-Period Benefit Changes
4. Employee Contributions (made negative for addition here)
5. Projected Earnings on Plan Investments (made negative for addition here)
6. Pension Plan Administrative Expense
7. Other Changes in Plan Fiduciary Net Position
8. Recognition of Outflow (Inflow) of Resources due to Liabilities
9. Recognition of Outflow (Inflow) of Resources due to Assets

Total Pension Liability (TPL)

The TPL is the portion of the actuarial present value of projected benefit payments that is attributed to past periods of member service.

Unfunded Actuarial Accrued Liability (UAAL)

The UAAL is the difference between actuarial accrued liability and valuation assets.

Valuation Assets

The valuation assets are the assets used in determining the unfunded liability of the plan. For purposes of the GASB Statement No. 67, the valuation asset is equal to the market value of assets.



Missouri Local Government Employees Retirement System

The City of Independence

**Summary of the Results of the
Fifty-Sixth Annual Actuarial Valuation
February 29, 2024**



Outline of Contents

Summary of the Annual Actuarial Valuation Covering

The City of Independence

Pages	Items
2	Cover Letter
	<i>Financial Principles</i>
3	Financing Diagram
4	Annual Actuarial Valuation Process
	<i>Benefit Provisions and Data Furnished</i>
5-7	Benefit Summary
8-10	Summary of Covered Person Data Furnished
	<i>Valuation Results</i>
11	Actuarial Accrued Liabilities and Assets
12	Computed Employer Contributions
13-16	Comparative Schedules
17	Risk Commentary
18	Risk Metrics
19-20	Low-Default-Risk Obligation Measure



June 21, 2024

The City of Independence
Independence, Missouri

Ladies and Gentlemen:

Submitted in this report is a summary of the results of the **Fifty-Sixth Annual Actuarial Valuation**, which determines the employer contribution rate(s) required to support, for your employees, the benefits provided by the **Missouri Local Government Employees Retirement System ("LAGERS")**. The purpose of the valuation is to measure funding progress in relation to the actuarial cost method and to determine the employer contribution rate. A separate report will be issued to provide actuarial information for Governmental Accounting Standards Board (GASB) Statement No. 68. The results of this valuation may not be applicable for other purposes.

Your participation in LAGERS was effective November 1, 1968. **The LAGERS provisions** reflected in the actuarial valuation are presented below (please see pages 5 through 7 for additional information).

	This Year	Last Year
Benefit Program	L-6	L-6
Final Average Salary	3 years	3 years
Rule of 80 Adopted?	No	No
Member Contribution Rate	4%	4%
Contribution Refund Adopted?	No	No

The date of the valuation was February 29, 2024. The valuation was based on data furnished by your LAGERS administrative staff. Data was checked for year-to-year consistency and completeness but was not audited by us.

The new employer contribution rates are shown on page 12 and are applicable for the fiscal year beginning July 1, 2025.

The financial assumptions and methods used to determine contributions are adopted System-wide by the LAGERS Board of Trustees, and are described in the System's Annual Comprehensive Financial Report and the Compiled Annual Actuarial Valuation Report. All actuarial assumptions used in this report are reasonable for the purposes of this valuation. The combined effect of the assumptions is expected to have no significant bias (i.e., not significantly optimistic or pessimistic). This report was prepared using our proprietary valuation model and related software which, in our professional judgment, has the capability to provide results that are consistent with the purposes of the valuation and has no material limitations or known weaknesses. We performed tests to ensure that the model reasonably represents that which is intended to be modeled.

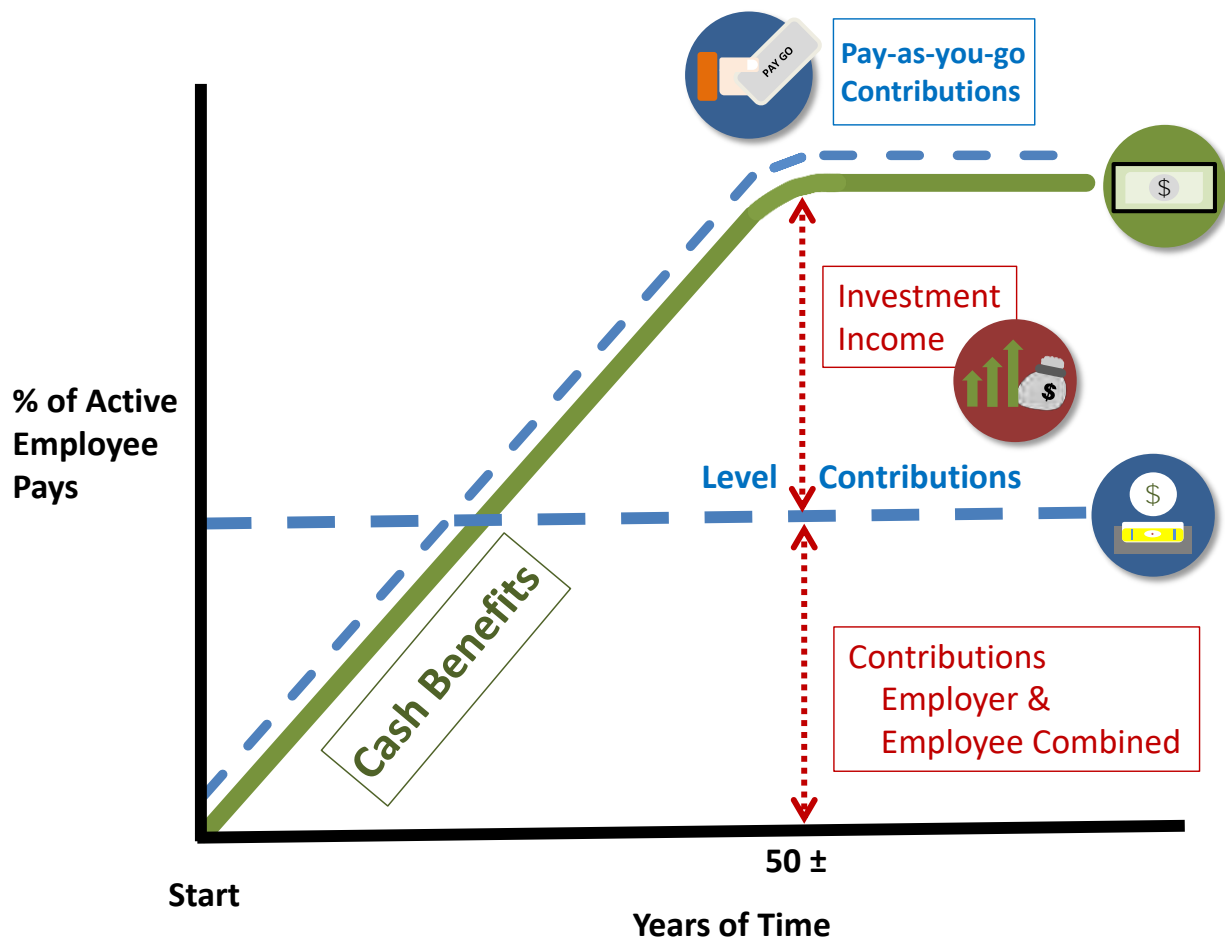
The fundamental financial objective of LAGERS is to establish contribution rates which, expressed as percents of active member payroll, will remain approximately level from generation to generation of Missouri citizens. To test how well the fundamental objective is being achieved, annual actuarial valuations are made, which adjust employer contributions, up or down as the case may be, for differences in the past year between assumed financial experiences and actual financial experiences.

Mita D. Drazilov and Judith A. Kermans are Members of the American Academy of Actuaries (MAAA), and meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinions contained herein. The signing actuaries are independent of the plan sponsor.

Respectfully submitted,
Gabriel, Roeder, Smith & Company

Mita D. Drazilov, ASA, FCA, MAAA

Judith A. Kermans, EA, FCA, MAAA



CASH BENEFITS LINE. This relentlessly increasing line is the fundamental reality of retirement plan financing. It happens each time a new benefit is added for future retirements (and happens regardless of the design for contributing for benefits).

LEVEL CONTRIBUTION LINE. Determining the level contribution line requires detailed assumptions concerning a variety of experiences in future decades, including:

- **Economic Risk Areas**
 - Rates of investment return
 - Rates of pay increase
 - Changes in active member group size
- **Non-Economic Risk Areas**
 - Ages at actual retirement
 - Rates of mortality
 - Rates of withdrawal of active members (turnover)
 - Rates of disability

The Annual Actuarial Valuation Process for LAGERS

The financing diagram on the preceding page shows the relationship between the two fundamentally different philosophies of paying for retirement benefits: the method where contributions match cash benefit payments (or barely exceed cash benefit payments) which is thus an increasing contribution method; and the *level contribution method* which equalizes contributions between the generations. Missouri law requires the level contribution method.

The *actuarial valuation* is the mathematical process by which liabilities and the level contribution rates are determined, and the flow of activity constituting the valuation may be summarized as follows:

- A. ***Covered Person Data***, furnished by plan administrator, including:
 - Retired lives now receiving benefits
 - Former employees with vested benefits not yet payable
 - Active employees
- B. + ***Asset data*** (cash and investments), furnished by plan administrator.
- C. + ***Assumptions concerning future financial experiences in various risk areas***, which assumptions are established by the Board of Trustees after consulting with the actuary.
- D. + ***The funding method*** for employer contributions (the long-term, planned pattern for employer contributions).
- E. + ***Mathematically combining the assumptions, funding method, and the data.***
- F. = Determination of:

***Employer's financial position in LAGERS
and
New Employer Contribution Rates.***

Brief Summary of LAGERS

Benefits and Conditions Evaluated and/or Considered Through February 29, 2024

(Section references are to RSMo)

Voluntary Retirement. Sections 70.645 & 70.600. A member may retire with an age & service allowance after both (i) completing 5 years of credited service, and (ii) attaining the minimum service retirement age.

The minimum service retirement age is age 60 for a general employee and age 55 for a police, fire or public safety employee. Optionally, employers may also elect to provide for unreduced benefits for employees whose combination of years of age and years of service equals 80 or more.

Final Average Salary. Section 70.600. The average of a member's monthly compensation during the period of 60 consecutive months (or optionally, 36 consecutive months) of credited service producing the highest monthly average, which period is contained within the 120 consecutive months of credited service immediately preceding retirement.

Age & Service Allowance. Section 70.655. The allowance, payable monthly for life, equals a specified percent of a member's final average salary multiplied by the number of years of credited service. Each employer elects the percent applicable to its members, from the following programs:

- L-1 Benefit Program: 1.00% for life
- L-3 Benefit Program: 1.25% for life
- L-7 Benefit Program: 1.50% for life
- LT-4 Benefit Program: 1.00% for life, plus 1.00% to age 62
- LT-5 Benefit Program: 1.25% for life, plus 0.75% to age 62
- LT-8 Benefit Program: 1.50% for life, plus 0.50% to age 62
- LT-4(65) Benefit Program: 1.00% for life, plus 1.00% to age 65
- LT-5(65) Benefit Program: 1.25% for life, plus 0.75% to age 65
- LT-8(65) Benefit Program: 1.50% for life, plus 0.50% to age 65
- L-9 Benefit Program: 1.60% for life
- LT-10(65) Benefit Program: 1.60% for life, plus 0.40% to age 65
- L-12 Benefit Program: 1.75% for life
- LT-14(65) Benefit Program: 1.75% for life, plus 0.25% to age 65
- L-6 Benefit Program: 2.00% for life

The only LT benefit programs available for adoption after August 1, 1994 are the LT(65) programs.

Benefit programs L-9 and LT-10(65) are not available for adoption after August 1, 2005.



Benefit program L-11, available only to groups not covered by Social Security, provides for 2.5% for life.

Subsequent to joining the System, the governing body can elect to change benefit programs for the employees, but not more often than once every 2 years.

Early Allowance. Section 70.670. A member may retire with an early allowance after both (i) completing 5 years of credited service, and (ii) attaining age 55 if a general employee or age 50 if a police, fire or public safety employee.

The early allowance amount, payable monthly for life, is computed in the same manner as an age & service allowance, based upon the service and earnings record to time of early retirement, but reduced to reflect the fact that the age when payments begin is younger than the minimum service retirement age. The amount of the reduction is 1/2% of 1% (.005) for each month the age at retirement is younger than the minimum service retirement age.

Deferred Allowance. Section 70.675. If a member leaves LAGERS-covered employment (i) before attaining the early retirement age, and (ii) after completing 5 years of credited service, the member becomes eligible for a deferred allowance; provided the former member lives to the minimum service retirement age and does not withdraw the accumulated contributions.

The deferred allowance amount, payable monthly for life from the minimum service retirement age, is computed in the same manner as an age & service allowance, based upon the service and earnings record to time of leaving LAGERS coverage.

Deferred allowances are also payable any time after reaching the early retirement age, with the reduction for early retirement noted above.

Non-Duty Disability Allowance. Section 70.680. A member with 5 or more years of credited service who becomes totally and permanently disabled from other than duty-connected causes becomes eligible to receive a non-duty disability allowance computed in the same manner as an age & service allowance, based upon the service & earnings record to time of disability.

Duty Disability Allowance. Section 70.680. A member regardless of credited service who becomes totally and permanently disabled from duty-connected causes becomes eligible to receive a duty disability allowance computed in the same manner as an age & service allowance, based upon the earnings record to time of disability but based upon the years of credited service the member would have completed had the member continued in LAGERS-covered employment to age 60.

Death-in-Service. Section 70.661. Upon the death of a member who had completed 5 years of credited service, the eligible surviving dependents receive the following benefits:

- (a) The surviving spouse receives an allowance equal to the Option A allowance (joint and 75% survivor benefit) computed based upon the deceased members' service & earnings record to time of death.

- (b) When no spouse benefit is payable, the dependent children under age 18 (age 23 if they are full-time students) each receive an equal share of 60% of an age & service allowance computed based upon the deceased member's service & earnings record to time of death.
- (c) If the death is determined to be duty related, the 5 year service requirement is waived and the benefit is based on years of credited service the member would have completed had the member continued in LAGERS-covered employment to age 60.

Benefit Changes after Retirement. Section 70.655. There is an annual redetermination of the monthly benefit amount, beginning the October first following 12 months of retirement. As of each October first the amount of each eligible benefit is redetermined as follows:

- (a) Subject to the maximum in (b), the redetermined amount is the current amount increased by a percentage determined by the LAGERS Board of Trustees. The aggregate increase to all retirees is limited to 4% annually.
- (b) The redetermined amount may not exceed the amount otherwise payable multiplied by the ratio of the Consumer Price Index for the immediately preceding month of June to the Consumer Price Index for the month of June immediately preceding retirement.

Member Contributions. Sections 70.690 & 70.705. Each member contributes a percent of compensation beginning after completion of sufficient employment for 6 months of credited service. The law governing LAGERS has a provision for the adoption of a 2%, 4% or 6% member contribution rate.

If a member leaves LAGERS-covered employment before an allowance is payable, the accumulated contributions may be refunded to the member. If the member dies, his accumulated contributions may be refunded to a designated beneficiary.

The law governing LAGERS also has a provision for the adoption of a 0% plan in which the full cost of LAGERS participation is paid by the employer. Adoption of the 0% plan may be done at the time of membership or a later date; however, a change in the member contribution rate may not be made more frequently than every 2 years. Under the 0% plan there is no individual account maintained for each employee and no refund of contributions if an employee terminates before being eligible for a benefit.

Employer Contributions. Section 70.730. Each employer contributes the remainder amounts necessary to finance the employees' participation in LAGERS. Contributions to LAGERS are determined based upon level-percent-of-payroll principles, so that contribution rates do not have to increase over decades of time.

Benefit Provisions Specific to this Employer. The LAGERS provisions reflected in the actuarial valuation are indicated on the cover letter page, unless otherwise noted.



There were 1,262 retirees and beneficiaries with total annual benefits of \$35,724,729 reported as of February 29, 2024.

The City of Independence

Retirees and Beneficiaries Added to and Removed from Rolls Comparative Schedule

Valuation Date	Added to Rolls *		Removed from Rolls		Year End	
	Number	Annual Benefits	Number	Annual Benefits	Number	Annual Benefits #
2/28/2019	72	\$2,410,234	42	\$593,563	1,121	\$25,532,216
2/29/2020	58	2,068,263	31	690,975	1,148	26,909,504
2/28/2021	62	1,812,983	40	679,347	1,170	28,043,139
2/28/2022	68	2,954,200	44	758,182	1,194	30,239,157
2/28/2023	67	3,339,669	31	647,093	1,230	32,931,733
2/29/2024	72	3,591,534	40	798,538	1,262	35,724,729

* Includes post-retirement adjustments.

Dollar amounts will not always add up, due to rounding.

Benefits to retirees and beneficiaries are paid out of the Benefit Reserve Fund, which is a pooled fund over all employers. When a member retires, employer and member assets are transferred to the pooled Benefit Reserve Fund in order to pay the lifetime benefits to the retiring member. Therefore, the economic and demographic experience associated with the retiree and beneficiary population is shared amongst all LAGERS participating employers. In general, this experience does not affect a particular employer's computed employer contribution each year. However, it may be useful to note the liabilities associated with the above retirees and beneficiaries. The present value of future benefits associated with the above retirees and beneficiaries is \$415,222,024 as of February 29, 2024.

The City of Independence

Retirees and Beneficiaries on Rolls as of February 29, 2024 By Disbursing Fund and Type of Benefit Being Paid

Type of Benefit	Number	Annual Benefits #
Service Early & Deferred		
Life Option	402	\$11,479,158
Option A	262	7,645,560
Option B	241	8,799,053
Option C	67	1,303,203
Beneficiary Receiving	126	1,959,472
Totals	1,098	31,186,446
Duty Disability		
Life Option	39	1,538,357
Option A	14	544,202
Option B	14	576,548
Option C	3	87,078
Totals	70	2,746,185
Non-Duty Disability		
Life Option	20	532,858
Option A	9	209,209
Option B	11	252,870
Option C	2	18,472
Totals	42	1,013,410
Beneficiary receiving	17	314,874
Total Disability	129	4,074,469
Death-In-Service		
Spouse Receiving	35	463,814
Children Receiving		
Totals	35	463,814
Totals	1,262	\$35,724,729

Dollar amounts will not always add up, due to rounding.

The City of Independence

Active and Vested Former Members as of February 29, 2024

Division	Active Members					Number of Vested Former Members
	Number	Annual Payroll	Averages *			
			Annual Pay	Age	Service	
General	568	\$44,405,464	\$78,179	44.7 yrs.	10.0 yrs.	239
Police	191	17,152,238	89,802	39.3	11.3	47
Fire	173	15,447,310	89,291	39.6	11.9	12
Public Safety	24	1,714,992	71,458	35.2	7.2	14

** These items are included for their general interest, but are not used in the valuation.*

A vested former member is a person who terminated employment after 5 or more years of LAGERS service, with rights to a deferred benefit commencing at age 60 (age 55 for police, fire or public safety members). Former members who terminated with this employer and now work for another LAGERS-covered employer are also included in the above right-most column.

Meaning of Actuarial Accrued Liabilities

“Actuarial Accrued Liabilities” are the present value \$ of plan promises to pay benefits in the future allocated to service already rendered --- a liability has been established (“accrued”) because the service has been rendered, but the resulting monthly cash benefit may not be payable until years in the future. Accrued liability \$ are the result of complex mathematical calculations, which are made by the plan’s actuary (which is the name given to the specialist who makes such calculations).

The assets credited to your account in the Employer Accumulation Fund and the Members Deposit Fund were reported to the actuary on a market value basis. For actuarial valuation purposes, the actuary adjusted the reported market value of assets to a market-related value (“actuarial value of assets”). Actuarial Value of Assets are based on market value, but with a 5-year smoothing of the difference between projected investment return, based on the actuarial assumption, and actual market to market returns. The actuarial value of assets is not permitted to deviate from market value by more than 20%. The system-wide derivation of the actuarial value of assets is shown in the Compiled Annual Actuarial Valuation Report. The funding value adjustment factor is applied to the reported value of assets of each employer. The funding value adjustment factor serves two purposes:

- It incorporates the balance in the Income-Expense Fund for actuarial valuation purposes, since it is not allocated until June 30; and
- It converts the reported value of assets to the actuarial value of assets.

“Unfunded Accrued Liabilities” are the difference between the accrued liabilities and the assets on hand. Unfunded accrued liabilities were amortized over a period of future years.

The City of Independence

Employer Accumulation Fund (EAF) and Members Deposit Fund (MDF) Actuarial Accrued Liabilities and Actuarial Value of Assets as of February 29, 2024

Division	Accrued Liabilities (1)	Reported Assets (Market Value)			Actuarial Value of Assets (5)	Unfunded Accrued Liabilities (6)=(1)-(5)
		EAF (2)	MDF (3)	Total (4)=(2)+(3)		
General	\$120,987,252	\$38,094,744	\$15,246,265	\$53,341,009	\$55,752,023	\$65,235,229
Police	59,174,285	5,831,084	5,488,767	11,319,851	11,831,508	47,342,777
Fire	48,032,738	25,058,059	4,870,780	29,928,839	31,281,623	16,751,115
Public Safety	3,220,440	780,497	415,024	1,195,521	1,249,559	1,970,881

The City of Independence

Employer Contributions to the Retirement System for the Fiscal Year Beginning July 1, 2025

Division	Employer Contributions Expressed as %'s of Active Member Payroll			
	Normal Cost Rate	Casualty Rate	Prior Service Cost Rate	Total Employer Contribution Rate
General	8.1%	0.5%	16.1%	24.7%
Police	8.2	0.8	16.5	25.5
Fire	10.6	1.0	11.3	22.9
Public Safety	8.3	0.5	11.8	20.6

The normal cost rate was determined by financing each member's retirement benefits over the period from the member's date of hire until the member's projected date of retirement (entry age actuarial cost method). The normal cost rate is credited to the employer's account in the Employer Accumulation Fund.

The casualty rate represents the value of disability benefits and duty death-in-service benefits in excess of members' accrued normal cost, and was determined System-wide using a modified terminal funding method. The casualty rate is credited to the System-wide pooled Casualty Reserve Fund.

The prior service cost rate is computed by financing the unfunded accrued liabilities over a period or periods of future years. If the prior service cost rate is negative, it is used to partially offset the normal cost rate. The prior service cost rate is credited to the employer's account in the Employer Accumulation Fund.

Under Section 70.730 of the Revised Statutes of Missouri, the computed employer contribution rate shall not exceed the contribution rate for the immediately preceding fiscal year by more than one percent (not including the effects of any benefit changes). The contribution rates shown above reflect the one percent maximum increase, if applicable. **The uncapped employer contribution rate for the General division was computed to be 27.4%. The uncapped employer contribution rate for the Police division was computed to be 44.7%. The uncapped employer contribution rate for the Fire division was computed to be 23.7%. The uncapped employer contribution rate for the Public Safety division was computed to be 21.4%.**

The capped employer contribution rate is expected to increase each year by no more than one percent of active member payroll until reaching the uncapped employer contribution rate. However, the uncapped employer contribution rate may also increase due to actuarial losses and lower than expected contributions (i.e., capped rate vs. uncapped rate). Additional contributions should be considered to accelerate funding and reduce the period of time the employer contribution rate is capped. Please contact LAGERS for more information.

The City of Independence General Division

Employer Contributions – Comparative Schedule

Valuation Date	Active Members					Vested Former Members	Employer Contribution Rate
		Annual Payroll	Averages *				
			Annual Pay	Age	Service		
2/28/2019	603	\$44,315,369	\$73,491	45.7 yrs.	11.6 yrs.	152	19.3%
2/29/2020	598	43,807,496	73,257	45.7	11.1	163	20.3
2/28/2021	592	43,215,525	72,999	45.5	11.2	170	21.3
2/28/2022	566	41,035,189	72,500	45.4	10.9	199	22.3
2/28/2023	589	44,589,057	75,703	45.0	10.4	220	23.3
2/29/2024	568	44,405,464	78,179	44.7	10.0	239	24.7

* These items are included for their general interest, but are not used in the valuation.

Accrued Liabilities and Assets - Comparative Schedule

Valuation Date	Accrued Liabilities	Actuarial Value of Assets	Funded Percent	Unfunded Accrued Liabilities	
				Dollar Amount	Percent of Annual Payroll
2/28/2019	\$124,251,046	\$58,154,702	46.8%	\$66,096,344	149.1%
2/29/2020	119,796,141	51,218,985	42.8	68,577,156	156.5
2/28/2021	118,216,916	52,481,641	44.4	65,735,275	152.1
2/28/2022	113,891,309	49,701,101	43.6	64,190,208	156.4
2/28/2023	120,282,711	54,476,762	45.3	65,805,949	147.6
2/29/2024	120,987,252	55,752,023	46.1	65,235,229	146.9

Amortization of Unfunded Accrued Liabilities as of February 29, 2024

Amortization Period #	Remaining Unamortized Liability	Amortization Payment	Amortization Period #	Remaining Unamortized Liability	Amortization Payment
5	\$9,780,907	\$2,190,327	8	\$1,568,401	\$232,655
7	9,291,979	1,545,252	7	6,351,543	1,056,259
15	25,677,218	2,315,482	6	(3,514,602)	(668,804)
15	4,190,148	377,853			
14	4,475,805	424,604			
13	1,025,431	102,849			
12	(716,549)	(76,426)			
11	3,568,227	407,490			
10	1,686,098	207,856			
9	1,850,623	248,724			
Total				\$65,235,229	\$8,364,121

The periods shown reflect the remaining amortization periods for: (i) the employer's initial liability and subsequent actuarial gains and losses; and (ii) benefit changes adopted by the employer.



The City of Independence Police Division

Employer Contributions – Comparative Schedule

Valuation Date	Active Members					Vested Former Members	Employer Contribution Rate
	Number	Annual Payroll	Averages *				
			Annual Pay	Age	Service		
2/28/2019	199	\$15,230,541	\$76,535	40.7 yrs.	12.9 yrs.	35	20.5%
2/29/2020	198	15,317,738	77,362	41.3	13.6	37	21.5
2/28/2021	182	14,743,761	81,010	42.1	14.4	45	22.5
2/28/2022	186	16,057,468	86,330	41.8	14.1	47	23.5
2/28/2023	183	16,197,497	88,511	40.6	12.7	45	24.5
2/29/2024	191	17,152,238	89,802	39.3	11.3	47	25.5

* These items are included for their general interest, but are not used in the valuation.

Accrued Liabilities and Assets - Comparative Schedule

Valuation Date	Accrued Liabilities	Actuarial Value of Assets	Funded Percent	Unfunded Accrued Liabilities	
				Dollar Amount	Percent of Annual Payroll
2/28/2019	\$53,196,830	\$19,602,461	36.8%	\$33,594,369	220.6%
2/29/2020	56,800,270	23,216,431	40.9	33,583,839	219.2
2/28/2021	58,728,104	23,639,401	40.3	35,088,703	238.0
2/28/2022	63,317,697	24,520,305	38.7	38,797,392	241.6
2/28/2023	60,062,252	17,628,688	29.4	42,433,564	262.0
2/29/2024	59,174,285	11,831,508	20.0	47,342,777	276.0

Amortization of Unfunded Accrued Liabilities as of February 29, 2024

Amortization Period #	Remaining Unamortized Liability	Amortization Payment	Amortization Period #	Remaining Unamortized Liability	Amortization Payment
5	\$8,612,043	\$1,928,573	8	\$2,107,044	\$312,556
7	2,818,737	468,755	7	942,864	156,798
15	6,751,534	608,830	6	(235,484)	(44,811)
15	7,429,863	669,999			
14	5,609,138	532,119			
13	5,174,172	518,962			
12	2,609,613	278,338			
11	981,834	112,125			
10	2,636,141	324,973			
9	1,905,278	256,069			
Total				\$47,342,777	\$6,123,286

The periods shown reflect the remaining amortization periods for: (i) the employer's initial liability and subsequent actuarial gains and losses; and (ii) benefit changes adopted by the employer.



The City of Independence Fire Division

Employer Contributions – Comparative Schedule

Valuation Date	Active Members					Vested Former Members	Employer Contribution Rate
		Annual Payroll	Averages *				
			Annual Pay	Age	Service		
2/28/2019	167	\$12,706,459	\$76,087	41.2 yrs.	12.9 yrs.	9	19.7%
2/29/2020	166	13,050,285	78,616	41.2	13.0	10	20.3
2/28/2021	167	13,752,138	82,348	41.1	12.9	11	21.1
2/28/2022	162	14,286,438	88,188	41.6	13.4	12	21.1
2/28/2023	172	14,677,046	85,332	40.7	12.6	11	21.9
2/29/2024	173	15,447,310	89,291	39.6	11.9	12	22.9

* These items are included for their general interest, but are not used in the valuation.

Accrued Liabilities and Assets - Comparative Schedule

Valuation Date	Accrued Liabilities	Actuarial Value of Assets	Funded Percent	Unfunded Accrued Liabilities	
				Dollar Amount	Percent of Annual Payroll
2/28/2019	\$39,971,577	\$27,843,316	69.7%	\$12,128,261	95.4%
2/29/2020	41,255,769	28,681,707	69.5	12,574,062	96.4
2/28/2021	44,892,851	31,658,986	70.5	13,233,865	96.2
2/28/2022	47,745,041	34,644,830	72.6	13,100,211	91.7
2/28/2023	47,264,658	33,649,541	71.2	13,615,117	92.8
2/29/2024	48,032,738	31,281,623	65.1	16,751,115	108.4

Amortization of Unfunded Accrued Liabilities as of February 29, 2024

Amortization Period #	Remaining Unamortized Liability	Amortization Payment	Amortization Period #	Remaining Unamortized Liability	Amortization Payment
5	\$1,435,594	\$321,486	8	(\$256,801)	(\$38,094)
7	2,130,754	354,343	7	1,336,623	222,280
15	5,705,881	514,536	6	(1,814,463)	(345,280)
15	3,725,045	335,912			
14	983,800	93,330			
13	271,177	27,199			
12	872,434	93,053			
11	593,550	67,783			
10	1,499,074	184,800			
9	268,447	36,079			
Total				\$16,751,115	\$1,867,427

The periods shown reflect the remaining amortization periods for: (i) the employer's initial liability and subsequent actuarial gains and losses; and (ii) benefit changes adopted by the employer.



The City of Independence Public Safety

Employer Contributions – Comparative Schedule

Valuation Date	Active Members					Vested Former Members	Employer Contribution Rate
	Number	Annual Payroll	Averages *				
			Annual Pay	Age	Service		
2/29/2024	24	\$1,714,992	\$71,458	35.2 yrs.	7.2 yrs.	14	20.6%

* These items are included for their general interest, but are not used in the valuation.

Accrued Liabilities and Assets - Comparative Schedule

Valuation Date	Accrued Liabilities	Actuarial Value of Assets	Funded Percent	Unfunded Accrued Liabilities	
				Dollar Amount	Percent of Annual Payroll
2/29/2024	\$3,220,440	\$1,249,559	38.8%	\$1,970,881	114.9%

Amortization of Unfunded Accrued Liabilities as of February 29, 2024

Amortization Period #	Remaining Unamortized Liability	Amortization Payment	Amortization Period #	Remaining Unamortized Liability	Amortization Payment
5	\$166,728	\$37,337	9	\$36,347	\$4,885
7	182,498	30,349	8	30,804	4,569
15	504,310	45,477	7	124,747	20,745
19	453,076	34,657	6	(69,028)	(13,136)
15	344,229	31,041			
14	87,906	8,339			
13	20,140	2,020			
12	(14,073)	(1,501)			
11	70,081	8,003			
10	33,116	4,082			
			Total	\$1,970,881	\$216,867

The periods shown reflect the remaining amortization periods for: (i) the employer's initial liability and subsequent actuarial gains and losses; and (ii) benefit changes adopted by the employer.



Risk Commentary

Determination of the accrued liability, the employer contribution, and the funded percent requires the use of assumptions regarding future economic and demographic experience. Risk measures, as illustrated in this report, are intended to aid in the understanding of the effects of future experience differing from the assumptions used in the course of the actuarial valuation. Risk measures may also help with illustrating the potential volatility in actuarial measurements that results from the differences between actual experience and the actuarial assumptions.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions due to changing conditions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period, or additional cost or contribution requirements based on the Plan's funded status); and changes in plan provisions or applicable law. The scope of an actuarial valuation does not include an analysis of the potential range of such future measurements.

Examples of risk that may reasonably be anticipated to significantly affect the plan's future financial condition include:

- (1) **Investment Risk** – The risk that actual investment returns may differ from the expected investment returns.
- (2) **Contribution Risk** – Under Section 70.730 of the Revised Statutes of Missouri, the computed employer contribution rate shall not exceed the contribution rate for the immediately preceding fiscal year by more than one percent (not including the effects of any benefit changes). Contribution risk is the risk that a group's uncapped computed employer contribution rate may be significantly greater than the capped employer contribution rate.
- (3) **Group Size Risk** – Generally speaking, the fewer active members in a valuation group, the more potential for volatility in the actuarial measurements for that group. Presented below are a couple of examples to illustrate this risk:
 - a. Payroll – If a valuation group has a prior service cost rate and the valuation group's payroll declined by 50% from one valuation to the next (e.g., 2 active members went down to 1 active member), the valuation group's prior service cost rate could double.
 - b. Actuarial Gains/Losses – Actuarial gains and losses will generally be a larger percentage of the total actuarial accrued liability for a smaller valuation group than a larger valuation group. This could lead to more volatility in the computed employer contribution rate and funded percent.

Risk Metrics

Risks facing a pension plan evolve over time. A plan with virtually no assets may experience little investment risk. A plan with a significant asset balance may be much more exposed to investment risk. A couple of generally accepted risk metrics follow:

	General	Police	Fire	Public Safety
1. Ratio of the actuarial value of assets to total payroll	1.3	0.7	2.0	0.7
2. Ratio of actuarial liabilities to payroll	2.7	3.4	3.1	1.9

RATIO OF THE ACTUARIAL VALUE OF ASSETS TO TOTAL PAYROLL

The relationship between assets and payroll is a useful indicator of the potential volatility of computed employer contributions. For example, if the actuarial value of assets is 2.0 times the payroll, a return on the actuarial value of assets 5% different than assumed would equal 10% of payroll. A higher (lower) or increasing (decreasing) level of this metric generally indicates a higher (lower) or increasing (decreasing) volatility in computed employer contributions as a percentage of payroll.

RATIO OF ACTUARIAL LIABILITIES TO PAYROLL

The relationship between actuarial liabilities and payroll is a useful indicator of the potential volatility of computed employer contributions for a fully funded plan (i.e., a funded percent of 100%). A funding policy that targets a funded ratio of 100% is expected to result in the ratio of actuarial value of assets to payroll and the ratio of actuarial liabilities to payroll converging over time.

Low-Default-Risk Obligation Measure

INTRODUCTION

In December 2021, the Actuarial Standards Board (ASB) adopted a revision to Actuarial Standard of Practice (ASOP) No. 4, *Measuring Pension Obligations and Determining Pension Plan Costs or Contributions*. The revised ASOP No. 4 requires the calculation and disclosure of a liability referred to by the ASOP as the “Low-Default-Risk Obligation Measure” (LDROM). The rationale that the ASB cited for the calculation and disclosure of the LDROM was included in the Transmittal Memorandum of ASOP No. 4 and is presented below (emphasis added):

“The ASB believes that the calculation and disclosure of this measure provides **appropriate, useful information for the intended user regarding the funded status of a pension plan**. The calculation and disclosure of this additional measure is **not intended to suggest that this is the “right” liability measure** for a pension plan. However, the ASB does believe that **this additional disclosure provides a more complete assessment of a plan’s funded status and provides additional information regarding the security of benefits that members have earned as of the measurement date.**”

COMPARING THE ACCRUED LIABILITIES AND THE LDROM

One of the fundamental financial objectives of LAGERS is to finance each member’s retirement benefits over the period from the member’s date of hire until the member’s projected date of retirement (entry age actuarial cost method) as a level percentage of payroll. To fulfill this objective, the discount rate that is used to value the accrued liabilities of LAGERS is set equal to the **expected return** on the System’s diversified portfolio of assets (referred to sometimes as the investment return assumption). For LAGERS, the investment return assumption is 7.0%.

The LDROM is meant to approximately represent the lump sum cost to a plan to purchase low-default-risk fixed income securities whose resulting cash flows essentially replicate in timing and amount the benefits earned (or the costs accrued) as of the measurement date. **The LDROM is very dependent upon market interest rates at the time of the LDROM measurement. The lower the market interest rates, the higher the LDROM, and vice versa.** The LDROM results presented in this report are based on the projected unit credit actuarial cost method and discount rates based upon the February 2024 Treasury Yield Curve Spot Rates (monthly average). The 1-, 5-, 10- and 30-year rates follow: 4.94%, 4.22%, 4.14% and 4.40%.

Some ways in which the LDROM can assist the LAGERS Board of Trustees and participating employers in a decision-making process include:

- (1) It provides information to potentially allow for better risk management for LAGERS.
- (2) It places the appropriateness of potential employer contribution rate reductions or benefit enhancements in a better context.
- (3) It provides more complete information regarding the benefit security of the membership’s benefits earned as of the measurement date.

Given the structure of LAGERS, bullet (2) most likely has the greatest decision useful aspect for employers. For example, given the importance of benefit security to any retirement system, an employer may wish to consider the difference between the LDROM and the valuation accrued liabilities in determining if additional contributions to LAGERS in excess of those presented in this report are reasonable.



Low-Default-Risk Obligation Measure

Accrued Liabilities and LDROM

General Division

Benefits Financed by Type of Fund	Valuation Accrued Liabilities	LDROM
EAF and MDF	\$120,987,252	\$167,765,176
CRF	1,282,947	2,244,315
BRF	237,601,298	301,321,351

Police Division

Benefits Financed by Type of Fund	Valuation Accrued Liabilities	LDROM
EAF and MDF	\$59,174,285	\$83,102,416
CRF	688,689	1,362,896
BRF	97,414,600	127,312,977

Fire Division

Benefits Financed by Type of Fund	Valuation Accrued Liabilities	LDROM
EAF and MDF	\$48,032,738	\$70,158,561
CRF	1,015,467	2,354,232
BRF	80,206,126	104,057,165

Public Safety Division

Benefits Financed by Type of Fund	Valuation Accrued Liabilities	LDROM
EAF and MDF	\$3,220,440	\$4,654,386
CRF	23,102	43,338
BRF	0	0

APPENDIX G

ACTUARIAL REPORT OF LEWIS & ELLIS INC.

CITY OF INDEPENDENCE

POSTRETIREMENT HEALTH INSURANCE FINANCIAL INFORMATION

UNDER GASB 75

**FISCAL YEAR ENDING
JUNE 30, 2024**



LEWIS & ELLIS
Actuaries and Consultants

**6550 Sprint Parkway, Suite 200
Overland Park, KS 66211**

October 2024



LEWIS & ELLIS
Actuaries and Consultants

6550 Sprint Parkway
Suite 200
Overland Park, KS 66211
(913) 491-3388
LewisEllis.com

October 19, 2024

City of Independence
Nancy Cooper
Assistant Director of Finance
111 East Maple
Independence, MO 64050

Dear Nancy:

This report presents actuarial information in accordance with Governmental Accounting Standards Board Statement No. 75 (“GASB 75” or “GASB”) regarding the health insurance benefits available to retirees of the City of Independence (“City”). The purpose of this report is to:

- Present information that provides a basis for financial statement disclosure and liability recognition as of June 30, 2024; and
- Determine the OPEB Expense for fiscal year 2023-24.

The valuation has been conducted in accordance with pertinent actuarial standards, along with generally accepted actuarial principles and practices. Employee data, claim experience, and plan information were furnished by the City and its vendors. The data provided has been reviewed for reasonableness, but no attempt has been made to audit such information. The valuation is based on the benefit terms as of the measurement date of June 30th. Each actuarial assumption used in this valuation represents reasonable expectations of future experience under the postretirement insurance program.

The undersigned is a member of the Society of Actuaries and the American Academy of Actuaries and meets the qualification standards to render the actuarial information contained herein.

Respectfully submitted,

LEWIS & ELLIS, LLC

Patrick Glenn, ASA, ACAS, MAAA, CPA (inactive)
Vice President & Principal

TABLE OF CONTENTS

	PAGE
SUMMARY.....	1
VALUATION RESULTS.....	3
FINANCIAL & DISCLOSURE INFORMATION.....	4
ACCOUNTING ENTRIES.....	10
RESULTS BY ACCOUNTING FUND.....	11
SUMMARY OF PARTICIPANT DATA.....	13
SUMMARY OF PLAN PROVISIONS.....	16
COST ANALYSIS BY AGE	21
ACTUARIAL ASSUMPTIONS	22
ACTUARIAL METHODS	27
GLOSSARY.....	29

SUMMARY

The valuation procedures and information presented in this report are based on provisions underlying GASB 75. GASB stipulates that retiree benefits should be measured using age-adjusted costs.

The City adopted GASB 75 in fiscal year (“FY”) 2017-18. The present value of benefits allocated to past service represents the actuarial accrued liability (“AAL”). The amount of AAL less any OPEB trust assets is recognized as the booked liability known as the Net OPEB Liability. The amount of OPEB Expense is measured as the change in the Net OPEB Liability with deferral and amortization of specified items. When an OPEB trust does not apply, GASB 75 requires the discount rate be determined based on a yield or index rate as of the measurement date for 20-year, tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

VALUATION PROCEDURES

The measurement date as selected by the City under GASB 75 Standards is June 30th.

The financial information for FY 2023-24 beginning and end of year measurement is based upon actuarial valuations performed as of January 1, 2023 and January 1, 2024, respectively. The results of the valuations were projected to the corresponding measurement date using standard actuarial techniques and applying reasonable assumptions. Benefit terms as of the applicable measurement date were valued.

SUBSTANTIVE PLAN

The City of Independence sponsors postretirement medical, prescription drug and vision coverage. The benefit plan options offered by the City collectively operate as a single-employer defined benefit healthcare plan. Four Medical / Rx plan options, Open Access 1, Open Access 2, Local Plus and Base are available through the City’s group insurance program. Coverage is available for each of the lifetimes of retirees and their spouses upon payment of required contribution premiums. The City’s program is self-insured with stop-loss coverage for large claims. Pre-Medicare retirees hired prior to July 1, 2018 are charged 20% of plan premium irrespective of the date of retirement.

Effective January 1, 2020, the Medicare eligible retirees are covered under a fully-insured, stand-alone program. Four Medical plans, one Pharmacy plan and one Vision plan will be available. The City will contribute 80% of the premium cost for the Medical-Custom plan, Pharmacy plan and the Vision plan. Retirees are responsible for the balance of the premium cost.

Employees hired after July 1, 2018 must contribute 100% of plan premium costs to maintain coverage during retirement.

A separate Dental plan applies to retirees with retirees charged the full plan rate. The premium for Vision coverage, not part of a Medicare plan, is fully charged to retirees.

SUMMARY (CONTINUED)

FUNDING OF BENEFITS

Costs under the health insurance program are paid from pooled investments. This arrangement does not qualify as an “OPEB Plan” under GASB requirements and thus these assets may not be reported as an offset to GASB liabilities.

The average of the S&P Municipal Bond 20 Year High Grade and Fidelity GO AA-20 Year published yields was evaluated to determine the discount rate. The selected rates are 4.0% (beginning-of-year measurement) and 4.1% (end-of-year measurement).

RESULTS

The present value costs may differ from expected due to experience gains / losses and changes in plan provisions, assumptions and/or actuarial methods. Example sources of experience gains may include lower retirements than assumed and lower medical inflation than assumed. Example sources of experience losses may include lower turnover than assumed and less increase in retiree contribution premiums than assumed.

Changes and items of impact relative to the prior valuation are noted below:

- The discount rate changed from 4.0% to 4.1%.
- The census was updated from January 1, 2023 to January 1, 2024.
- The assumed proportion of future pre 65 retirees with covered children was increased from 20% to 25%.
- The assumed proportion of future retiring employees with a covered spouses was decreased from 65% to 60%.
- The retiree contribution premiums, projected per capita costs and trend assumptions were updated as part of the evaluation. The January 1, 2024 renewal was taken into account.

The expected Employer Contributions for fiscal year 2024-25, based on the January 1, 2024 valuation, is \$7,948,000. This is net of Rx rebates and retiree contribution premiums.

VALUATION RESULTS

June 30, 2023 Measurement Date

Actuarial Present Value of Benefits	211,876,168
Actuarial Accrued Liability	175,743,038
Service Cost	3,138,148
Discount Rate	4.0%

June 30, 2024 Measurement Date

Actuarial Present Value of Benefits	206,427,563
Actuarial Accrued Liability	172,361,057
Discount Rate	4.1%

Employer Contributions for 2023-24 Measurement Period *

July 1, 2023 to June 30, 2024

A. Retiree Claims / Premiums and Fixed Costs (Net of Rx Rebates)	9,807,000
B. Retiree Premium Contributions	2,403,000
C. Employer Contributions – Benefit Payments (A – B)	<u>7,404,000</u>

* Based on actual and expected

FINANCIAL & DISCLOSURE INFORMATION

A. Valuation Parameters

	Fiscal Year 2023-24	
	Beginning of Year	End of Year
Valuation Date	January 1, 2023	January 1, 2024
Measurement Date	June 30, 2023	June 30, 2024
Reporting Date	June 30, 2023	June 30, 2024
Discount Rate	4.0%	4.1%

B. Net OPEB Liability – FY 2023-24

I. Total OPEB Liability	172,361,057
II. Plan Fiduciary Net Position (Trust Assets)	0
III. Net OPEB Liability (I minus II)	<u>172,361,057</u>

C. OPEB Liability Changes during FY 2023-24

OPEB Liability – Beginning of Year	175,743,038
1. Service Cost	3,138,148
2. Interest Cost	7,007,167
3. Changes in Benefit Terms	0
4. Differences between actual and expected experience	(205,918)
5. Changes in assumptions and inputs	(5,917,378)
6. Employer Contributions (Benefit Payments)	7,404,000
Net Changes (1 + 2 + 3 + 4 + 5 – 6)	<u>(3,381,981)</u>
OPEB Liability – End of Year	<u>172,361,057</u>

FINANCIAL & DISCLOSURE INFORMATION (CONTINUED)

D. OPEB Expense – FY 2023-24

1. Service Cost	3,138,148
2. Interest Cost	7,007,167
3. Changes in Benefit Terms	0
4. Differences between expected and actual experience	272,499
5. Changes of assumptions and inputs	(3,659,509)
6. Projected earnings on OPEB plan investments	0
7. Differences between projected & actual earnings on OPEB investments	0
OPEB Expense / (Income) (1 + 2 + 3 + 4 + 5 – 6 + 7)	<u>6,758,305</u>

E. Net OPEB Liability as a Percentage of Payroll

Net OPEB Liability	172,361,057
Payroll *	62,284,231
Percent of Payroll	276.73%

**Annualized pay as of January 1, 2024 of active employees not waiving coverage*

F. Sensitivity of Net OPEB Liability to changes in the Discount Rate

	1% Decrease 3.1%	Current Single Discount Rate Assumption 4.1%	1% Increase 5.1%
Net OPEB Liability	197,453,435	172,361,057	151,968,220
Increase / (Decrease) from Baseline	25,092,378		(20,392,837)

G. Sensitivity of Net OPEB Liability to changes in Healthcare Cost Trend Rate

	1% Decrease	Current Trend Assumption	1% Increase
Net OPEB Liability	149,665,019	172,361,057	200,855,535
Increase / (Decrease) from Baseline	(22,696,038)		28,494,478

FINANCIAL & DISCLOSURE INFORMATION (CONTINUED)

H. Deferred Outflows and Inflows of Resources

The accumulated amount of Deferred Outflows and Inflows of Resources as of June 30, 2024 are shown below.

Category	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	9,040,386	24,600,472
Differences between expected and actual experience	2,468,411	4,470,506
Contributions Subsequent to Measurement Date (1)	-	-

(1) Expected Employer Contributions between Measurement date and Reporting date – Does Not Apply.

Amounts reported as deferred outflows / inflows of resources related to OPEB will be recognized as an expense / (income) item in OPEB expense as follows:

<u>Fiscal Year Ending</u>	<u>Amount</u>
2025	(5,737,454)
2026	(9,544,534)
2027	(1,055,537)
2028	(1,224,656)
2029	0
2030 & Thereafter	0

I. Changes in Benefit Terms

None

FINANCIAL & DISCLOSURE INFORMATION (CONTINUED)

J. History of Schedule of Changes in Total OPEB Liability

Fiscal Year Ending	2018	2019	2020	2021	2022	2023	2024
Discount Rate	3.30%	3.00%	2.60%	2.00%	3.90%	4.00%	4.10%
Valuation Date	Jan 1, 2018	Jan 1, 2018	Jan 1, 2020	Jan 1, 2021	Jan 1, 2022	Jan 1, 2023	Jan 1, 2024
Measurement Date	Jun 30, 2018	Jun 30, 2019	Jun 30, 2020	Jun 30, 2021	Jun 30, 2022	Jun 30, 2023	Jun 30, 2024
Reporting Date	Jun 30, 2018	Jun 30, 2019	Jun 30, 2020	Jun 30, 2021	Jun 30, 2022	Jun 30, 2023	Jun 30, 2024
Total OPEB Liability							
Beginning of Year	273,860,094	285,358,661	187,603,148	204,525,153	236,333,592	179,981,116	175,743,038
Service Cost	6,933,082	7,279,911	5,117,074	5,402,186	5,856,465	3,493,312	3,138,148
Interest Cost	9,284,832	9,525,419	5,675,902	5,359,428	4,762,281	6,984,546	7,007,167
Change in Benefit Terms	0	(117,967,934)	(64,032)	0	(3,357,040)	(6,794,555)	0
Expected versus actual	0	8,495,479	(2,415,214)	9,050,839	(5,795,760)	(2,946,506)	(205,918)
Changes in assumptions	2,548,653	2,890,612	15,655,275	19,586,986	(49,666,422)	3,792,125	(5,917,378)
Net Benefit Payments	(7,268,000)	(7,979,000)	(7,047,000)	(7,591,000)	(8,152,000)	(8,767,000)	(7,404,000)
Net Changes	11,498,567	(97,755,513)	16,922,005	31,808,439	(56,352,476)	(4,238,078)	(3,381,981)
End of Year	285,358,661	187,603,148	204,525,153	236,333,592	179,981,116	175,743,038	172,361,057
Covered Employee Payroll	62,007,715	62,360,911	61,654,203	61,410,210	60,254,051	61,966,777	62,284,231
Net OPEB Liability as a % of Covered Employee Payroll	460.20%	300.83%	331.73%	384.84%	298.70%	283.61%	276.73%

FINANCIAL & DISCLOSURE INFORMATION (CONTINUED)

K. Amortization of Deferred (Inflows) / Outflows

Item	Initial Year Ending	Amortization Period	Initial Balance	Beginning of Year Unamortized Balance	Amortization Amount FY 2023-24	End of Year Unamortized Balance
1-Assumption	2018	5.52	2,548,653	0	0	0
2-Assumption	2019	5.56	2,890,612	291,142	291,142	0
3-Assumption	2020	5.50	15,655,275	4,269,619	2,846,414	1,423,205
4-Assumption	2021	5.50	19,586,986	8,903,176	3,561,270	5,341,906
5-Assumption	2022	5.00	(49,666,422)	(29,799,854)	(9,933,284)	(19,866,570)
6-Assumption	2023	5.00	3,792,125	3,033,700	758,425	2,275,275
7-Assumption	2024	5.00	(5,917,378)	(5,917,378)	(1,183,476)	(4,733,902)
Total Assumptions			(11,110,149)	(19,219,595)	(3,659,509)	(15,560,086)
8-Exp to Actual	2019	5.56	8,495,479	855,659	855,659	0
9-Exp to Actual	2020	5.50	(2,415,214)	(658,694)	(439,130)	(219,564)
10-Exp to Actual	2021	5.50	9,050,839	4,114,018	1,645,607	2,468,411
11-Exp to Actual	2022	5.00	(5,795,760)	(3,477,456)	(1,159,152)	(2,318,304)
12-Exp to Actual	2023	5.00	(2,946,506)	(2,357,205)	(589,301)	(1,767,904)
13-Exp to Actual	2024	5.00	(205,918)	(205,918)	(41,184)	(164,734)
Total Exp to Actual			6,182,920	(1,729,596)	272,499	(2,002,095)
Totals			(4,927,229)	(20,949,191)	(3,387,010)	(17,562,181)

FINANCIAL & DISCLOSURE INFORMATION (CONTINUED)

K. Amortization of Deferred (Inflows) / Outflows - Footnotes

1. Update discount rate.
2. Update discount rate, mortality improvement scale, enrollment rate, per capita costs, trend rates, retiree contribution premiums, disability rates and duty / non-duty disability rates.
3. Update discount rate, mortality, salary scale (3% to 2%), trend rates and retiree contribution premiums.
4. Update discount rate, trend rates, retiree contribution premiums, per capita costs and retirement / turnover / mortality / disability assumptions.
5. Update discount rate, salary scale (2% to 3.5%), per capita costs, contribution premiums, trend, and duty/non-duty percentages.
6. Update discount rate, trend, retiree participation when DOH < 7/1/2018, per capita costs and contribution premiums.
7. Revise trend, discount rate, per capita costs, contribution premiums, covered spouse rate, and percentage of pre65 retirees with covered children.
8. Value Jan 1, 2019 census using actuarial assumption and method parameters consistent with the prior valuation.
9. Value Jan 1, 2020 census using actuarial assumption and method parameters consistent with the prior valuation.
10. Value Jan 1, 2021 census using actuarial assumption and method parameters consistent with the prior valuation.
11. Value Jan 1, 2022 census using actuarial assumption and method parameters consistent with the prior valuation.
12. Value Jan 1, 2023 census using actuarial assumption and method parameters consistent with the prior valuation.
13. Value Jan 1, 2024 census using actuarial assumption and method parameters consistent with the prior valuation.

ACCOUNTING ENTRIES

Fiscal Year 2023-24

GASB 75 Accounting Entries	Debit	Credit
OPEB Expense	6,758,305	
Net OPEB Liability		6,758,305
To record Expense for FY 2024		
Net OPEB Liability	7,404,000	
Employee Benefits Expense		7,404,000
To record net benefits for FY 2024		
Deferred Inflows	11,956,133	
Net OPEB Liability		11,956,133
To record change in Deferred Inflows for FY 2024		
Net OPEB Liability	14,692,419	
Deferred Outflows		14,692,419
To record change in Deferred Outflows for FY 2024		

RESULTS BY ACCOUNTING FUND

Accounting Fund	Number of Employees	Number of Retirees / Surviving Spouses
Animal Services Use Tax Fund	7	0
Central Garage Fund	8	8
Community Dev Block Grant	2	0
Enterprise Resources Planning Fund	42	1
Fire Sales Tax Fund	20	0
General Fund	408	533
Grant Fund	12	0
Health Property Tax Levy Fund	7	11
Park Improvements Sales Tax Fund	24	2
Parks Property Tax Levy Fund	9	1
Police Use Tax Fund	19	0
Power & Light Fund	141	214
Sanitary Sewer Fund	52	50
Storm Water Sales Tax Fund	11	0
Street Improvements Sales Tax Fund	4	1
Tourism Fund	10	4
Water Fund	61	53
Totals	837	878

RESULTS BY ACCOUNTING FUND (CONTINUED)

Accounting Fund	Net OPEB Liability/(Asset) at 6-30-2023 (A)	2023-24 OPEB Expense / (Income) (B)	2023-24 Employer Contributions (C)	Change in Unamortized Deferred Inflows/Outflows (D)	Net OPEB Liability/(Asset) at 6-30-2024 (E)=(A)+(B)- (C)+(D)
Animal Services Use Tax Fund	3,701	3,801	0	(400)	7,102
Central Garage Fund	1,160,555	65,976	56,660	(61,085)	1,108,786
Community Dev Block Grant	446	(20,140)	0	20,109	415
Enterprise Resources Planning Fund	1,343,556	273,694	5,363	(91,612)	1,520,275
Fire Sales Tax Fund	406,776	251,913	0	257,536	916,225
General Fund	111,350,159	4,297,637	4,660,327	1,861,894	112,849,363
Grant Fund	773,495	186,126	0	(294,152)	665,469
Health Property Tax Levy Fund	1,654,655	160,687	62,605	(716,989)	1,035,748
Park Improvements Sales Tax Fund	1,056,057	(78,727)	30,355	30,580	977,555
Parks Property Tax Levy Fund	948,947	258,383	2,160	(388,714)	816,456
Police Use Tax Fund	384,776	142,296	0	87,636	614,708
Power & Light Fund	35,735,127	402,678	1,732,940	(2,209,562)	32,195,303
Sanitary Sewer Fund	9,526,476	429,156	441,239	(463,908)	9,050,485
Storm Water Sales Tax Fund	737,529	36,751	0	(9,244)	765,036
Street Improvements Sales Tax Fund	42,376	10,344	0	(11,421)	41,299
Tourism Fund	396,080	109,018	18,897	(35,131)	451,070
Water Fund	10,222,327	228,712	393,454	(711,823)	9,345,762
Totals	175,743,038	6,758,305	7,404,000	(2,736,286)	172,361,057

SUMMARY OF PARTICIPANT DATA

Data on Plan Participants was provided by the City of Independence. A summary of Participants is shown below for the current and prior valuation. (Active employees waiving coverage were not valued and are not included in the counts below.)

PARTICIPANT SUMMARY

Census as of

January 1, 2022 January 1, 2023

Active Employees

General Employees	529	522
Police & Fire	<u>316</u>	<u>315</u>
Total Count	<u>845</u>	<u>837</u>
Average Age – General Employees	45.0 years	44.5 years
Average Service – General Employees	10.3 years	9.9 years
Average Age – Police & Fire	40.4 years	39.3 years
Average Service – Police & Fire	12.8 years	11.5 years

Current Benefit Recipients

Retirees / Disableds / Surviving Spouses	863	878
Spouses of Covered Retirees / Disableds	<u>456</u>	<u>458</u>
Total Count	<u>1,319</u>	<u>1,336</u>
Average Attained Age – Subscribers	71.2 years	71.4 years

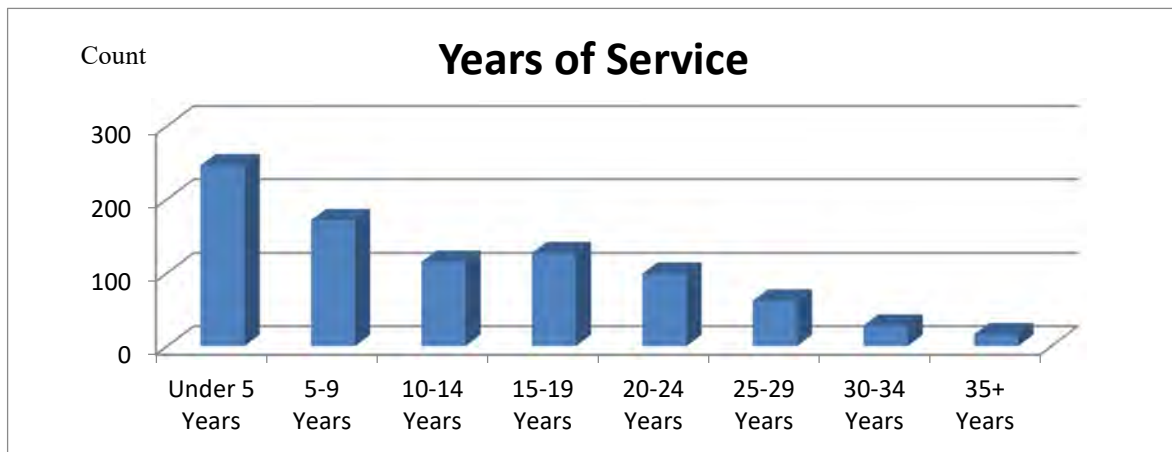
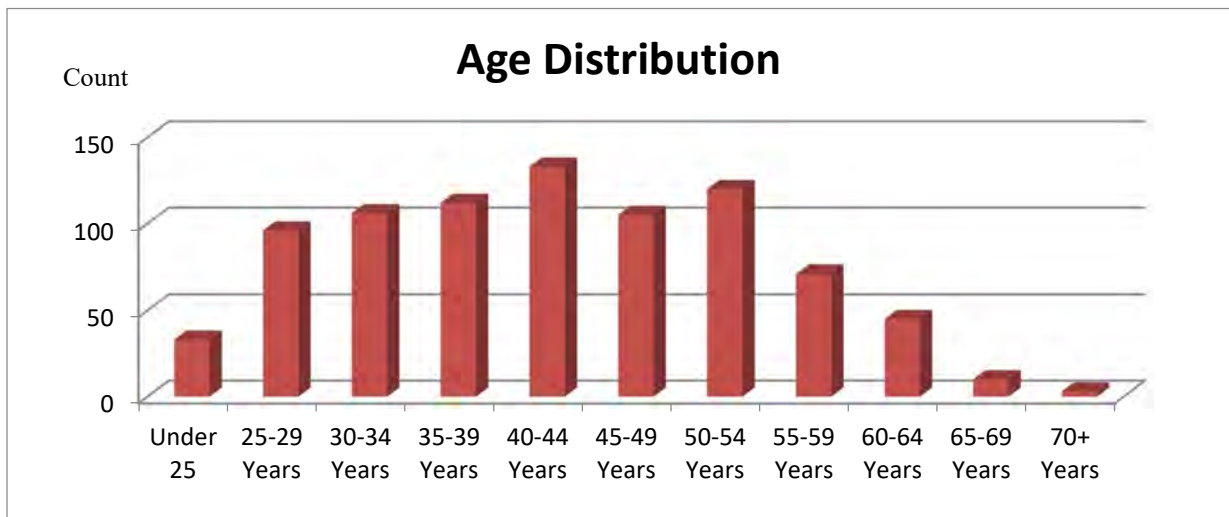
MEDICAL PLAN AS OF JANUARY 1, 2024 - SUBSCRIBERS

Medical Plan	Actives	Retirees	Total
OAP 1	221	135	356
OAP 2	293	40	333
Base Plan	72	1	73
Local Plus Plan	251	6	257
Medicare - Custom Plan	0	166	166
Medicare Advantage w/ Rx	0	42	42
Medicare - Plan F	0	260	260
Medicare - Plan G	0	228	228
Total	837	878	1,715

SUMMARY OF PARTICIPANT DATA (CONTINUED)

Distribution of Active Participants

Age	Years of Service as of January 1, 2024								Total
	Under 5	5-9	10-14	15-19	20-24	25-29	30-34	35+	
Under 25	32	1							33
25-29	71	24	1						96
30-34	61	34	11						106
35-39	38	42	19	12	1				112
40-44	29	30	25	35	14				133
45-49	18	16	17	20	17	17			105
50-54	15	13	15	22	19	32	4		120
55-59	11	8	9	15	9	11	5	4	72
60-64	6	6	12	5	4	7	1	4	45
65-69	3	3	1	1	1		1	2	12
70+	1			1	1				3
Totals	285	177	110	111	66	67	11	10	837



SUMMARY OF PARTICIPANT DATA (CONTINUED)

Distribution of Inactives

Age	Retirees / Surviving Spouses	Spouses of Retirees
≤55	41	50
56	11	9
57	8	9
58	12	11
59	19	10
60	14	14
61	14	15
62	17	22
63	23	10
64	36	27
65	35	14
66	23	22
67	44	20
68	41	19
69	44	10
70	43	14
71	30	16
72	30	22
73	34	20
74	39	23
75	21	15
76	36	12
77	34	6
78	25	12
79	24	10
80	24	15
81	24	11
82	26	5
83	14	5
84	18	1
85+	74	9
Totals	878	458
Average Age	71.4	67.2

SUMMARY OF PLAN PROVISIONS

The City of Independence provides for continuing medical and prescription insurance coverage to its retirees and their dependents. Below is a summary of the provisions of the healthcare program utilized in completing this valuation study.

OPEB ELIGIBILITY

Employees Hired Before January 1, 2009

	Retirement	Disability Retirement
General Employees	55 & 5	5 years of service
Public Safety	50 & 5	5 years of service

Employees Hired On or After January 1, 2009

	Retirement	Disability Retirement
General Employees	55 & 20	20 years of service *
Public Safety	50 & 20	20 years of service *

* Drops to 15 years of service if the employee goes on Duty Disability

Pension eligibility under the Missouri Local Government Employees Retirement System (LAGERS) is shown below for reference.

Category	Pension Eligibility	
	Unreduced Retirement	Reduced Early Retirement
General Employees	60 & 5	55 & 5
	Rule of 80*	
Police & Fire Employees	55 & 5	50 & 5
	Rule of 80*	

* The City has not elected Rule of 80.

SUMMARY OF PLAN PROVISIONS (CONTINUED)

PLAN OF OPERATION

Retirees can change plan elections annually during open enrollment. Upon payment of required contributions, retirees and their spouses have benefits available for each of their own lifetimes. Plan benefits renew annually on January 1st.

Pre-Medicare Retirees

Retiree medical/prescription drug coverage (and vision benefits) are provided through the City's self-insured group insurance program. Four plan options, Open Access 1, Open Access 2, Local Plus and Base are available. The plan parameters are the same as those that apply to active employees. The Base plan was added January 1, 2023.

Medicare Retirees

Effective January 1, 2020 the Medicare-eligible retirees are covered under a separate, stand-alone fully insured arrangement. Medical, Prescription Drug and Vision coverage will apply. Plan members will have a choice of three Medicare Supplement plans, one pharmacy plan and one vision plan. The City will pay up to 80% of the cost of the Custom plan, Pharmacy plan and the Vision plan.

MONTHLY RETIREE CONTRIBUTION PREMIUMS

Participants must make premium contributions to maintain coverage. The amounts for 2024 are shown below.

Pre-Medicare Retirees

Pre-Medicare Coverage	OAP 1	OAP 2	Local Plus	Base
Hired on or Prior to July 1, 2018				
Single	186.39	128.08	92.86	0.00
Single + Spouse	451.08	309.96	224.72	179.24
Single + Children	361.61	248.48	180.15	143.69
Family	630.01	432.92	313.87	250.34
Hired After July 1, 2018				
Single	931.95	711.56	663.27	569.72
Single + Spouse	2,255.39	1,722.00	1,605.15	1,378.77
Single + Children	1,808.03	1,380.46	1,286.78	1,105.31
Family	3,150.04	2,405.11	2,241.90	1,925.72

SUMMARY OF PLAN PROVISIONS *(CONTINUED)*

MONTHLY RETIREE CONTRIBUTION PREMIUMS *(continued)*

Medicare Retirees-Full Premium Rates-Per Covered Life

Medicare Coverage	January 1, 2024 to December 31, 2024			
	Medical	Pharmacy	Vision	Total
Advantage	91.78	181.92	11.57	91.78
Custom	118.67	181.92	11.57	118.67
Plan F	251.54	181.92	11.57	251.54
Plan G	194.17	181.92	11.57	194.17

The City will pay up to 80% of the cost of the Custom-Medical, Pharmacy and Vision plan, irrespective of the Medical plan elected. The balance of the premium is payable by the plan participant.

Vision and Dental

A separate Dental plan applies to retirees. Retirees are charged the full plan premium rate in all cases.

Two Vision plans (Cigna and VSP) are available to retirees not electing a Medicare plan. When not part of a Medicare plan, retirees are charged the full plan premium in all cases.

The Cigna plan is available to retirees on Medicare. The City pays 80% of the cost.

SUMMARY OF PLAN PROVISIONS (CONTINUED)

PLAN DESIGN – PRE-MEDICARE RETIREES

A summary of the plan parameters effective January 1, 2024 to December 31, 2024 are shown below:

Open Access 1	PPO In-Network		PPO Out of Network
Deductible Individual / Family	\$2,500 / \$5,500		\$5,000 / \$11,000
Coinsurance – Plan Pays	80%		60%
Out of Pocket Individual / Family	\$5,500 / \$11,000		\$11,000 / \$22,000
Office Visit Copays Primary Care Specialist	\$45 \$80		Deductible + Coinsurance
Wellness Benefit	100% Covered		Deductible + Coinsurance
Emergency Room	\$300 Copay + 80% Coinsurance		
Prescription Drugs Generic Brand Formulary Non-formulary	Retail \$15 \$40 \$75	Mail Order \$45 \$120 \$225	Deductible + Coinsurance
Lifetime Limit	Unlimited		

Open Access 2	PPO In-Network		PPO Out of Network
Deductible Individual / Family	\$2,000 / \$4,000		\$4,000 / \$8,000
Coinsurance – Plan Pays	80%		60%
Out of Pocket Individual / Family	\$4,000 / \$8,000		\$8,000 / \$16,000
Office Visit Copays	Deductible + Coinsurance		Deductible + Coinsurance
Wellness Benefit	100% Covered		Deductible + Coinsurance
Emergency Room	Deductible + 80% Coinsurance		
Prescription Drugs	Deductible + Coinsurance		Deductible + Coinsurance
Lifetime Limit	Unlimited		

SUMMARY OF PLAN PROVISIONS (CONTINUED)

Local Plus	PPO In-Network	PPO Out of Network
Deductible Individual / Family	\$1,750 / \$3,500	\$3,500 / \$7,000
Coinsurance – Plan Pays	80%	60%
Out of Pocket Individual / Family	\$3,500 / \$7,000	\$7,000 / \$14,000
Office Visit Copays	Deductible + Coinsurance	Deductible + Coinsurance
Wellness Benefit	100% Covered	Deductible + Coinsurance
Emergency Room	Deductible + 80% Coinsurance	
Prescription Drugs	Deductible + Coinsurance	Deductible + Coinsurance
Lifetime Limit	Unlimited	

Base	PPO In-Network	PPO Out of Network
Deductible Individual / Family	\$3,500 / \$7,000	\$7,000 / \$14,000
Coinsurance – Plan Pays	80%	60%
Out of Pocket Individual / Family	\$7,000 / \$14,000	\$14,000 / \$28,000
Office Visit Copays	Deductible + Coinsurance	Deductible + Coinsurance
Wellness Benefit	100% Covered	Deductible + Coinsurance
Emergency Room	Deductible + 80% Coinsurance	
Prescription Drugs	Deductible + Coinsurance	Deductible + Coinsurance
Lifetime Limit	Unlimited	

COST ANALYSIS BY AGE

The benefit that is valued under GASB 75 equals the expected age-adjusted cost less the retiree contribution premium. Age-adjusted costs are the estimated average costs that would result if a credible-size group of like-age participants was measured.

Age-adjusted costs for Pre-Medicare coverage are based on City experience and vendor contract rates for administrative / stop-loss premium costs. We considered City claim experience separately for Medical and Prescription Drug. Age-adjusted expected costs during plan year 2024 on a per member per month (“PMPM”) basis are shown below at sample ages. The costs include Medical and Rx claims (net of Rx rebates), administrative fees and stop-loss premiums. These age-adjusted cost levels serve as a starting point for projecting costs into the future.

Pre-Medicare Expected Cost Levels (PMPM) Single Subscriber Basis

Age	OAP 1		OAP 2		Local Plus		Base	
	Male	Female	Male	Female	Male	Female	Male	Female
55	1,159	1,252	1,104	1,192	1,057	1,140	951	1,023
58	1,319	1,347	1,255	1,281	1,200	1,225	1,076	1,097
60	1,435	1,429	1,364	1,359	1,303	1,299	1,166	1,162
62	1,562	1,532	1,484	1,455	1,417	1,390	1,266	1,242
64	1,705	1,651	1,619	1,568	1,545	1,497	1,377	1,335

Spouse Basis

Age	OAP 1		OAP 2		Local Plus		Base	
	Male	Female	Male	Female	Male	Female	Male	Female
55	961	1,054	906	994	859	942	753	825
58	1,121	1,149	1,057	1,083	1,002	1,027	878	899
60	1,237	1,231	1,166	1,161	1,105	1,101	968	964
62	1,364	1,334	1,286	1,257	1,219	1,192	1,068	1,044
64	1,507	1,453	1,421	1,370	1,347	1,299	1,179	1,137

The difference between expected costs that apply by age minus the retiree contribution premium is the “benefit” that is valued for GASB 75 cost recognition.

Medicare Retirees

Starting in 2020 the Medicare-eligible retirees are covered under a fully-insured, stand-alone program. The per member per month premium cost during 2023 and 2024 for the Custom, Pharmacy and Vision plans is shown below. The City will contribute 80% of this cost.

	2023	2024
Medical – Custom	134.66	118.67
Pharmacy	176.62	181.92
Vision	11.57	11.57
Total	322.85	312.16

ACTUARIAL ASSUMPTIONS

A. Discount Rate

4.1% per annum	End of Year
4.0% per annum	Beginning of Year

B. Measurement Date

June 30, 2024	End of Year
June 30, 2023	Beginning of Year

C. Valuation Date

January 1, 2024	End of Year
January 1, 2023	Beginning of Year

D1. Medical Rx Trend

Year Applied	Pre Medicare	Medicare Rx
2024	8.00%	7.00%
2025	7.75%	6.75%
2026	7.50%	6.50%
2027	7.25%	6.25%
2028	7.00%	6.00%
2029	6.75%	5.75%
2030	6.50%	5.50%
2031	6.25%	5.25%
2032	6.00%	5.00%
2033	5.75%	5.00%
2034	5.50%	5.00%
2035	5.25%	5.00%
2036	5.00%	5.00%
2037	4.75%	5.00%
2038 (to Ultimate)	4.50%	5.00%

D2. Medicare Medical Trend

4.25% per year

D3. Vision Trend

2.50% per year

D4. Trend on Fixed Costs

Admin	2.50% per year
Stop-Loss Premiums	2.5 percentage points above cost trend

The above trend assumptions consider plan experience, industry surveys and industry experience.

E. Age Adjusted Costs

The estimated age-adjusted cost for retiree insurance coverage is shown at sample ages in the “Cost Analysis by Age” section.

ACTUARIAL ASSUMPTIONS (CONTINUED)

<i>F. Future Retiree Enrollment</i>	Ninety percent (90%) of future eligible employees hired on or prior to July 1, 2018 are assumed to participate in the City's health insurance program upon retirement. This considers City experience from January 2014 to May 2024. Fifty percent (50%) of future eligible employees hired after July 1, 2018 are assumed to participate in the City's health insurance program upon retirement. This considers experience of other plans in the region requiring full group plan premium contributions.
<i>G. Retirees Waiving Coverage</i>	Not Valued
<i>H. Plan Election</i>	Future eligible retirees and current retirees are assumed to continue with the current plan option. Future Medicare retirees are assumed to elect Rx along with Medical and Vision.
<i>I. Duration of Coverage</i>	Retirees and spouses are assumed to continue coverage for each of their own lifetimes. Children are assumed to be covered to retiree age 65.
<i>J. Healthy Life Mortality</i>	Society of Actuaries Pub-2010 Public Retirement Plans Headcount-weighted General and Public Safety Mortality Tables using Scale MP-2021 Full Generational Improvement
<i>K. Disabled Life Mortality</i>	Society of Actuaries Pub-2010 Public Retirement Plans Headcount-weighted General and Public Safety Disabled Life Mortality Tables using Scale MP-2021 Full Generational Improvement

ACTUARIAL ASSUMPTIONS (CONTINUED)

L. Disability Incidence

Assumed disability rates are based on rates used for the LAGERS pension actuarial valuation. This is deemed the most appropriate and credible source for projecting Disability. Assumed annual rates of disablement are shown below for selected ages:

Age	Police	Fire	General	
			Male	Female
30	.0011	.0011	.0010	.0003
40	.0022	.0039	.0018	.0009
45	.0034	.0062	.0025	.0015
50	.0053	.0095	.0037	.0022
55	.0088	.0146	.0057	.0032
60	N/A	N/A	.0086	.0045

M. Proportion of Disability Coverage due to Duty Disability

General Employees – 25%
Public Safety Employees – 75%

N. Future Spousal Participation

Sixty percent (60%) of future participating retirees are assumed to have a covered spouse. This considers coverage elections of current retirees and employees near retirement age eligibility. Actual spouse elections were valued for spouses of current retirees.

O. Spouse Age Difference

Males are assumed to be 3 years older than their female spouses for future retirees. Actual spouse age was valued for spouses of current retirees when available.

P. Non-Spouse Dependents

Twenty-five percent (25%) of future retirees are assumed to have covered children to retiree age 65. Actual elections for children of current retirees were valued.

Q. Timing of Benefit Payments

Mid-year

R. Medicare Eligibility Age

Age 65 (unless otherwise noted in the retiree census)

S. Salary Scale (per employee)

3.5% per year (per City input)

T. Inflation Rate Over Long Term

2.5% per year (not directly used in the valuation)

ACTUARIAL ASSUMPTIONS (CONTINUED)

U. Turnover Incidence

Assumed turnover rates are based on rates used for the LAGERS pension actuarial valuation. This is deemed the most appropriate and credible source for projecting Turnover. Rates are not applied when retirement eligibility is achieved. Annual rates of turnover are shown below at sample ages and levels of service.

Police		Years of Service				
<u>Age</u>		<u>0-1</u>	<u>1-2</u>	<u>2-3</u>	<u>3-4</u>	<u>4-5</u>
All Ages		.18	.17	.16	.14	.13

		Years of Service > 5				
<u>Age</u>		<u>Rate</u>				
25		.108				
30		.085				
35		.063				
40		.046				
50		.021				

Fire		Years of Service				
<u>Age</u>		<u>0-1</u>	<u>1-2</u>	<u>2-3</u>	<u>3-4</u>	<u>4-5</u>
All Ages		.12	.10	.08	.08	.07

		Years of Service > 5				
<u>Age</u>		<u>Rate</u>				
25		.060				
30		.045				
35		.032				
40		.024				
50		.013				

General		Years of Service				
<u>Gender</u>	<u>Age</u>	<u>0-1</u>	<u>1-2</u>	<u>2-3</u>	<u>3-4</u>	<u>4-5</u>
Male	All Ages	.20	.18	.16	.13	.12
Female	All Ages	.23	.21	.18	.15	.13

			Years of Service > 5	
<u>Age</u>			<u>Male</u>	<u>Female</u>
25			.088	.124
30			.071	.102
35			.056	.078
40			.041	.058
45			.031	.044
50			.024	.035

ACTUARIAL ASSUMPTIONS (CONTINUED)

V. Retirement Age

Assumed rates are based on those used for the LAGERS pension actuarial valuation. This is deemed the most appropriate and credible source for projecting Retirement. Retirement rates project the annual probability of retiring for eligible employees.

General Members	Age(s)	General Members	
		Men	Women
	55-59	0.030	0.030
	60-61	0.100	0.100
	62	0.250	0.150
	63-64	0.200	0.150
	65	0.250	0.250
	66	0.250	0.300
	67-68	0.200	0.250
	69	0.200	0.200
	70+	1.000	1.000

Public Safety	Age(s)	Police	Fire
	50-51	0.025	0.0225
	52-53	0.030	0.0225
	54	0.035	0.0225
	55-59	0.110	0.130
	60	0.110	0.150
	61	0.110	0.200
	62	0.220	0.200
	63-64	0.180	0.200
	65+	1.000	1.000

ACTUARIAL METHODS

A. POPULATION VALUED

The valuation is based on a closed group. Current employees and covered retirees as of the valuation date of January 1, 2024 are considered; no provision is made for future new hires. Active employees waiving coverage were not valued.

B. ACTUARIAL COST METHOD – ENTRY AGE NORMAL – LEVEL PERCENT-OF-PAY

The actuarial calculations were performed in accordance with the Entry Age Normal – Level Percent-of-Pay Actuarial Cost Method as required under GASB 75.

- The Actuarial Present Value (“APV”) of each member’s projected benefits is allocated on a level basis over the member’s assumed compensation between the entry age of the member and the assumed decrement ages.
- The portion of the APV allocated to the current year is called the Service Cost.
- The APV of benefits allocated to past service is called the Actuarial Accrued Liability (“AAL”).
- The Unfunded AAL represents the difference between the AAL and the actuarial value of plan assets as of the measurement date.
- The $APV = AAL$ for current retirees as all benefits have effectively been “earned.”

C. VALUATION PROCEDURES AND DISCOUNT RATE

The City implemented GASB 75 in FY 2017-18. The selected measurement date is June 30th. The valuation dates for FY 2023-24 beginning and end of year measurement are January 1, 2023 and January 1, 2024, respectively. The Total OPEB liability was projected using actuarial techniques from the valuation date to the corresponding measurement date. The benefit terms as of the measurement date and appropriate assumptions were valued.

GASB 75 standards require a single discount rate be determined. To the extent Plan (or Trust) assets are projected to be sufficient to make projected benefit payments, the discount rate will equal the expected return on such assets. To the extent Trust assets are not projected to be sufficient to make future benefit payments the yield or index for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher should be factored in. Plan assets do not apply to the City’s program.

In order to determine the municipal bond rate we took the average of the published yields from the S&P Municipal Bond 20 year High Grade and the Fidelity GO AA-20 Years indexes. The selected average rates are 4.0% and 4.1% for FY 2023-24 beginning and end of year measurement, respectively. These were used as the discount rates to determine present value costs.

ACTUARIAL METHODS (CONTINUED)

D. ACTUARIAL VALUE OF ASSETS

As of the date of this valuation, it is our understanding there are no assets held in a qualifying, irrevocable trust as recognized under GASB rules. Thus, plan assets do not apply. Healthcare costs of retirees are paid as they come due from pooled investments of the City.

E. CALCULATION OF PRESENT VALUES

Using the actuarial assumptions, the number of retired participants and costs at each age is projected into the future considering the current population census. The projected costs less retiree contribution premiums are multiplied by the expected number of retirees to produce expected employer costs (i.e., retiree benefits) by year. These employer costs are discounted using the “discount rate” to determine the present value of the projected liabilities.

The actuarial calculations reflect a long-term perspective that involves estimates of reported amounts and assumptions about the probability of events into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. The actuarial calculations are based on the substantive plan (or benefit terms) and pertinent law as they exist at the measurement date.

F. BENEFIT TERMS

Projections of benefit payments are required to be based on the benefit terms and legal agreements existing at the measurement date, including changes impacting future periods enacted and made public as of the measurement date. For purposes of evaluating the benefit terms, consideration is required to be given to the written plan document, as well as additional information, including other communications between the employer and plan members and an established pattern of practice with regard to the sharing of benefit-related costs with inactive plan members.

G. USE OF ACTUARIAL MODELS

We performed various calculations supporting the valuation utilizing third-party valuation software. We have tested the underlying calculations of the models and found them to produce reasonable results.

GLOSSARY

Actuarial Accrued Liability (AAL). That portion, as determined by a particular Actuarial Cost Method, of the Actuarial Present Value of plan benefits which is allocated to past service.

Actuarial Cost Method. A procedure for allocating the Actuarial Present Value of plan benefits to time periods, usually in the form of a Service Cost and Actuarial Accrued Liability. GASB 75 requires the use of the Entry Age Normal actuarial cost method with each period's Service Cost determined as a level percentage of pay.

Actuarial Present Value. The value of an amount or series of amounts payable or receivable at various times, determined as of a given date by the application of a particular set of actuarial assumptions, and plan provisions. Actuarial Present Value takes into account the probability of payment as well as the time value of money.

Actuarial Valuation Date. The date as of which an actuarial valuation is performed, generally coinciding with the census data collection date. Actuarial valuations are required to be performed at least every two years. For GASB 75 reporting, the actuarial valuation must have been performed as of a date no more than 30 months and 1 day prior to the fiscal year-end date.

Age-Adjusted Cost. The projected cost that would result if a credible number of like-age participants were measured or rated.

Age-Subsidy. The difference between the age-adjusted cost and the retiree premium. An age-subsidy may occur because the retiree premium, based on the combined pool of actives and retirees, is lower than the age-adjusted cost at retiree ages.

Consolidated Omnibus Budget Reconciliation Act (COBRA). Gives workers and their families who lose their health benefits the right to choose to continue group health benefits provided by their group health plan for limited periods of time under certain circumstances such as voluntary or involuntary job loss, reduction in the hours worked, transition between jobs, death, divorce, and other life events. Qualified individuals may be required to pay the entire premium for coverage up to 102 percent of the cost to the plan.

Deferred Inflows of Resources. Resources received not currently recognized as revenue.

Deferred Outflows of Resources. Resources expended not currently recognized as expense.

Defined Benefit OPEB Plan. An OPEB plan having terms that specify the amount of benefits to be provided at or after separation from employment. The amount specified usually is a function of one or more factors such as age and years of service.

Discount Rate. Expected rate of return on assets in an irrevocable trust to the extent that benefits may be paid from such assets; otherwise, the yield as of the measurement date on 20-year, tax-exempt, municipal bonds of quality rating AA or higher.

Employer Contribution. An employer may make contributions through an irrevocable transfer of assets to a qualifying trust, direct payment of benefits or a combination of these. Without a trust and self-funded, the contribution equals retiree claims plus admin costs, less any retiree contribution premiums. Without a trust and not self-funded, the contribution equals age-adjusted premium costs, less any retiree contribution premiums.

GLOSSARY

Healthcare Cost Trend Rate. The rate of change in per capita health claims cost over time as a result of factors such as medical inflation, utilization of healthcare services, plan design and technological developments.

Measurement Date. The date as of which the Net OPEB liability is calculated. For purposes of GASB 75, the measurement date may be selected from a range starting no earlier than one year prior to and ending no later than the employer's fiscal year-end date. When the actuarial valuation date does not equal the measurement date, actuarial techniques may be utilized to project results to the measurement date.

Net OPEB Liability. Total OPEB liability on the measurement date minus plan assets.

OPEB Expense. The amount of expense an employer must recognize under GASB 75 provisions. The change in the Net OPEB Liability during the measurement period, with deferral of recognition for (1) changes of economic and demographic assumptions (2) differences between actual and expected experience and (3) differences between actual and projected earnings on plan assets.

Other Postemployment Benefits (OPEB). Benefits (such as death benefits, life insurance, disability and long-term care) that are paid in the period after employment and that are provided separately from a pension plan, as well as healthcare benefits paid in the period after employment, regardless of the manner in which they are provided. OPEB does not generally include termination benefits or termination payments for sick leave.

Postemployment Healthcare Benefits. Medical, dental, vision and other health-related benefits paid subsequent to the termination of employment.

Reporting Date. The date corresponding to the end of the fiscal year.

Service Cost. The portion of the Actuarial Present Value of OPEB benefits attributed to the current year by the Actuarial Cost Method.

Substantive Plan. The terms of the OPEB plan as understood by the employer and plan members.

Total OPEB Liability. The portion of the Actuarial Present Value of OPEB benefits attributed to past service by the Actuarial Cost Method. This is equal to the AAL.

Unfunded Actuarial Accrued Liability. The excess, if any, of the Actuarial Accrued Liability over the assets of the plan.

APPENDIX H

SPECIMEN MUNICIPAL BOND INSURANCE POLICY



MUNICIPAL BOND INSURANCE POLICY

ISSUER:

Policy No.: -N

BONDS: \$ in aggregate principal amount of

Effective Date:

Premium: \$

ASSURED GUARANTY INC. ("AG"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AG, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AG shall have received Notice of Nonpayment, AG will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AG, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AG. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AG is incomplete, it shall be deemed not to have been received by AG for purposes of the preceding sentence and AG shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AG shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AG hereunder. Payment by AG to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AG under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AG shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AG which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

AG may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AG pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AG and shall not be deemed received until received by both and (b) all payments required to be made by AG under this Policy may be made directly by AG or by the Insurer's Fiscal Agent on behalf of AG. The Insurer's Fiscal Agent is the agent of AG only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AG to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AG agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AG to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AG, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY INC. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY INC.

By _____
Authorized Officer

1633 Broadway, New York, N.Y. 10019

(212) 974-0100

Form 500 (8/24)

APPENDIX I

PROVISIONS RELATING TO BOND INSURANCE

INDENTURE PROVISIONS

The following provisions have been incorporated into the Indenture and govern, notwithstanding anything to the contrary set forth in the Indenture, during such time as any Series 2025A Bonds are outstanding under the Indenture.

(a) The following defined terms are added to the Indenture:

“Insurance Policy” means the insurance policy issued by the Insurer guaranteeing the scheduled payment of principal of and interest on the Series 2025A Bonds when due.

“Insurer” means Assured Guaranty Inc., a Maryland corporation, or any successor thereto or assignee thereof.

“Related Documents” means the Indenture, the Financing Agreement or any other transaction document, including any underlying security agreement for the Series 2025A Bonds.

(b) The Insurer shall be deemed to be the sole owner of the Series 2025A Bonds for the purpose of exercising any voting right or privilege or giving any consent or direction or taking any other action that the owners of the Series 2025A Bonds are entitled to take pursuant to the Indenture pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Trustee. In furtherance thereof and as a term of the Indenture and each Series 2025A Bond, each owner of the Series 2025A Bonds appoints the Insurer as its agent and attorney-in-fact with respect to the Series 2025A Bonds and agrees that the Insurer may at any time during the continuation of any proceeding by or against the Board or the City under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an “Insolvency Proceeding”) direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a “Claim”), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, each owner of the Series 2025A Bonds delegates and assigns to the Insurer, to the fullest extent permitted by law, the rights of each owner of the Series 2025A Bonds in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding. The Trustee acknowledges such appointment, delegation and assignment by each owner of the Series 2025A Bonds for the Insurer’s benefit, and agrees to cooperate with the Insurer in taking any action reasonably necessary or appropriate in connection with such appointment, delegation and assignment. Remedies granted to the owners shall expressly include mandamus.

(c) The security for the Series 2025A Bonds shall include a pledge of the Financing Agreement and a default under such agreement shall constitute an Event of Default under the Indenture.

(d) The maturity of the Series 2025A Bonds shall not be accelerated without the consent of the Insurer and in the event the maturity of the Series 2025A Bonds is accelerated, the Insurer may elect, in its sole discretion, to pay accelerated principal, and interest accrued on such principal, to the date of acceleration (to the extent unpaid by the Board) and the Trustee shall be required to accept such amounts. Upon payment of such accelerated principal and interest accrued to the acceleration date as provided above, the Insurer’s obligations under the Insurance Policy with respect to such Series 2025A Bonds shall be fully discharged.

(e) No grace period for a covenant default shall exceed thirty (30) days or be extended for more than sixty (60) days, without the prior written consent of the Insurer. No grace period shall be permitted for payment defaults.

(f) The Insurer is a third-party beneficiary of the Indenture.

(g) Upon the occurrence of an extraordinary optional, special or extraordinary mandatory redemption in part, the selection of Series 2025A Bonds to be redeemed shall be subject to the approval of the Insurer. The exercise of any provision of the Indenture which permits the purchase of Series 2025A Bonds in lieu of redemption shall require the prior written approval of the Insurer if any Series 2025A Bond so purchased is not cancelled upon purchase.

(h) Any amendment, supplement, modification to, or waiver of, the Indenture, that requires the consent of owners or adversely affects the rights and interests of the Insurer shall be subject to the prior written consent of the Insurer.

(i) Unless the Insurer otherwise directs, upon the occurrence and continuance of an Event of Default or an event which with notice or lapse of time would constitute an Event of Default, amounts on deposit in the Project Fund shall not be disbursed, but shall instead be applied to the payment of debt service or redemption price of the Series 2025A Bonds.

(j) The rights granted to the Insurer under the Indenture or any other Related Document to request, consent to or direct any action are rights granted to the Insurer in consideration of its issuance of the Insurance Policy. Any exercise by the Insurer of such rights is merely an exercise of the Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit, or on behalf, of the owners and such action does not evidence any position of the Insurer, affirmative or negative, as to whether the consent of the owners or any other person is required in addition to the consent of the Insurer.

(k) Only (1) cash, (2) non-callable direct obligations of the United States of America ("Treasuries"), (3) evidences of ownership of proportionate interests in future interest and principal payments on Treasuries held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying Treasuries are not available to any person claiming through the custodian or to whom the custodian may be obligated, (4) subject to the prior written consent of the Insurer, pre-refunded municipal obligations rated in the then highest rating category by S&P and Moody's for such obligations, or (5) subject to the prior written consent of the Insurer, any other type of security or obligation which S&P and Moody's have determined to be permitted defeasance securities, shall be used to effect defeasance of the Series 2025A Bonds unless the Insurer otherwise approves.

To accomplish defeasance of the Series 2025A Bonds, the Board shall cause to be delivered to the Insurer (i) other than with respect to a current refunding that is gross funded, a report of either a nationally recognized verification agent or a firm of independent, nationally-recognized certified public accountants as shall be acceptable to the Insurer verifying the sufficiency of the escrow established to pay the Series 2025A Bonds in full on the maturity or redemption date ("Verification"), (ii) an escrow deposit agreement or other irrevocable written instructions (which shall be acceptable in form and substance to the Insurer), (iii) an opinion of nationally-recognized bond counsel to the effect that the Series 2025A Bonds are no longer "Outstanding" under the Indenture and (iv) a certificate of discharge of the Trustee with respect to the Series 2025A Bonds; each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the Board, the Trustee and the Insurer. The Insurer shall be provided with final drafts of the above-referenced documentation not less than five (5) Business Days prior to the funding of the escrow.

Series 2025A Bonds shall be deemed "Outstanding" under the Indenture unless and until they are in fact paid and retired or the above criteria are met.

(l) Amounts paid by the Insurer under the Insurance Policy shall not be deemed paid for purposes of the Indenture and the Series 2025A Bonds relating to such payments shall remain Outstanding and continue to be due and owing until paid by the Board in accordance with the Indenture. The Indenture shall not be discharged unless all amounts due or to become due to the Insurer have been paid in full or duly provided for.

(m) Each of the Board and Trustee covenant and agree to take such action (including, as applicable, filing of UCC financing statements and continuations thereof) as is necessary from time to time to preserve the priority of the pledge of the Trust Estate under applicable law.

(n) Claims Upon the Insurance Policy and Payments by and to the Insurer.

If, on the third Business Day prior to the related scheduled interest payment date or principal payment date (“Payment Date”) there is not on deposit with the Trustee, after making all transfers and deposits required under the Indenture, moneys sufficient to pay the principal of and interest on the Series 2025A Bonds due on such Payment Date, the Trustee shall give notice to the Insurer and to its designated agent (if any) (the “Insurer’s Fiscal Agent”) by telephone of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day. If, on the second Business Day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the Series 2025A Bonds due on such Payment Date, the Trustee shall make a claim under the Insurance Policy and give notice to the Insurer and the Insurer’s Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the Series 2025A Bonds and the amount required to pay principal of the Series 2025A Bonds, confirmed in writing to the Insurer and the Insurer’s Fiscal Agent by 12:00 noon, New York City time, on such second Business Day by filling in the form of Notice of Claim and Certificate delivered with the Insurance Policy.

The Trustee shall designate any portion of payment of principal on Series 2025A Bonds paid by the Insurer, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Series 2025A Bonds registered to the then current owner of the Series 2025A Bonds, whether DTC or its nominee or otherwise, and shall issue a replacement Series 2025A Bond to the Insurer, registered in the name of Assured Guaranty Inc., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Trustee’s failure to so designate any payment or issue any replacement Series 2025A Bond shall have no effect on the amount of principal or interest payable by the Board on any Series 2025A Bond or the subrogation rights of the Insurer.

The Trustee shall keep a complete and accurate record of all funds deposited by the Insurer into the Policy Payments Account (defined below) and the allocation of such funds to payment of interest on and principal of any Series 2025A Bond. The Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

Upon payment of a claim under the Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of owners of the Series 2025A Bonds referred to herein as the “Policy Payments Account” and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the Insurance Policy in trust on behalf of owners of the Series 2025A Bonds and shall deposit any such amount in the Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to owners of the Series 2025A Bonds in the same manner as principal and interest payments are to be made with respect to the Series 2025A Bonds under the sections of the Indenture regarding payment of Series 2025A Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything in the Indenture to the contrary, the Board agrees to pay, or cause the City to pay, to the Insurer, solely from the Trust Estate (i) a sum equal to the total of all amounts paid by the Insurer under the Insurance Policy (the “Insurer Advances”); and (ii) interest on such Insurer Advances from the date paid by the

Insurer until payment thereof in full, payable to the Insurer at the Late Payment Rate per annum (collectively, the “Insurer Reimbursement Amounts”). “Late Payment Rate” means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Series 2025A Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates.

The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The Board hereby covenants and agrees that the Insurer Reimbursement Amounts are secured by a lien on and pledge of the Trust Estate and payable from such Trust Estate on a parity with debt service due on the Series 2025A Bonds.

Funds held in the Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. The Trustee shall notify the Insurer of any funds remaining in the Policy Payments Account after the Trustee has made the payments for which a claim was made to the owners of the Series 2025A Bonds and shall, at the written direction of the Insurer, promptly remit such funds remaining to the Insurer.

(o) The Insurer shall, to the extent it makes any payment of principal of or interest on the Series 2025A Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Insurance Policy (which subrogation rights shall also include the rights of any such recipients in connection with any Insolvency Proceeding). Each obligation of the Board to the Insurer under the Related Documents shall survive discharge or termination of such Related Documents.

(p) After payment of reasonable expenses of the Trustee, the application of funds realized upon default shall be applied to the payment of expenses of the Board or rebate only after the payment of past due and current debt service on the Series 2025A Bonds.

(q) The Insurer shall be entitled to pay principal or interest on the Series 2025A Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Board (as such terms are defined in the Insurance Policy) and any amounts due on the Series 2025A Bonds as a result of acceleration of the maturity thereof, whether or not the Insurer has received a Notice of Nonpayment (as such terms are defined in the Insurance Policy) or a claim upon the Insurance Policy.

(r) Notices to the Insurer shall be sent to the following address (or such other address as the Insurer may designate in writing):

Assured Guaranty Inc.
1633 Broadway
New York, NY 10019
Attention: Managing Director – Municipal Surveillance
Re: Policy No. _____-N
Telephone: (212) 974-0100
Email: munidisclosure@agltd.com

In each case in which the notice or other communication refers to a claim on the Insurance Policy or an Event of Default, such notice or other communication shall be marked "URGENT MATERIAL ENCLOSED" and a copy shall also be sent to the attention of the General Counsel at the above address and at generalcounsel@agltd.com.

(s) The Insurer shall be provided with the following information by the Board or the Trustee, as the case may be:

1. Notice of any default or Event of Default under the Indenture known to the Trustee or the Board within five (5) Business Days after knowledge thereof;
 2. Prior notice of the advance refunding or redemption of any of the Series 2025A Bonds, including the principal amount, maturities and CUSIP numbers thereof;
 3. Notice of the resignation or removal of the Trustee and Bond Registrar and the appointment of, and acceptance of duties by, any successor thereto;
 4. Notice of the commencement of any Insolvency Proceeding (as defined in subsection (b) above);
 5. Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on, the Series 2025A Bonds; and
 6. All reports, notices and correspondence to be delivered to owners under the terms of the Related Documents.
- (t) The Insurer shall have the right to receive such additional information as it may reasonably request.
- (u) The Board will permit the Insurer to discuss the affairs, finances and accounts of the Board or any information the Insurer may reasonably request regarding the security for the Series 2025A Bonds with appropriate officers of the Board and will use commercially reasonable efforts to enable the Insurer to have access to the facilities, books and records of the Board on any Business Day upon reasonable prior notice.
- (v) The Trustee shall notify the Insurer of any known failure of the Board or the City to provide notices, certificates and other information under the Related Documents that are required to be delivered to the owners of the Series 2025A Bonds.
- (w) Notwithstanding satisfaction of the other conditions to the issuance of Additional Bonds set forth in the Indenture and unless otherwise permitted by the Insurer, no such issuance may occur if an Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) exists unless such default shall be cured upon such issuance.
- (x) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under the Indenture would adversely affect the security for the Series 2025A Bonds or the rights of the owners, the effect of any such amendment, consent, waiver, action or inaction shall be considered as if there were no Insurance Policy.
- (y) No contract shall be entered into or any action taken by which the rights of the Insurer or security for or sources of payment of the Series 2025A Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of the Insurer.

[remainder of page intentionally left blank]

FINANCING AGREEMENT PROVISIONS

The following provisions have been incorporated into the Financing Agreement and govern, notwithstanding anything to the contrary set forth in the Financing Agreement, during such time as any Series 2025A Bonds are outstanding under the Indenture.

1. The City hereby covenants (i) to include in its annual budget for each fiscal year a request for an amount sufficient to meet the City's obligations under the Financing Agreement, including amounts due to the Insurer, (ii) that payments shall be made by the City directly to the Trustee on the *third* Business Day prior to the respective dates on which interest and principal payments are due on the Series 2025A Bonds; (iii) that the Financing Agreement shall terminate no earlier than such time as all amounts payable by the City under the Financing Agreement and the Indenture have been paid, (iv) and that the Insurer shall be an explicit third party beneficiary to the Financing Agreement.
2. The City agrees and covenants that all Insurer Advances (as defined in the Indenture) shall be payable from Loan Payments, and all other amounts due to the Insurer as set forth herein or in the Indenture shall be payable from Additional Payments.
3. Notwithstanding anything to the contrary in the Financing Agreement, so long as the Insurer is insuring the Series 2025A Bonds or amounts are due to the Insurer, the Insurer shall have the sole right to control all rights and remedies for default (including any waivers) under the Financing Agreement.
4. The Financing Agreement shall not be amended, supplemented, modified or terminated without the prior written consent of the Insurer.
5. To the extent allowed by law, without waiver of sovereign or other immunity, and subject to annual appropriation by its City Council, the City shall pay or reimburse the Insurer, from Additional Payments, any and all charges, fees, costs and expenses that the Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in the Indenture, the Financing Agreement or any other related document (the "Related Documents"); (ii) the pursuit of any remedies under the Indenture or any other Related Document or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, the Indenture or any other Related Document whether or not executed or completed, or (iv) any litigation or other dispute in connection with the Indenture or any other Related Document or the transactions contemplated thereby, other than costs resulting from the failure of the Insurer to honor its obligations under the Insurance Policy. The Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Indenture or any other Related Document. The obligations of this paragraph shall survive termination of the Indenture and the Financing Agreement.
6. The Insurer shall be provided with the following information by the City:
 - (i) To the extent not otherwise filed with the Municipal Securities Rulemaking Board's EMMA system, annual audited financial statements within the filing deadline specified in the City's continuing disclosure undertaking with respect to the Series 2025A Bonds (together with a certification of the City that it is not aware of any default or Event of Default under the Financing Agreement), and, upon request, the City's annual budget within thirty (30) days after the approval thereof together with such other information, data or reports as the Insurer shall reasonably request from time to time;
 - (ii) Notice of any event of non-appropriation;
 - (iii) Notice of any default or event of default under the Financing Agreement;

- (iv) Notice of the commencement of any proceeding by or against City commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding");
- (v) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on, the Series 2025A Bonds;
- (vi) A full electronic transcript of all proceedings relating to the execution of any amendment, supplement, or waiver to the Related Documents;
- (vii) To the extent not otherwise filed with the Municipal Securities Rulemaking Board's EMMA system, all information required to be furnished pursuant to a continuing disclosure agreement, covenant or undertaking with respect to the Series 2025A Bonds; and
- (vii) All information furnished pursuant to the Continuing Disclosure Undertaking, shall also be provided to the Insurer, simultaneously with the furnishing of such information to any information repository; and
- (viii) Such other information as the Insurer may reasonably request.

7. The City will permit the Insurer to discuss the affairs, finances and accounts of the City or any information the Insurer may reasonably request regarding the security for the Series 2025A Bonds with appropriate officers of the City and will use commercially reasonable efforts to enable the Insurer to have access to the facilities, books and records of the City on any business day upon reasonable prior notice.

* * *