



**CITY COUNCIL MEETING
7010 NORTH HOLMES
GLADSTONE, MISSOURI
MONDAY, JUNE 9, 2025**

The City Council will meet in Closed Executive Session at 6:30 pm, June 9, 2025, Gladstone City Hall, 7010 North Holmes, Gladstone, Missouri. The Closed Executive Session is closed pursuant to RSMo. Open Meeting Act Exemption 610.021 (1) for Litigation and Confidential or Privileged Communications with Legal Counsel, 610.021(2) Real Estate, 610.021(3) Personnel, 610.021(9) Employee Groups, 610.021(12) Negotiated Contract, and 610.021(13) Performance Ratings.

OPEN STUDY SESSION 7:15 PM

1. **Street Maintenance:** Director Tim Nebergall will present the proposed FY2026 Street Maintenance Program.

REGULAR MEETING 7:30 PM

TENTATIVE AGENDA

1. **Meeting Called to Order.**
2. **Roll Call.**
3. **Pledge of Allegiance to the Flag of the United States of America.**
4. **Approval of the Agenda.**

5. **Approval of the May 12, 2025, Closed City Council Meeting Minutes.**
6. **Approval of the May 12, 2025, Regular City Council Meeting Minutes.**
7. **PRESENTATION:** Missouri State Senator Maggie Nurrenbern will present a signed Bill to Police Chief Farris.
8. **PROCLAMATION:** World Elder Abuse Awareness Day.
9. **Communications from the Audience:** *Members of the public are invited to speak about any topic not listed on the agenda. While speaking, please state your name and address for the record and limit comments to 5 minutes.*
10. **Communications from the City Council.**
11. **Communications from the City Manager.**
12. **CONSENT AGENDA**

CONSIDER SPECIAL EVENT PERMITS:

HAPPY ROCK PARK EAST: Law Enforcement National Night Out, Friday, August 8, 2025, 5:00 to 8:00 pm.

LINDEN SQUARE: The Gladstone Fire Department in collaboration with Kansas City Dance Collection will host a *Responding Together* event, Saturday, September 6, 2025, 11:00 am to 2:00 pm.

RESOLUTION R-25-30, A Resolution of the City Council of Gladstone, Missouri, approving an Erosion and Sediment Control Post-Construction Stormwater Management Agreement between the City of Gladstone, Missouri and Woodlands Animal Clinic, 2610 NE 60TH Street, Gladstone, Missouri, 64119; attached as Exhibit A; and authorizing the City Manager to execute all necessary documents.

RESOLUTION R-25-31, A Resolution authorizing the City Manager to execute an Interlocal Agreement with Region VIII Education Service Center for membership into the Interlocal Purchasing System.

RESOLUTION R-25-32, A Resolution authorizing acceptance of work under contract with Ace Pipe Cleaning, Incorporated and authorizing final payment in the amount of \$7,879.81 for the FY24 Sewer Cleaning and Televising, Project SP2489.

CONSIDER MONTHLY FINANCIAL UPDATE APRIL YTD 2025.

REGULAR AGENDA

- 13. PUBLIC HEARING:** Budget Fiscal Year 2025-2026.
- 14. PUBLIC HEARING:** Amending Section 6.110.570, Levying sewer service charges and commodity rate charges in the City.
- 15. FIRST READING BILL NO. 25-15**, An Ordinance amending Section 6.110.570 of the Code of Ordinances of the City of Gladstone, Missouri, Levying Sewer Service Charges and Commodity Rate Charges in the City.
- 16. FIRST READING BILL NO. 25-16**, An Ordinance amending Section 6.110.100 of the Code of Ordinances of the City of Gladstone, Missouri, regarding Water Service Rates in the City.
- 17. FIRST READING BILL NO. 25-17**, An Ordinance authorizing the City Manager to enter into a cooperative agreement with the Federal Bureau of Investigation (FBI) to provide law enforcement resources to the Child Exploitation and Human Trafficking Task Force.
- 18. RESOLUTION R-25-33**, A Resolution authorizing Change Order No. 3 in the amount of \$143,095.15 to the contract with Linaweaver Construction, Incorporated, for the FY25 Water Main Replacements Project WP2587.
- 19. Other Business.**
- 20. Adjournment.**

Representatives of the News Media may obtain copies of this notice by contacting:

City Clerk Kris Keller
City of Gladstone
7010 North Holmes
Gladstone, MO 64118
816-423-4096

Posted at 3:30 pm
June 5, 2025



Department of Public Works

Memorandum

DATE: June 4, 2025

TO: Robert M. Baer, City Manager

FROM: Timothy A. Nebergall, Director of Public Works

RE: Proposed FY26 Street Maintenance Program

Background

Each year, the City of Gladstone develops a street maintenance program to ensure the long-term viability of the system. The program is based on several factors, including street condition ratings, available funding, and traffic volume. The City utilizes three primary maintenance techniques: intermediate maintenance, mill and overlay, and full-depth reconstruction.

- **Intermediate Maintenance** is applied to structurally sound pavements and includes treatments such as crack sealing, slurry sealing, and microsurfacing.
- **Mill and Overlay** involves removing the top 2 inches of asphalt and resurfacing the roadway. This method often includes additional concrete work, such as curb and sidewalk repairs and the installation of ADA ramps.
- **Full-Depth Reconstruction** is the most comprehensive and costly technique. It involves completely removing the existing pavement, stabilizing the subgrade, and reconstructing the entire roadway section.

Proposed FY26 Street Maintenance Program

The proposed street maintenance program for FY26 includes approximately 5 lane miles of intermediate maintenance (microsurfacing) and 10 lane miles of mill and overlay. No full-depth reconstruction is planned for this year.

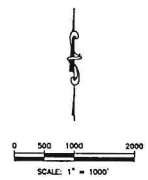
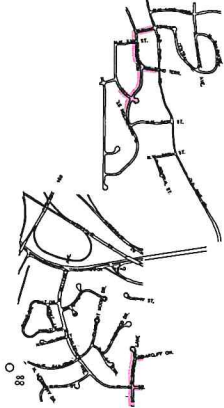
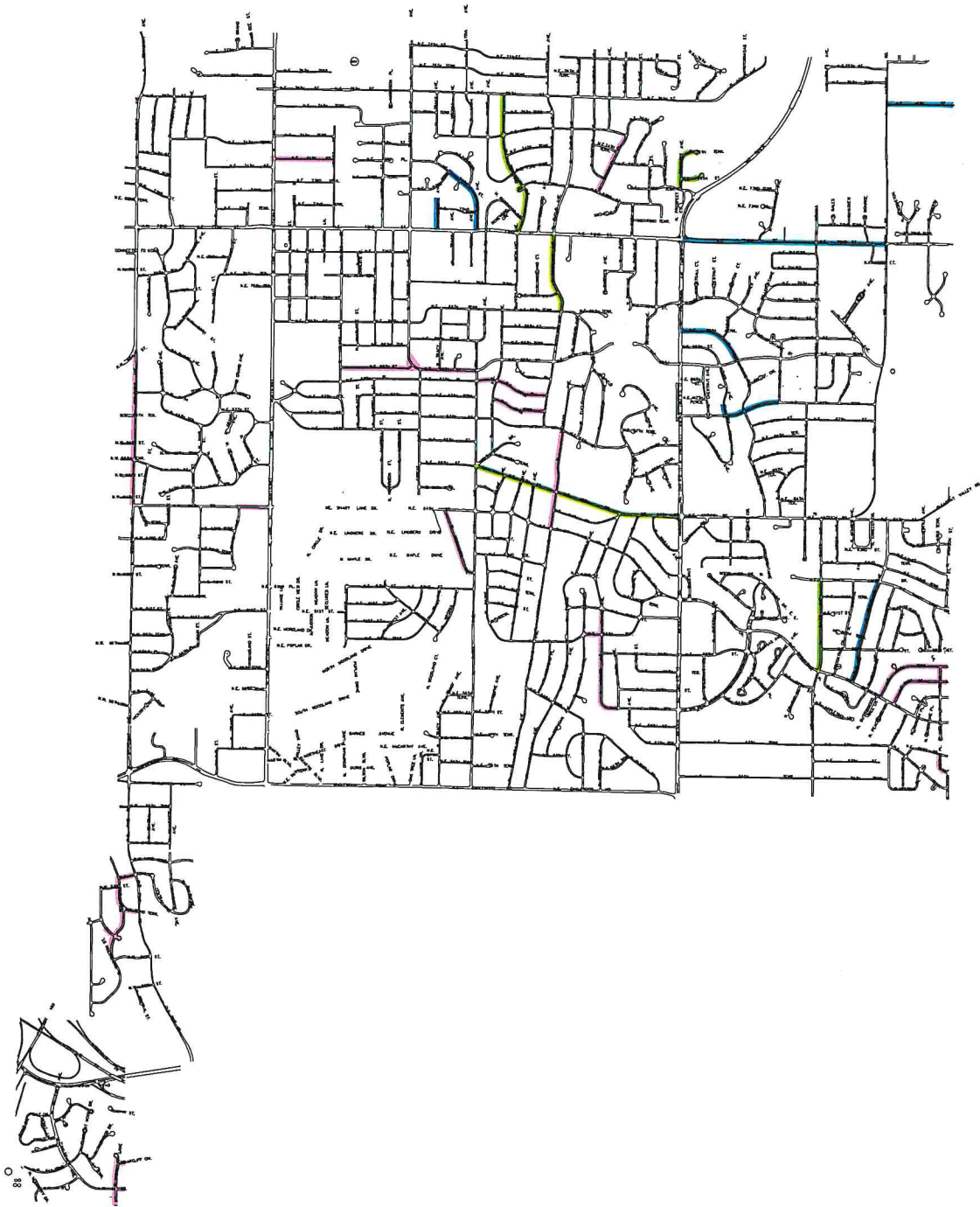
The total estimated cost for these improvements and the investment in the street network will be approximately \$1.2 million upon completion. Please note that this investment includes participation by the Gladstone Special Road District. City staff plans to meet with them in the near future.

Last year, the City allocated an additional \$750,000 to street maintenance from FY24 budget savings. City staff has developed a list of potential streets that could be added to the program should funds become available. These streets are identified as bid alternates in this memorandum and on the attached map. Please note that this list was developed for planning purposes only, and it is understood that additional funds may be unavailable or allocated to other City priorities.

Proposed FY26 Intermediate Maintenance – 5 Lane Miles		
Street	From	To
N. Bales	NE Brooktree Lane	NE Shady Lane
N. Woodland	NE 69th Ter	NE 72nd St
NE 64th/65th St	N. Flora	M-1
N. Highland	NE 72 nd St	NE 76 th St
N. Prospect Ave	NE 73rd Ter	CDS (North)
NE 74th St	N. Prospect Ave	CDS (East)

Proposed FY26 Mill & Overlay (Base Bid) – 10 Lane Miles		
Street	From	To
NE 59 th Ter	NE Brooktree Lane	City Limits (East)
N. Norton	NE 59 th St	NE 59 th Ter
NE 59 th St	NE Brooktree Lane	City Limits (East)
N. Norton Place	NE 57 th Place	N. Jackson
NE 68 th St	N. Holmes	N. Flora
NE 67 th Pl	N. Flora	N. Woodland
NE 67 th Ter	N. Wayne	N. Woodland
NE 74 th St	N. Oak	N. Holmes
N. Howard	NE 58 th Ter	NE 61 st St
N. Briarcliff Lane	NW 44 th St	CDS (North)
N. Washington	NW 51 st St	NW 53 rd St
N. Normandy	N. Flora	NE Shady Lane
N. Broadway	NE 64 th St	NE 68 th St
N. Michigan	NE 62 nd Ter	NE 67 th St
N. Brooklyn	NE 73 rd St	NE 75 th St
N. Bellefontaine	NE 59 th St	CDS (North)

Proposed FY26 Mill & Overlay (Bid Alternate) – 5 Lane Miles		
Street	From	To
NE 67 th Ter	N. Bellefontaine	N. Walrond
NE 69 th Ter	NE 68 th Ter	M-1
NE 76 th St	Old Antioch	City Limits (East)
NE 73 rd Ter	N. Oak	N. Holmes
N. Forest	NE 72 nd Street	Dead End (North)
N. Flora	NE 72 nd Street	NE 73 rd Ter
N. Cleveland	NE Brooktree	NE Shady Lane
NE 72 nd St	M-1	Old Antioch



- LEGEND
- FY25 MILL + OVERLAY (BASE BID)
 - FY25 MILL + OVERLAY (BID ALTERNATE)
 - FY25 INTERMEDIATE MAINTENANCE



**MINUTES
REGULAR CITY COUNCIL MEETING
GLADSTONE, MISSOURI
MONDAY, MAY 12, 2025**

PRESENT: Mayor Les Smith
Mayor Pro Tem Jean Moore
Councilman Bill Garnos
Councilmember Tina Spallo
Councilman Spencer Davis

City Manager Bob Baer
Assistant City Manager Austin Greer
City Attorney Chris Williams
City Clerk Kris Keller

Item No. 1. On the Agenda. Meeting Called to Order.

Mayor Smith opened the Regular City Council Meeting Monday, May 12, 2025 at 7:33 pm.

Item No. 2. On the Agenda. Roll Call.

Mayor Smith stated that all Councilmembers were present and there was a quorum.

Item No. 3. On the Agenda. Pledge of Allegiance to the Flag of the United States of America.

Mayor Smith requested that all attendees stand and join in the Pledge of Allegiance to the Flag of the United States of America.

Item No. 4. On the Agenda. Approval of the Agenda.

The amended agenda was approved as published.

Item No. 5. On the Agenda. Approval of the April 28, 2025, Closed City Council Meeting Minutes.

Mayor Pro Tem Moore moved to approve the minutes of the April 28, 2025, Closed City Council meeting as presented. **Councilmember Spallo** seconded. The Vote: "aye", Councilman Davis, Councilmember Spallo, Councilman Garnos, Mayor Pro Tem Moore, and Mayor Smith. (5-0)

Item No. 6. On the Agenda. Approval of the April 28, 2025, Regular City Council Meeting Minutes.

Mayor Pro Tem Moore moved to approve the minutes of the April 28, 2025, Regular City Council meeting as presented. **Councilmember Spallo** seconded. The Vote: “aye”, Councilman Davis, Councilmember Spallo, Councilman Garnos, Mayor Pro Tem Moore, and Mayor Smith. (5-0)

Item No. 7. On the Agenda. PROCLAMATION: Older Americans Month.

Mayor Pro Tem Moore read and presented the Proclamation to Su Bacon, Clay County Senior Services board member.

Item No. 8. On the Agenda. PROCLAMATION: National Police Week.

Mayor Pro Tem Moore read and presented the Proclamation to Chief Farris and several officers from the Gladstone Police Department.

Item No. 9. On the Agenda. PROCLAMATION: National Emergency Medical Services Week.

Mayor Pro Tem Moore read and presented the Proclamation to Captain Norman, Firefighter/Paramedic Bullard and Battalion Chief Schmuke.

Item No. 10. On the Agenda. Communications from the Audience.

Mayor Smith explained an exception was being made and each member of the audience would be allowed to speak up to five minutes on Agenda Item No. 16.

Molly Gibson, 7212 North Highland Avenue, addressed the Mayor and City Councilmembers and expressed her appreciation to speak and reaffirmed her commitment to serving the community, highlighting her professional background and focus on working families. She raised concerns over the lack of communication since the last meeting regarding the vacancy process and urged the Council to provide clarity. She emphasized the importance of honoring the April election results and expressed her readiness to lead with integrity and community-focused leadership.

Dave Hickman, 7307 North Euclid, addressed the Council and expressed concern over the City Council’s decision to prevent Miss Gibson from taking office, despite her clear victory in April. He noted the issue cited was a brief, resolved personal property tax delinquency. He expressed concern that the situation could override the will of the voters, voiced reservations about the potential appointment of her opponent, and encouraged the Council to respect the outcome of the election, noting that doing otherwise could impact public trust and confidence in the democratic process.

Jim Oldebeken, 400 NE 76th Terrace, addressed the Council and expressed his appreciation to speak about the April municipal election. He thanked both candidates and emphasized the importance of civic responsibility in a healthy democracy. Referencing public records, he raised concerns regarding Miss Gibson’s level of civic and voting engagement, as well as prior issues related to tax compliance. While expressing respect for her candidacy, he encouraged the Council to consider other options for the current vacancy, emphasizing the importance of informed and accountable participation in public service.

Sandy Hudson, 2622 NE 74th Street, addressed the Council, as a long-time resident, she expressed disappointment with the lack of transparency and communication from the City Council regarding the post-election process. She shared her frustration over unacknowledged emails sent to Councilmembers and emphasized that Molly won the majority vote. Based on available information, she believes Molly is eligible for appointment and urged the Council to respect the election results by appointing her.

Mariann McCormally, 7033 N Askew Avenue, addressed the Council and shared that she is a 25-year resident, attending her first council meeting, and expressing concern over the recent events following the April election. She acknowledged not knowing Molly Gibson personally, but emphasized that she received the most votes and should be appointed. She also criticized the lack of transparency and Council's response to her emails. She supported appointing Miss Gibson and noted the value of having younger voices with families represented in local government.

Tammy Hahn, 11228 North Central, Kansas City, Missouri, addressed the Council and reported that she is not a Gladstone resident, but does work in Gladstone. She spoke on the broader impact of the Council's actions, emphasizing that local decisions reflect on democracy everywhere. She urged the Council to uphold transparency, as previously promised, and respect the voters' choice. She noted that the brief \$60 tax delinquency appeared to be a minor issue and expressed concern over the lack of communication. She warned against overturning election results based on minor technicalities and called on the Council to honor the will of the voters by appointing the election winner.

Burt Comstock, 7600 North Park Avenue, addressed the Council and shared that he is a 25-year resident and has been actively involved in a variety of community programs and opportunities throughout that time. He thanked the Council and acknowledged that they are adhering to the legal process mandated by both city and state law. He emphasized the importance of respecting the process and acknowledged that the current member may remain in their position until a new appointment is made. He expressed confidence in the Council's ability to resolve the matter appropriately.

Sarah Patton, 3913 NE 59th Street, addressed the Council and reported that she moved to the City about six years ago. She expressed her appreciation for Gladstone's services and strong sense of community, but mentioned feeling uneasy for the first time. She noted her concern about a previous meeting's comment regarding increased public attendance, clarifying that residents' absence was not due to apathy, but because they trusted the decision making process. She stated however, she now feels that trust has been shaken, prompting greater public involvement. She urged the Council to restore confidence by honoring the will of the voters and appoint Molly to the City Council seat.

Item No. 11. On the Agenda. Communications from City Council.

Councilmember Spallo reminded the police chief and others that nice weather is approaching and to be mindful of children playing outside and to obey posted speed limits. She announced upcoming events in the City that included: City wide garage sales that do not require a permit, Gladstone Area Chamber of Commerce annual Blues Fest is Friday and Saturday, May 16 and 17; and a shredding event at the Public Works facility Saturday, May 17 from 9:00 am to 1:00 pm.

Item No. 12. On the Agenda. Communications from the City Manager.

There were no communications from the City Manager.

Item No. 13. On the Agenda. **CONSENT AGENDA.**

Following the Clerk's reading:

Mayor Smith asked if anyone wished to have any item removed from the Consent Agenda and placed on the Regular Agenda; no requests were made.

Mayor Pro Tem Moore moved to approve the Consent Agenda as published. **Councilmember Spallo** seconded. The Vote: "aye", Councilman Davis, Councilmember Spallo, Councilman Garnos, Mayor Pro Tem Moore, and Mayor Smith. (5-0)

Mayor Pro Tem Moore moved to approve **SPECIAL EVENT PERMITS:**

OAK GROVE PARK: Shores Real Estate Professionals client appreciation picnic, Tuesday, June 17, 2025, 5:00 to 9:00 pm.

LINDEN SQUARE: Trivia Night, Wednesday, July 16, 2025 and Wednesday August 13, 2025, 7:00 pm to 9:00 pm.

Movie Night, Saturday, July 26, August 9, and October 18, 2025, 7:00 to 10:00 pm. Games and activities begin at 8:00 pm and the movie starts at dusk.

HAPPY ROCK PARK WEST: Sharp Agent KC-RE/MAX Revolution client appreciation picnic, Sunday, July 13, 2025, 6:00 to 9:00 pm.

Household Hazardous Waste Collection for Gladstone residents, Saturday, August 9, 2025, 8:00 am to 12:00 pm (or first 200 cars).

HAMILTON HEIGHTS PARK: Youth Fishing Day, Saturday, September 20, 2025, 8:00 am to 12:00 pm.

Councilman Davis seconded. The Vote: “aye”, Councilman Davis, Councilmember Spallo, Councilman Garnos, Mayor Pro Tem Moore, and Mayor Smith. (5-0)

Mayor Pro Tem Moore moved to approve **RESOLUTION R-25-24**, A Resolution declaring the City of Gladstone a Blue Shield City, committed to enhancing public safety, strengthening support for law enforcement, and building sustainable public safety partnerships. **Councilman Davis** seconded. The Vote: “aye”, Councilman Davis, Councilmember Spallo, Councilman Garnos, Mayor Pro Tem Moore, and Mayor Smith. (5-0)

Mayor Pro Tem Moore moved to approve **RESOLUTION R-25-25**, A Resolution declaring certain City property surplus and authorizing the donation of surplus items to the Midwest Recycling Center. **Councilman Davis** seconded. The Vote: “aye”, Councilman Davis, Councilmember Spallo, Councilman Garnos, Mayor Pro Tem Moore, and Mayor Smith. (5-0)

Mayor Pro Tem Moore moved to approve **RESOLUTION R-25-26**, A Resolution of the City Council of Gladstone, Clay County, Missouri, approving an Erosion and Sediment Control Post-Construction Stormwater Management Agreement between the City of Gladstone, Missouri and Walmart Real Estate Business Trust, A Delaware Statutory Trust, 2001 SE 10th Street, Bentonville, Arkansas 72716-0550; attached as Exhibit A; and authorizing the City Manager to execute all necessary documents. **Councilman Davis** seconded. The Vote: “aye”, Councilman Davis, Councilmember Spallo, Councilman Garnos, Mayor Pro Tem Moore, and Mayor Smith. (5-0)

Mayor Pro Tem Moore moved to approve **RESOLUTION R-25-27**, A Resolution authorizing the City Manager to enter into a Fifth Amendment to the Antenna Site Lease with T-Mobile Central, LLC, at the Linden Water Tower. **Councilman Davis** seconded. The Vote: “aye”, Councilman Davis, Councilmember Spallo, Councilman Garnos, Mayor Pro Tem Moore, and Mayor Smith. (5-0)

Mayor Pro Tem Moore moved to approve **RESOLUTION R-25-28**, A Resolution authorizing acceptance of a proposal from Tarkett Sports Construction – Central, LLC, for the Meadowbrook Park Basketball Court Resurfacing and Sidewalk, Project CP2556. **Councilman Davis** seconded. The Vote: “aye”, Councilman Davis, Councilmember Spallo, Councilman Garnos, Mayor Pro Tem Moore, and Mayor Smith. (5-0)

REGULAR AGENDA.

Item No. 14. On the Agenda. **RESOLUTION R-25-29**, A Resolution authorizing the City Manager to execute a contract with David E. Ross Construction Co., in the total amount of \$6,926,800.00 for the Water Treatment Plant Improvements, Project WP2492B.

Councilmember Spallo moved to approve **RESOLUTION R-25-29**, A Resolution **Mayor Pro Tem Moore** seconded. The Vote: “aye”, Councilman Davis, Councilmember Spallo, Councilman Garnos, Mayor Pro Tem Moore, and Mayor Smith. (5-0)

Item No. 15. On the Agenda. **FIRST READING BILL NO. 25-14**, An Ordinance authorizing Light Source Communications of Michigan, LLC, to use the City’s Rights-Of-Way to construct, install, operate, and maintain fiber facilities and to authorize the City Manager to execute a Rights-Of-Way Use Agreement therewith.

Councilmember Spallo moved **BILL NO. 25-14** be placed on its First Reading. **Councilman Davis** seconded. The Vote: “aye”, Councilman Davis, Councilmember Spallo, Councilman Garnos, Mayor Pro Tem Moore and Mayor Smith. (5-0) The Clerk read the Bill.

Councilmember Spallo moved to accept the First Reading of **BILL NO. 25-14**, waive the rule and place the Bill on its Second and Final Reading. **Councilman Davis** seconded. The Vote: “aye”, Councilman Davis, Councilmember Spallo, Councilman Garnos, Mayor Pro Tem Moore, and Mayor Smith. (5-0) The Clerk read the Bill.

Councilmember Spallo moved to accept the Second and Final Reading of **BILL NO. 25-14** and enact the Bill as **Ordinance 4.698**. **Councilman Davis** seconded. The Vote: “aye”, Councilman Davis, Councilmember Spallo, Councilman Garnos, Mayor Pro Tem Moore, and Mayor Smith. (5-0)

Roll Call vote: “aye”, Councilman Davis, Councilmember Spallo, Councilman Garnos, Mayor Pro Tem Moore, and Mayor Smith. (5-0) **Mayor Smith** stated **BILL NO. 25-14** stands enacted as **Ordinance Number 4.698**.

Item No. 16. On the Agenda. **VACANCY ON COUNCIL**

Mayor Smith addressed the post-election vacancy on the Council issue and emphasized the importance of unity during what he described is one of the most divisive issues the City has faced in years. He expressed concern over the tension and stressed the need for a thoughtful, unhurried approach. He reaffirmed the City’s commitment to transparency in the process of appointing a new Councilmember. He clarified that transparency involves clearly communicating the relevant facts and reasoning behind decisions, encouraging public participation, and allowing residents to engage with their government. Transparency does not imply universal agreement with outcomes. He noted that the City is navigating unprecedented circumstances following the April election. He discussed the situation in which the candidate with the most votes was found ineligible to take office due to an unpaid tax bill. This issue was due to state statutes and local Ordinances, which do not allow the second-highest candidate to assume the position by default, nor does state law allow exceptions for unpaid taxes. These legal restrictions, supported by case law, resulted in a vacancy on the Council. He proceeded to share that Council was informed that there were two options to fill the vacancy: either appoint someone to serve until the next regularly scheduled election in April 2026, or leave the seat vacant until a successor is sworn in. He emphasized that Councilman Garnos temporarily remaining in the seat was for the continuity of government, specifically to avoid a 2-2 tie that would hinder the Council's ability to conduct business. He also addressed concerns about the delay in the

process, acknowledging that although the legal steps are clear, the situation is complicated, and thus has contributed to the extended timeline. In addition, he explained that following the election, Miss Gibson had hired an attorney and intended to seek a judicial opinion on the City's application of laws regarding the timing of her tax payment. The potential for litigation slowed the process, although no legal action has been filed to date. He emphasized that despite this delay, it is in the best interest of all residents, regardless of how they voted in the 2025 election, for the Council to make a decision and move forward with focusing on policies, programs, and services. He reaffirmed the Council's commitment to respecting the election process, with fair and impartial elections being fundamental to government at all levels. The Councilmembers, City Manager, and staff have all taken an oath to uphold the Missouri Constitution and the laws governing cities of the third class, ensuring that any recommendation to fill the vacancy would align with these principles. He acknowledged the challenging nature of the decision-making process, noting that while the Council has considered various opinions, it is likely that the final decision will not satisfy everyone and criticisms will follow any outcome. The Mayor addressed that he was sworn into the Mayor's seat for the next year and has the privilege of serving and although it's not an ideal situation to step into, it's his responsibility to try and build consensus. He emphasized his belief that the best decision for the City as a whole, is to appoint someone with the experience and understanding necessary to address City issues immediately. Concerns were raised about misinformation and public criticism, particularly on social media, which he described as harmful and unproductive. The Mayor clarified that the ineligibility of the Miss Gibson was handled respectfully and discreetly by City staff, but the situation has since led to unfair accusations. He stated that he could not support appointing Miss Gibson to the Council, because she violated the rules and contrary to the press release by the CCDCC, it was not a one-time oversight. He also reported that he could not support Mr. Garnos, noting that while he is a well-respected and dedicated public servant, he lost the election. He added that, to Mr. Garnos credit, he acknowledges that he should not be reappointed. Both individuals were encouraged to run again in the next election. Mayor Smith shared that he supports moving forward efficiently with an appointment process that prioritizes experience and continuity, possibly without a lengthy application process, given the City's ongoing projects and needs. He proposed a hybrid approach to fill the Council vacancy by inviting only current Board and Commission members to apply. Interested individuals would have until May 19 to submit a letter of interest, with interviews to follow the week after Memorial Day. This would allow the Council to make an appointment at the next meeting and avoid a potential tie vote. Alternatively, he stated that the Council could directly appoint someone to the vacancy. If that option is preferred, the Mayor recommended the current Planning Commission Chairman, Cameron Nave, citing the commission's extensive responsibilities and for his active involvement in the community. He added that Mr. Nave also serves on the Capital Improvements Program Committee. Mayor Smith noted that both methods—application/interview and direct appointment—have historical precedent in the City's 73-year history and expressed readiness to collaborate with the Council on the best path to move the process forward and allow staff to continue City business effectively.

Councilman Davis requested clarification on the Mayor's recommendation regarding the Chairman of the Planning Commission, Cameron Nave, filling the vacancy until the April 2026 election.

Mayor Smith shared his view that appointing someone would be his preferred option, as it is the most expedient approach and Mr. Nave has experience with the City and its projects.

Councilmember Spallo thanked the Mayor for his comments, stating they were well-received, accurate, and based on facts. She emphasized that all councilmembers took an oath to uphold the Constitution of the State of Missouri and take that responsibility seriously. She noted this is her second term on the Council and that she served as Mayor during this past year. She acknowledged the

difficulty of the current situation, expressing that councilmembers care deeply about the City. She noted that Gladstone has a long-standing tradition of encouraging public participation, including annual opportunities for residents to apply for Boards and Commissions. However, she shared that Miss Gibson had not applied for such positions or participated in Council meetings as a resident and encouraged and invited her to do so. She stated that she could not support Miss Gibson's appointment at this time, but expressed support for appointing Cameron Nave, Planning Commission Chairman, noting he has done an excellent job in his current role. She agreed with the Mayor's remarks on the importance of continuity, particularly given the number of active City projects, and concluded that appointing the Mr. Nave would enable the City to move forward.

Mayor Pro Tem Moore stated that, for the good of the City, she would support proceeding with the appointment.

Mayor Smith expressed that the City is an unfortunate position and stated his belief that this appointment represents the best course of action.

Councilman Davis offered a sincere apology to individuals whose emails were not acknowledged. He explained that, under legal guidance, the City was limited in its ability to respond, but emphasized that an acknowledgment should have been sent. He expressed regret for the oversight and affirmed that the feedback was heard and appreciated, even if a full response could not be provided at the time.

Mayor Pro Tem Moore nominated Cameron Nave to fill the council vacancy, highlighting his long-standing commitment and service to the City. She noted that many first met him during his 2020 board application, where he stood out as a graduate of the Gladstone Leadership Academy with enthusiasm and a strong desire to give back. Since then, he has served on various committees, including the task force and advisory committee that contributed to the 2022 plan adoption. He currently serves as Chair of the Planning Commission and the City's Capital Improvements Program Committee. She emphasized his demonstrated leadership, dedication, and passion for public service, stating that he is an excellent and well-qualified choice to fill the vacancy.

Councilman Davis seconded the motion. He thanked Councilman Garnos for his outstanding service and expressed deep appreciation for his leadership, noting how much he has learned from him and values his insight. He also thanked Miss Gibson for her involvement, expressing hope that this is not a farewell, but a call to continued collaboration. He acknowledged the importance of accountability, commenting that while the term was mentioned frequently, its use in the discussion was somewhat concerning. He concluded by thanking everyone for their participation and reiterated his hope to move forward together.

Roll Call vote: "aye", Councilman Davis, Councilmember Spallo, Mayor Pro Tem Moore, and Mayor Smith. "abstain", Councilman Garnos, (4-0-1) **Mayor Smith** stated Cameron Nave has been appointed to the vacant seat, to serve until the next individual is sworn into office after the April 2026 election.

Item No. 17. On the Agenda. Other Business.

There was no other business.

Item No. 18. On the Agenda. Adjournment.

Mayor Smith adjourned the May 12, 2025, Regular City Council meeting at 8:10 pm.

Respectfully submitted:

Kris Keller, City Clerk

Approved as presented: _____

Approved as modified: _____

Mayor Les Smith

PROCLAMATION

WHEREAS, older adults deserve to be treated with respect and dignity to enable them to serve as leaders, mentors, volunteers, and vital participating members of our communities; and

WHEREAS, in 2006, the International Network for the Prevention of Elder Abuse, in support of the United Nations International Plan of Action, proclaimed a day to recognize the significance of elder abuse as a public health and human rights issue; and

WHEREAS, June 15th, 2025, marks the 20th Annual World Elder Abuse Awareness Day. Its recognition will promote a better understanding of abuse and neglect of older adults; and

WHEREAS, The National Center on Elder Abuse (NCEA) and the City of Gladstone recognize the importance of taking action to raise awareness, prevent, and address elder abuse; and

WHEREAS, as our population lives longer, we are presented with an opportunity to think about our collective needs and future as a nation; and

WHEREAS, Ageism and social isolation are major causes of elder abuse in the United States; and

WHEREAS, recognizing that it is up to all of us to ensure that proper social structures exist so people can retain community and societal connections, reducing the likelihood of abuse; and

WHEREAS, preventing abuse of older adults through maintaining and improving social supports like senior centers, human services and transportation will allow everyone to continue to live as independently as possible and contribute to the life and vibrancy of our communities; and

WHEREAS, where there is justice there can be no abuse; therefore, NCEA urges all people to restore justice by honoring older adults and join us in our engaging and empowering movement, and putting an end to abuse.

NOW, THEREFORE, I, Les Smith, Mayor of the City of Gladstone, Missouri, on behalf of the members of the Gladstone City Council and all Gladstone residents, do hereby proclaim June 15th, as

WORLD ELDER ABUSE AWARENESS DAY

in Gladstone, Missouri, and encourage all of our communities to recognize and celebrate older adults and their ongoing contributions to the success and vitality of our country.

Signed this day of 9th Day of June 2025



Request for Council Action

RES ☐ # City Clerk Only

BILL ☐ # City Clerk Only

ORD ☐ # City Clerk Only

Date: 5/9/2025

Department: Community Development

Meeting Date Requested: 6/9/2025

Public Hearing: Yes ☐ Date: [Click here to enter a date.](#)

Subject: Special Event Permit

Background: The Gladstone Police Department will be hosting the Law Enforcement National Night Out, a community outreach event. Various local law enforcement agencies will be present, each with their own pop-up booths. There may be also be food trucks on site, and Lifeflight Air Ambulance is scheduled to make a special appearance during the event.

Location: Happy Rock Park East

Date: Friday, August 8, 2025

Time: 5:00 pm to 8:00 pm

Budget Discussion: N/A

Public/Board/Staff Input: See attached letter of transmittal.

Provide Original Contracts, Leases, Agreements, etc. to: City Clerk and Vendor.

Alan Napoli
Department Director/Administrator

JA
City Attorney

BB
City Manager

LETTER OF TRANSMITTAL



CITY OF GLADSTONE
Community Development Department
P.O. Box 10719
Gladstone, Missouri 64188-0719
Tel. (816) 436-2200 Fax (816) 436-2228



TO: CITY COUNCIL
FROM: COMMUNITY DEVELOPMENT
DATE: MAY 9, 2025
PERMIT NO.: SEP25-
RE: TYPE 4 OUTDOOR SPECIAL EVENT

NAME OF EVENT: LAW ENFORCEMENT NATIONAL NIGHT OUT
LOCATION OF EVENT: 7511 NE ANTIOCH ROAD
HAPPY ROCK PARK EAST
DATE OF EVENT: FRIDAY, AUGUST 8, 2025
TIME OF EVENT: 5:00 PM TO 8:00 PM
EST. ATTENDANCE: 100±

REQUESTED TEMPORARY VARIANCE:

- ☒ Section 2.100.250(1) Outdoor display, sale and storage.
- ☒ Section 2.100.250(3) Sales transactions.
- ☒ Section 2.120.050 Noise prohibited.
- ☒ Section 2.130.010(2) Park rules and regulations (hours).
- ☐ Section 2.130.010(13) Park rules and regulations (alcoholic beverages).
- ☐ Section 2.135.040 Prohibition of smoking on or within all public park grounds.
- ☐ Section 2.140.040 Public fireworks display prohibited, exceptions.
- ☐ Section 3.100.060 Burning prohibited general; exceptions.
- ☐ Section 5.110.1800 Drinking in public.
- ☐ Section 5.160.230(a) Street use permit (street use permit allowed).
- ☒ Section 9.1600.110 Temporary signs.

REMARKS: City staff has reviewed the application and finds that the variance(s) requested are appropriate for this venue.

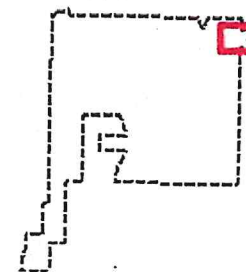
Signed:

Alan D. Napoli, C.B.O.

Community Development Administrator | Building Official

ATTACHMENT(S):

- ☒ Map
- ☐ Other _____



This map is a user generated static output from an Internet mapping site and is for reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.

THIS MAP IS NOT TO BE USED FOR NAVIGATION



Request for Council Action

RES ☐ # City Clerk Only

BILL ☐ # City Clerk Only

ORD ☐ # City Clerk Only

Date: 5/9/2025

Department: Community Development

Meeting Date Requested: 6/9/2025

Public Hearing: Yes ☐ Date: Click here to enter a date.

Subject: Special Event Permit

Background: The Gladstone Fire Department (GFD) in collaboration with Kansas City Dance Collective, will host a *Responding Together* event. This is a free community event, open to the public that emphasizes the importance of bystander intervention and CPR. Representatives from the American Heart Association, Strive for Life, and North Kansas City Hospital will be in attendance, each with their own tables/tents set up. GFD will also have an ambulance and a couple of fire trucks on site.

The north side of NE 70th Street adjacent to Linden Square will be closed to accommodate the GFD vehicles.

Location: Linden Square

Date: Saturday, September 6, 2025

Time: 11:00 am to 2:00 pm

Budget Discussion: N/A

Public/Board/Staff Input: See attached letter of transmittal.

Provide Original Contracts, Leases, Agreements, etc. to: City Clerk and Vendor.

Alan Napoli
Department Director/Administrator

JA
City Attorney

BB
City Manager

LETTER OF TRANSMITTAL



CITY OF GLADSTONE
Community Development Department
P.O. Box 10719
Gladstone, Missouri 64188-0719
Tel. (816) 436-2200 Fax (816) 436-2228



TO: CITY COUNCIL
FROM: COMMUNITY DEVELOPMENT
DATE: MAY 9, 2025
PERMIT NO.: SEP25-00061
RE: TYPE 4 OUTDOOR SPECIAL EVENT

NAME OF EVENT: RESPONDING TOGETHER
LOCATION OF EVENT: 602 NE 70TH STREET
LINDEN SQUARE
DATE OF EVENT: SATURDAY, SEPTEMBER 6, 2025
TIME OF EVENT: 11:00 AM TO 2:00 PM
EST. ATTENDANCE: 100±

REQUESTED TEMPORARY VARIANCE:

- ☒ Section 2.100.250(1) Outdoor display, sale and storage.
- ☒ Section 2.100.250(3) Sales transactions.
- ☒ Section 2.120.050 Noise prohibited.
- ☐ Section 2.130.010(2) Park rules and regulations (hours).
- ☐ Section 2.130.010(13) Park rules and regulations (alcoholic beverages).
- ☐ Section 2.135.040 Prohibition of smoking on or within all public park grounds.
- ☐ Section 2.140.040 Public fireworks display prohibited, exceptions.
- ☐ Section 3.100.060 Burning prohibited general; exceptions.
- ☐ Section 5.110.1800 Drinking in public.
- ☒ Section 5.160.230(a) Street use permit (street use permit allowed).
- ☒ Section 9.1600.110 Temporary signs.

REMARKS: City staff has reviewed the application and finds that the variance(s) requested are appropriate for this venue.

Signed: _____

Alan D. Napoli, C.B.O.

Community Development Administrator | Building Official

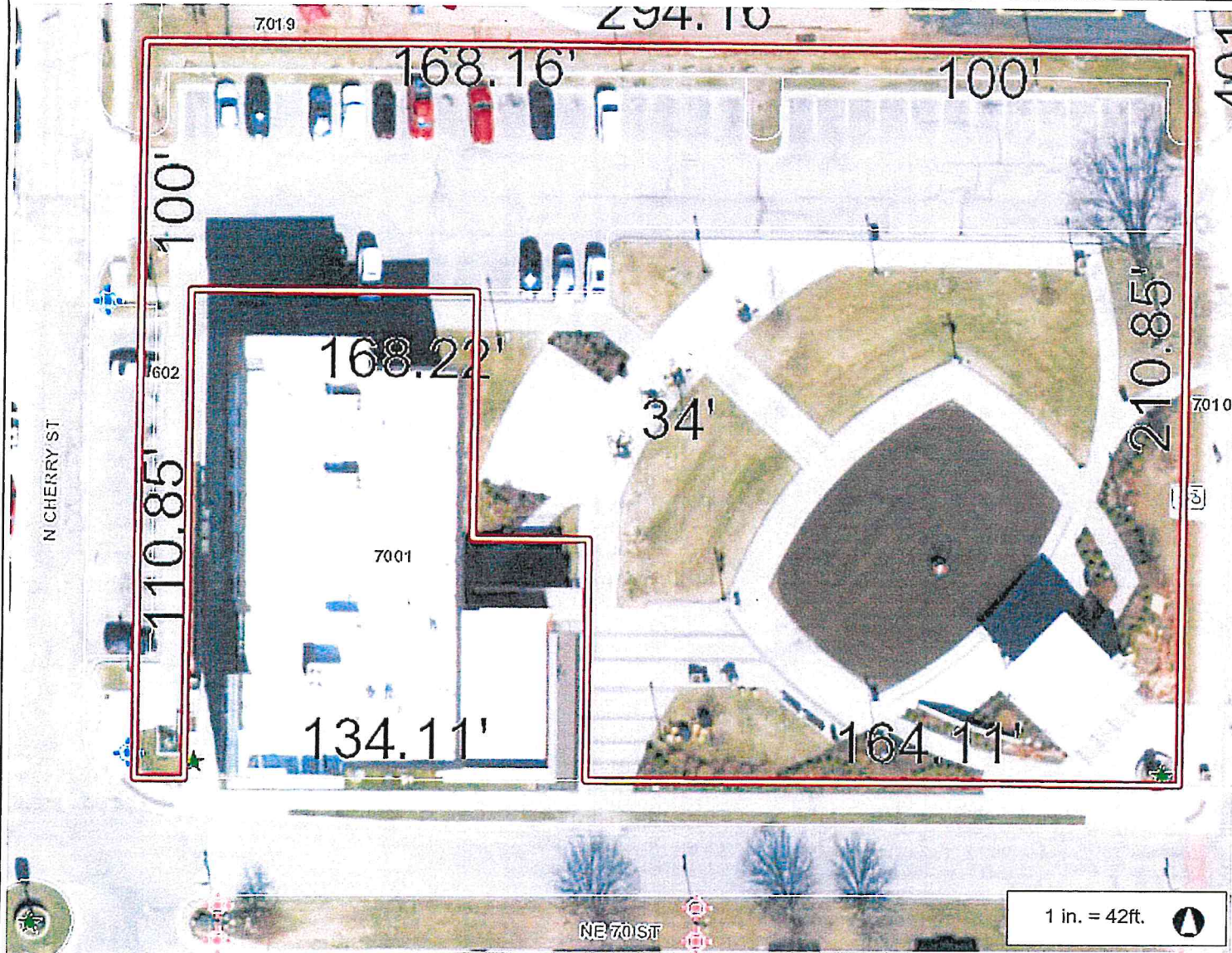
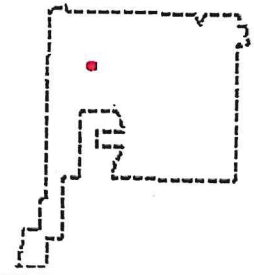
ATTACHMENT(S):

☒ Map

☐ Other _____



Gladstone, MO



Legend

- Stop Sign
- KCPL Lights
- Gladstone Lights
- School Point
- Bike Parking
- Bus Stop
- Point of Interest
- Church
- Apartment Point
- Street Centerline
- Edge Of Pavement
- Driveway
- City Limits
- Parcel
- House Number
- Villages
- Apartment Polygon

Notes

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THIS MAP IS NOT TO BE USED FOR NAVIGATION



Request for Council Action

RES ☐ # R-25-30

BILL ☐ # City Clerk Only

ORD ☐ # City Clerk Only

Date: 4/25/2025

Department: Community Development

Meeting Date Requested: 6/9/2025

Public Hearing: Yes ☐ Date: Click here to enter a date.

Subject: Stormwater Post-Construction Maintenance Agreement

Background: In 2023, City staff presented proposed revisions to Chapter 2200 – Erosion and Sediment Control – to the City Council. These changes were prompted by updated requirements from the Missouri Department of Natural Resources (MoDNR) and included new standards related to post-construction stormwater management. As a result, Chapter 2200 was updated and retitled Erosion and Sediment Control and Post-Construction Stormwater Regulations to reflect the expanded scope.

Post-construction stormwater management regulations pertain to the design, construction, and long-term maintenance of permanent stormwater retention features and other Best Management Practices (BMPs) intended to address both flood control and water quality.

As part of Woodlands Animal Clinic's new building, stormwater improvements were required. Consequently, a stormwater management plan has been developed. Attached is a Resolution to adopt the Post-Construction Stormwater Maintenance Agreement with Woodlands Animal Clinic.

Budget Discussion: N/A

Public/Board/Staff Input: Staff recommends approval of the proposed Resolution.

Provide Original Contracts, Leases, Agreements, etc. to: City Clerk and Vendor.

Alan Napoli
Department Director/Administrator

JA
City Attorney

BB
City Manager

RESOLUTION R-25-30

A RESOLUTION OF THE CITY COUNCIL OF GLADSTONE, MISSOURI, APPROVING AN EROSION AND SEDIMENT CONTROL POST-CONSTRUCTION STORMWATER MANAGEMENT AGREEMENT BETWEEN THE CITY OF GLADSTONE, MISSOURI AND WOODLANDS ANIMAL CLINIC, 2610 NE 60TH STREET, GLADSTONE, MISSOURI, 64119; ATTACHED AS EXHIBIT A; AND AUTHORIZING THE CITY MANAGER TO EXECUTE ALL NECESSARY DOCUMENTS.

WHEREAS, The City Council of the City of Gladstone, Missouri, has an interest in the maintenance of public and private stormwater facilities; and

WHEREAS, The City Council of the City of Gladstone, Missouri, recognizes that the Stormwater Facilities must be maintained for the Woodlands Animal Clinic, 2610 NE 60th Street, Gladstone, Missouri 64119; and

WHEREAS, Woodlands Animal Clinic owns the real property more particularly described in Exhibit A as recorded by deed in the records of the Clay County Recorder's Office; and

WHEREAS, Pursuant to Chapter 2200 of Title IV Building and Construction Ordinance, gives the City of Gladstone authority to set forth procedures for controlling erosion and sediment caused by land disturbance activities and the installation, operation and maintenance of post-construction stormwater facilities.

WHEREAS, The City of Gladstone and Woodlands Animal Clinic, agree that the health, safety, welfare and well-being of the citizens of the City of Gladstone require that the facilities be constructed and maintained on the property.

WHEREAS, The City of Gladstone's Ordinances require the facilities as shown on the approved development plans and specifications be constructed and maintained by the Owner, or its successors, heirs or assigns.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, AS FOLLOWS:

Section 1, That the City Manager is hereby authorized to execute a stormwater management agreement between the City of Gladstone and Woodlands Animal Clinic. (Exhibit A); and

Section 2, All orders, Ordinance, and Resolutions, or parts thereof, which are in conflict with or inconsistent with any provisions of this Resolution, are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

RESOLUTION R-25-30

INTRODUCED, READ, PASSED, AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, THIS 9TH DAY OF JUNE 2025.

ATTEST:

Mayor Les Smith

Kris Keller, City Clerk

1st Reading: June 9, 2025

2nd Reading: June 9, 2025

EXHIBIT A
CITY OF GLADSTONE, MISSOURI
POST-CONSTRUCTION MAINTENANCE AGREEMENT

WHEREAS, Lillie Fitzpatrick, recognizes that the Stormwater Facilities (hereinafter referred to as "Facilities") must be maintained for the development called Woodlands Animal Clinic, 2610 NE 60th Street, NW 1/4 of Section 30, Township 51 N, Range 32 W, in Gladstone, Missouri.

WHEREAS, Owner owns the real property more particularly described on the Attached Exhibit A as recorded by deed in the records of the Clay County Recorder's Office.

WHEREAS, City of Gladstone (hereinafter referred to as "City") and the Owner, agree that the health, safety, welfare, and well-being of the citizens of the City of Gladstone require that the facilities be constructed and maintained on the property.

WHEREAS, The City of Gladstone ordinances require that the Facilities as shown on the approved development plans and specifications be constructed and maintained by the Owner, or its successors, heirs, or assigns.

NOW, THEREFORE, in consideration of the foregoing premises, the mutual covenant contained herein, and the following terms and conditions, the parties hereto agree as follows:

Section 1 – Initial Construction.

The Facility or Facilities shall be constructed by Owner in accordance with the plans and specifications and approved by City for the development.

Section 2 – Maintenance.

Owner, its successors, heirs, or assigns shall maintain the Facilities in good working conditions acceptable to City and all other local, state and federal regulation and in accordance with the schedule of Post-Construction and Long Term Maintenance activities attached hereto as Exhibit B.

Section 3 – City Right of Entry.

Owner, its successors, heirs, or assigns hereby grant permission to City, through its authorized agents and employees, to enter upon the Property and to inspect the Facilities whenever City deems necessary. Whenever possible, City shall provide notice prior to entry.

Section 4 – Unmaintained Facilities.

In the event Owner, its successors, heirs, or assigns fails to maintain the Facilities as shown on the approved plans and specifications, in accordance with the Maintenance Schedule incorporated in this Maintenance Agreement, City, after giving written notice and reasonable time to comply not to exceed ninety (90) days, may enter the property and take whatever steps it deems necessary to return the Facilities to a good working condition.

This provision shall not be construed to allow City to erect any structure or a permanent nature on the property. It is expressly understood and agreed that City is under no obligation to maintain or repair the Facilities and in no event shall this Maintenance Agreement be construed to impose any such obligation on City.

Section 5 – Maintenance by City.

Note: Two options for reimbursement; Option 1 lien and Option 2 property tax

Option 1:

If City, pursuant to this Maintenance Agreement, performs work of any nature, or expends any funds in the performance of said work for labor, use of equipment, supplies, materials, or other matters to place the Facilities in good working order, Owner shall reimburse City within thirty (30) days of receipt thereof for all the costs incurred by City for said work. The work shall act a lien against the Property. If not paid within the prescribed time period, City shall be entitled to record notice of a lien against the Property in the amount of such costs. The actions described in this section are in addition to and not in lieu of any other legal remedies available to City as a result of Owner's failure to maintain the Facilities.

Option 2:

If City, pursuant to this Maintenance Agreement, performs work of any nature, or expends any funds in the performance of said work for labor, use of equipment, supplies, materials, or other matters to place the Facilities in good working order, owner shall reimburse City within thirty (30) days of receipt thereof for all the costs incurred by the City for said work. If owner does not reimburse the City the cost of said work may be included in a special tax bill or added to the annual real estate tax bill for the premises or private property and collected in the same manner and procedure for collecting real estate tax.

Section 6 – Liability.

This agreement is to insure the proper maintenance of the Facilities by the Property Owner. It shall not be deemed to create any additional liability, nor affect any existing liability of any party for damage alleged to result from or caused by storm water runoff.

Section 7 – Sediment.

Owner will make accommodations for the removal and disposal of all the accumulated pollutants and sediments. Temporary storage will be provided onsite in a reserved area(s). The sediment will need to be disposed of in an appropriate manner within two (2) weeks after being removed from the storm drain system.

Section 8 – Owner Inspection.

Owner shall use an approved Maintenance Inspection Report documenting inspections and the maintenance of Post-Construction BMP's according to specifications of the most current BMP's as updated and approved by City. These inspections and maintenance records shall be submitted to City each year by January 30th as annual verification of inspection and maintenance completion.

Section 9 – City Inspection.

City shall perform an on-site inspection whenever the City has reasonable cause to believe that there exists upon the premises or private property a condition in violation of this agreement. The City is authorized to enter the premises or private property at reasonable times to inspect or perform the duties imposed by this agreement; provided that if such premises or private property is occupied the City shall present credentials to the premises or private property owner and request entry. If such premises or private property is unoccupied the City shall first make a reasonable effort to locate the owner, owner's authorized agent, or other person having charge or control of the premises or private property and request entry. If entry is refused, the City shall have recourse to the remedies provided by law to secure entry.

Section 10 – Indemnity.

Owner, its successors, heirs, and assigns hereby indemnifies and holds harmless City and its agents and employees from any and all damages, accidents, casualties, occurrences, or claims which might arise or be asserted against City from the construction, presence, existence, or maintenance of the Facilities by Owner or the existence or maintenance of the Facilities by the Owner or City. In the event a claim is asserted against City, its agent or employees, City shall promptly notify Owner and Owner shall defend, at its own expense, any suit based on such claim. If any judgment or claims against City, its agents or employees shall be allowed, Owner shall pay for all judgment, costs, and expenses in connection therewith.

Section 11 – Recordation.

This Maintenance Agreement, or notice of the Agreement, shall be recorded with the Clay County Recorder's Office and shall constitute a covenant running with the land and shall be binding on Owner, its heirs, assigns, and successors in interest.

Section 12 – Enforcement.

This Maintenance Agreement may be enforced by proceedings at law or in equity by or against the parties hereto and their respective assigns or successors in interest.

Section 13 – Invalidation.

Invalidation of any one of the provisions of this Maintenance Agreement shall in no way effect any other provisions, which shall remain in full force and effect.

PROPERTY OWNER

(ENTER NAME)

DATED this _____ day of _____, 20____

Signature

Signature

Print Name

Print Name

[illegible]

On this _____ day of _____, 20____ personally appeared before me _____ and _____, the signer(s) of the foregoing instrument, who duly acknowledge to me that they executed the same.

_____(Seal)
Notary Public

My Commission Expires: _____

Approved as to form:

DATED this _____ day of _____, 20____

CITY OF GLADSTONE, MO. By:

Signature of:
Robert Baer, City Manager

Attest:

Kris Keller, City Clerk

Date: _____



Request for Council Action

RES ☒ # R-25-31

BILL ☐ # City Clerk Only

ORD # City Clerk Only

Date: 6/4/2025

Department: Public Works

Meeting Date Requested: 6/9/2025

Public Hearing: Yes ☐ Date: [Click here to enter a date.](#)

Subject: The Interlocal Purchasing System (TIPS) Cooperative Purchasing Membership

Background: TIPS is a national purchasing cooperative offering competitively solicited contracts to education, government, and nonprofit agencies, saving them both time and money. TIPS provides a proven, streamlined process that eliminates the purchasing stress for Members. Membership is free with no purchasing obligation or liability. Members gain immediate access to the competitively procured contracts with quality vendors. This program is offered by Region VIII Education Service Center, Pittsburg, Texas.

Budget Discussion: N/A

Public/Board/Staff Input: After reviewing the TIPS program, staff recommends that the City enter into an interlocal agreement with Region VIII Education Service Center, Pittsburg, Texas, for membership in the TIPS program.

Provide Original Contracts, Leases, Agreements, etc. to: City Clerk and Vendor.

Timothy A. Nebergall
Department Director/Administrator

JA
City Attorney

BB
City Manager

RESOLUTION NO. R-25-31

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE AN INTERLOCAL AGREEMENT WITH REGION VIII EDUCATION SERVICE CENTER FOR MEMBERSHIP INTO THE INTERLOCAL PURCHASING SYSTEM (TIPS).

WHEREAS, TIPS is a national purchasing cooperative offering competitively solicited contracts to education, government, and nonprofit agencies.

WHEREAS, City staff has reviewed the TIPS program information and recommends entering into an Interlocal Agreement with Region VIII Education Service Center, Pittsburg, Texas.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, AS FOLLOWS:

THAT, the City Manager of the City of Gladstone, Missouri, is hereby authorized to execute an Interlocal Agreement with Region VIII Education Services Center, Pittsburg, Texas.

INTRODUCED, READ, PASSED, AND ADOPTED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, THIS 9TH DAY OF JUNE 2025.

Mayor Les Smith

ATTEST:

Kris Keller, City Clerk



Request for Council Action

RES ☒ # R-25-32

BILL ☐ # City Clerk Only

ORD # City Clerk Only

Date: 6/3/2025

Department: Public Works

Meeting Date Requested: 6/9/2025

Public Hearing: Yes ☐ Date: [Click here to enter a date.](#)

Subject: Final Payment, FY24 Sewer Cleaning and Televising, Project SP2489

Background: Work has been completed on the referenced project and the contractor, Ace Pipe Cleaning, Inc., has made application for final pay. Staff has conducted a final inspection and determined the work to be completed in a satisfactory manner, in accordance with the specifications.

Original Contract Amount:	\$ 100,000.00
Change Order(s):	57,596.10
Revised Contract Amount:	<u>\$ 157,596.10</u>
Amount Paid to Date:	149,716.29
Total Amount Due Final Pay:	<u>\$ 7,879.81</u>

Budget Discussion: Funds were budgeted in the amount of \$160,000 from the CWSS Fund. Ongoing costs are estimated to be \$100,000 annually. Previous years' funding was \$100,000.

Public/Board/Staff Input: The project consisted of the standard cleaning of approximately 60,000 linear feet of small diameter sanitary sewer at various locations throughout the City and field verification of water service line materials in accordance with the new regulations.

Provide Original Contracts, Leases, Agreements, etc. to: City Clerk and Vendor.

Timothy A. Nebergall
Department Director/Administrator

JA
City Attorney

BB
City Manager

RESOLUTION NO. R-25-32

A RESOLUTION AUTHORIZING ACCEPTANCE OF WORK UNDER CONTRACT WITH ACE PIPE CLEANING, INCORPORATED AND AUTHORIZING FINAL PAYMENT IN THE AMOUNT OF \$7,879.81 FOR THE FY24 SEWER CLEANING AND TELEVISIONING, PROJECT SP2489.

WHEREAS, work under the contract with Ace Pipe Cleaning, Incorporated for the FY24 Sewer Cleaning and Televisioning, Project SP2489, has been completed to the satisfaction of the Director of Public Works.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, AS FOLLOWS:

THAT, the City Manager of the City of Gladstone, Missouri is hereby authorized to accept work under the contract and make final payment as follows:

Original Contract Amount:	\$ 100,000.00
Change Order(s):	57,596.10
Revised Contract Amount:	<u>\$ 157,596.10</u>
Amount Paid to Date:	149,716.29
Total Amount Due Final Pay:	<u>\$ 7,879.81</u>

FURTHER, funds for such purpose are authorized from the Combined Waterworks and Sewerage System Fund.

INTRODUCED, READ, PASSED, AND ADOPTED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, THIS 9TH DAY OF JUNE 2025.

Mayor Les Smith

ATTEST:

Kris Keller, City Clerk

The seal of the City of Gladstone, Missouri, is a circular emblem. It features a central illustration of a sun with rays rising over a green landscape with trees. The words "City of Gladstone" are written in a serif font along the top arc, and "Missouri" is written along the bottom arc. The seal is rendered in a light, faded style in the background.

MONTHLY FINANCIAL UPDATE

APRIL YTD 2025



2025 CITY COUNCIL GOALS

- Keep Gladstone as a safe place with a focus on crime prevention, traffic enforcement, and the recruitment and retention of high-quality police officers, firefighters and EMS personnel.
- Continue commitment to downtown, commercial corridors, and under-developed areas through effective and innovative infrastructure and redevelopment strategies.
- Provide the resources and support the strategies to continue to improve residential and commercial code enforcement.
- Build an event center to replace the existing barn on the Atkins-Johnson Farm to provide long-term programming opportunities.
- Prioritize infrastructure for neighborhood revitalization to meet the needs of our residents and encourage quality residential density and homeowner investment to preserve and increase housing values.
- Promote initiatives to beautify Gladstone by encouraging civic engagement and community pride.
- Promote diversity, equity, and inclusion in all that we do to continue to be a welcoming city to everyone.
- Continue to improve and build communication strategies to better inform and engage our residents.
- Continue towards developing Flora Park as an all-inclusive recreational space.
- Explore funding opportunities for improving infrastructure, roads, and amenities.
- Prepare for the opportunities and challenges that will come with the World Cup 2026.



Revenue Summary

- Citywide revenue overall is pacing ahead of budget by 6.8% or ~\$3.3M.
- Sales tax revenue which had been sluggish through the first half the fiscal year is now pacing at 84.7% of budget vs. target of 83.3%.



Expense Summary

- Citywide expenditures are pacing below budget by ~13.1% or \$7.2M.
- Expenditures are lower YoY, primarily due to unfilled open positions and timing of capital expenditures.
- The cost of water main breaks will be continue to be something to watch for the remainder of the fiscal year and beyond.

CITYWIDE

REVENUE

Citywide revenue continues to pace higher than forecast at 90.1% of budget through the month of April. Year-over-year revenue is ~19% lower primarily due to loan proceeds in last fiscal year. Excluding the loan proceeds, YoY revenue is <1% below prior year.

EXPENSE

Citywide expenditures continue to pace well below budget and are now ~13% lower. Citywide expenditures also continue to pace below prior year-to-date by ~1.3%. The favorability is mainly driven by the timing of capital expenditures in CWSS and savings from open headcount, partially offset by higher debt obligations and higher water main break expenses, along with ambulance engine rebuild and payoff of AJ Farm Debt.



-

GENERAL FUND- REVENUE

PROPERTY TAXES

Property tax revenue through February is \$4,163,778 compared to a budget of \$4,181,000 or 99.6%. Compared to prior year property tax revenue is now pacing ~1% higher.

SALES TAXES

The city has collected \$7,500,593 in sales taxes compared to a budget of \$8,520,000 or 88.0% of budgeted revenue. Sales tax revenue is now pacing slightly ahead of prior year.

GROSS RECEIPTS TAX

Franchise tax revenue through the end of the month sits at \$3,020,141 compared to a budget of \$3,250,000 or 86.9% of budgeted revenue. YoY revenue is pacing lower by ~6% primarily due to timing in Electric, Natural Gas, Cable, and Wireless gross receipts.

LICENSES AND PERMITS

Revenue of \$647,292 compared to a budget of \$672,030 or 96.3% of budgeted. This can be explained by the business license renewals occurring primarily in the first quarter of fiscal FY2025. Revenue is currently pacing ~4% lower YoY.

INTERGOVERNMENTAL

YTD revenue sits at \$1,485,724 compared to a budget of \$1,765,000 or 84.2% of budgeted revenue. YoY revenue is now pacing ~2% below prior year primarily due to timing of Oaks Service Agreement payments.



Revenue Summary

- Charges for services are now pacing slightly ahead of prior year due to higher athletic league fees and brush removal.
- Fines and Forfeitures are now pacing ahead of prior year primarily due to higher municipal court fines and bond forfeitures.



Items to watch

- We are beginning to see the impact of on revenue due to increased outdoor activities in Parks & Rec now that we are moving into the Spring months.
- Staff continues to explore options for increasing Interest revenue.

GENERAL FUND- REVENUE

CHARGES FOR SERVICES

Revenue of \$3,020,141 compared to budgeted \$3,464,915 or 87.2% of budgeted. Revenues are now pacing slightly ahead of prior year.

FINES AND FORFEITURES

YTD revenue is \$346,188 out of \$470,000 budgeted or 73.7% of budgeted revenue for the fiscal year. The account category shows an increase YOY of ~24%.

OTHER MISC. REVENUE

YTD revenue is \$1,271,992 out of \$1,203,000 budgeted or 106% of forecasted revenue. The strong results are primarily driven by higher Interest revenue, Building rental and sales of assets. Year-over-year revenue is pacing lower by \$25,648 primarily due to lower Sale of Assets revenue, Building rental, and Interest revenue.



Expense Summary

- YTD expense of \$19,020,505 compared to \$25,331,277 FY budget or ~75% of authorized spend.



Items to watch

- If open positions are able to be filled, staff expect personnel costs to increase accordingly. This would be especially noticeable in the police and public works departments.
- Spend related to water main breaks and replacements are expected to actualize higher than forecasted. Funding for these items were reflected in the mid-year budget adjustments.

GENERAL FUND- EXPENSE

PERSONNEL

YTD expense of \$12,191,969 out of a budgeted \$16,188,177 or 75.3% of budget. With a YoY increase of ~6.9% primarily in Fire Department wages and overtime. Despite the YoY increase, overall payroll costs are expected to be under budget while staff work to fill open positions across the city.

SUPPLIES

YTD expense of \$909,018 out of a budgeted \$1,252,124 or 72.6% of budget. Currently pacing ~2.4% above prior year. Staff expect this line item to fluctuate as departments incur additional expenses throughout the year.

SERVICES

YTD expense of \$3,141,892 out of a budgeted \$4,363,310 or 72.0% of budget. Currently pacing ~3.7% above prior year primarily due to higher insurance, audit and IT equipment maintenance costs. Actual spend continues to pace below budgeted year to date, mostly again due to timing differences in expense recognition. The city prepays several large costs at the start of the fiscal year that will continue to draw down throughout the year.

CAPITAL

YTD expense of \$364,648 out of a budgeted \$523,665 or 69.6% of budget. This represents a decrease of \$2,205,212 YoY as projected in the 5-year CIP.

DEBT

YTD expense of \$755,173 out of a budgeted \$979,000 or 77.1% of budget. This increase of ~137% YoY is attributed to the 2024 lease purchases and paying off the AJ Farm note.



COMMUNITY CENTER AND PARKS FUND



Revenue Summary

- Revenue excluding a TST transfer of \$786,000 is \$3,217,743 YTD out of a budgeted \$4,443,822 or 72.4% of forecasted.
- Revenue including the TST transfer brings inflows to 76.6% of forecasted.



Expense Summary

- YTD Expense of \$3,242,201 compared to \$5,229,372 budgeted or 62% of authorized spend.



Items to watch

- Impact of price increases on activity enrollment.

REVENUE- SALES TAX

YTD revenue of \$877,686 out of a budgeted \$1,100,000 or 79.7% of forecasted. YoY decrease of ~2%.

REVENUE- CHARGES FOR SERVICES

YTD revenue of \$1,313,019 out of a budgeted \$1,667,800 or 78.7% of forecasted which is a YoY increase of ~2%.

EXPENSES

Personnel

YTD of \$1,228,178 represents a YoY increase of ~26%, mostly due to changes in staffing. Representing a current spend of ~85% budgeted.

Capital

YTD of \$269,379 is flat to prior year and represents 62% of budgeted.



Revenue Summary

- \$892,304 out of \$1,130,000 or 78.9% of forecasted.
- Accounting corrections of \$10,000 reduce FY2025 net revenue recognized YTD.



Expense Summary

- YTD expense of \$905,230 out of \$1,223,594 or 73.9% of authorized spend.



Items to watch

- Best practice is to spend down restricted funds before unrestricted. Staff allocate police FTE as promised to voters, and expect costs in PSST to closely match budgeted.

PUBLIC SAFETY SALES TAX

REVENUE- SALES TAX

YTD revenue of \$877,661 represents a marginal YoY decrease and continues to pace below budget at ~79.8%.

EXPENSES

Personnel

YTD expense of \$521,748 represents 84.5% of budgeted for the fiscal year.

Supplies

YTD expense of \$13,338 represents 24.3% of budgeted for the fiscal year. Spend in these line items will occur sporadically throughout the fiscal year.

Services

YTD expense of \$71,427 are now pacing \$1,661 lower YoY and at 47.5% of budgeted.

Capital

YTD expense of \$200,090 represents 98.2 % of budgeted for the fiscal year due to higher automotive capital expenditures.



CWSS – WATER AND SEWER FUND



Revenue Summary

- \$11,210,196 revenue represents 84.8% of the \$13,214,010 forecasted for the year.
- Revenue analytics are currently skewed by the large \$893,334 loan proceeds realized in FY24.



Expense Summary

- Total YTD Expense of \$11,735,941 out of \$19,237,829 or 61.0% of authorized spend.



Items to watch

- The number of water main breaks continues to outpace prior year and forecast.
- Ability to fill open positions and employee turnover.

REVENUE

YTD revenue of \$11,210,196 out of the \$13,214,010 forecasted for the FY represents 84.8% of budgeted and represents a YoY decline of \$319,889. This decline is directly attributed to the \$893,334 loan proceeds received in FY2024. Usage revenue is now pacing ahead of prior year, along with Interest revenue.

EXPENSES

Personnel

YTD expense of \$1,348,221 represents 76.7% of budgeted. The underspend YTD is attributed to the ongoing staffing shortage in 501 that staff continue to monitor.

Supplies

YTD expense of \$627,194 represents 81.3% of budgeted and a YoY increase of ~22% primarily due to the increased number of water main breaks.

Services

YTD expenses of \$7,263,506 represents 79.6% of budgeted and YoY increase of ~5.4% primarily due to higher sewer line maintenance expenses.



FY2026 Budget Public Hearing

1

Agenda

- Review budget guiding principles and best practices
- Citywide Overview
- General Fund
- Restricted Funds: CPPT, PSST
- Capital Funds: CIST, TST, CERF
- Requests: Supplemental and IT
- Enterprise Fund: CWSS

2

Guiding Principles



The goals and mission of the Gladstone City Council



Maximize utility of resources provided by residents



Maintain a long-term investment focus while reducing debt



Prudent spend on maintenance to prevent expensive large repairs

3

The Budget Planning Process - Revenue

Start:
Current year
performance

Remove prior
year and add
future one-
time cash
flows

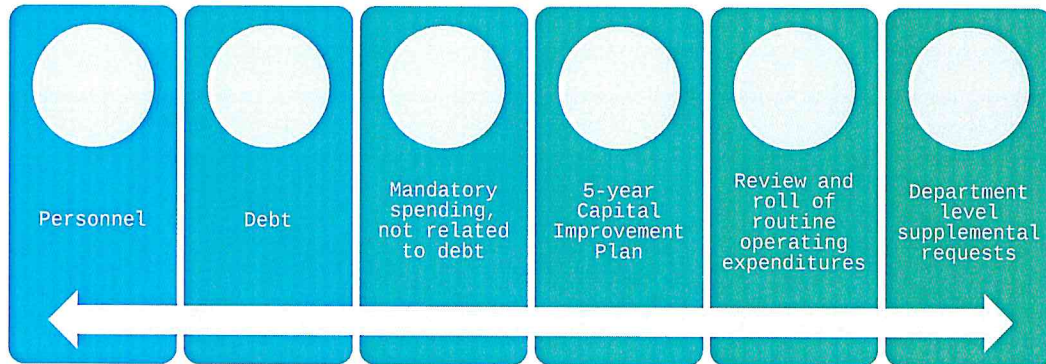
Update
forecasts for
regular and
new revenue
streams

Revenue
generating
departments
provide
updated input

Revenue
forecasts are
generated for
all funds

4

The Budget Planning Process – Expenditure by Category



5

Agenda

- Review of budget guiding principles and best practices
- Budget assumptions for the 2026 Fiscal Year
- Citywide overview
- Analysis of citywide revenue, expenditures, risks
- Fund level discussions
- Supplemental Requests

6

High Impact Assumptions - Revenue



6% SEWER RATE
INCREASE:
\$498,000
5% WATER RATE
INCREASE:
\$240,000



ASSUMES SALES
TAX REVENUE
GROWTH WILL
BE MODEST IN
FY2026



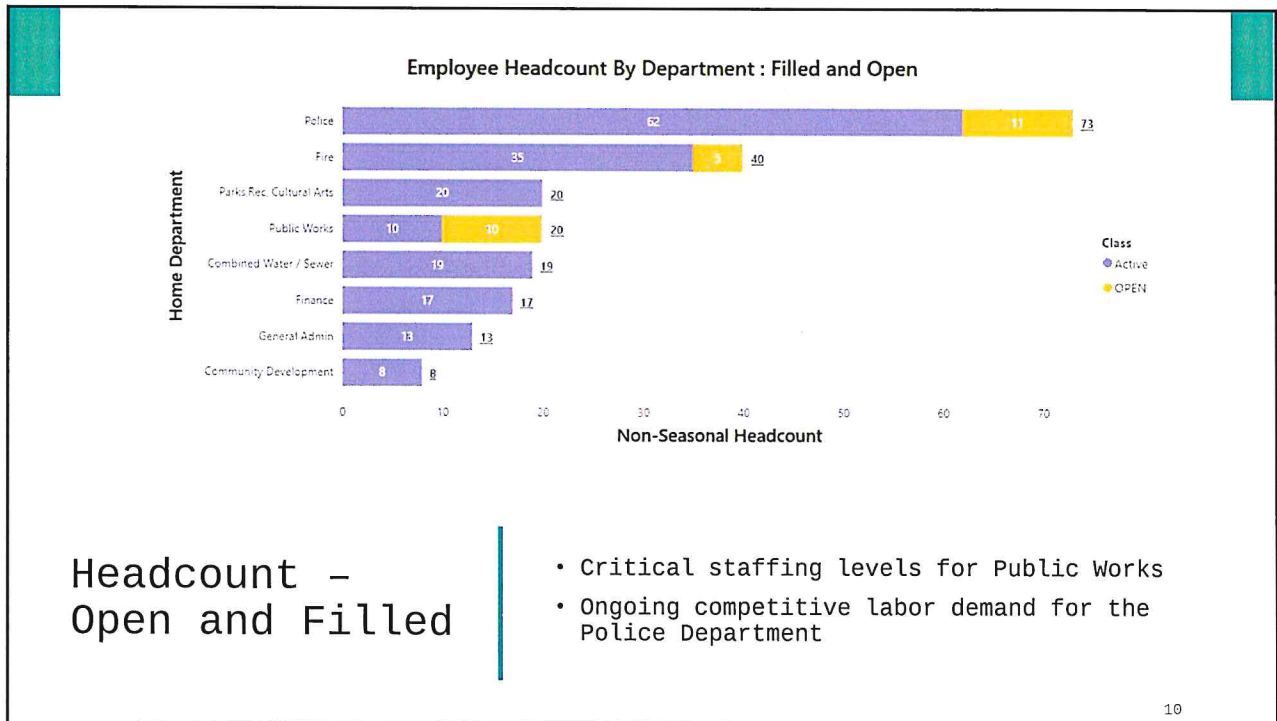
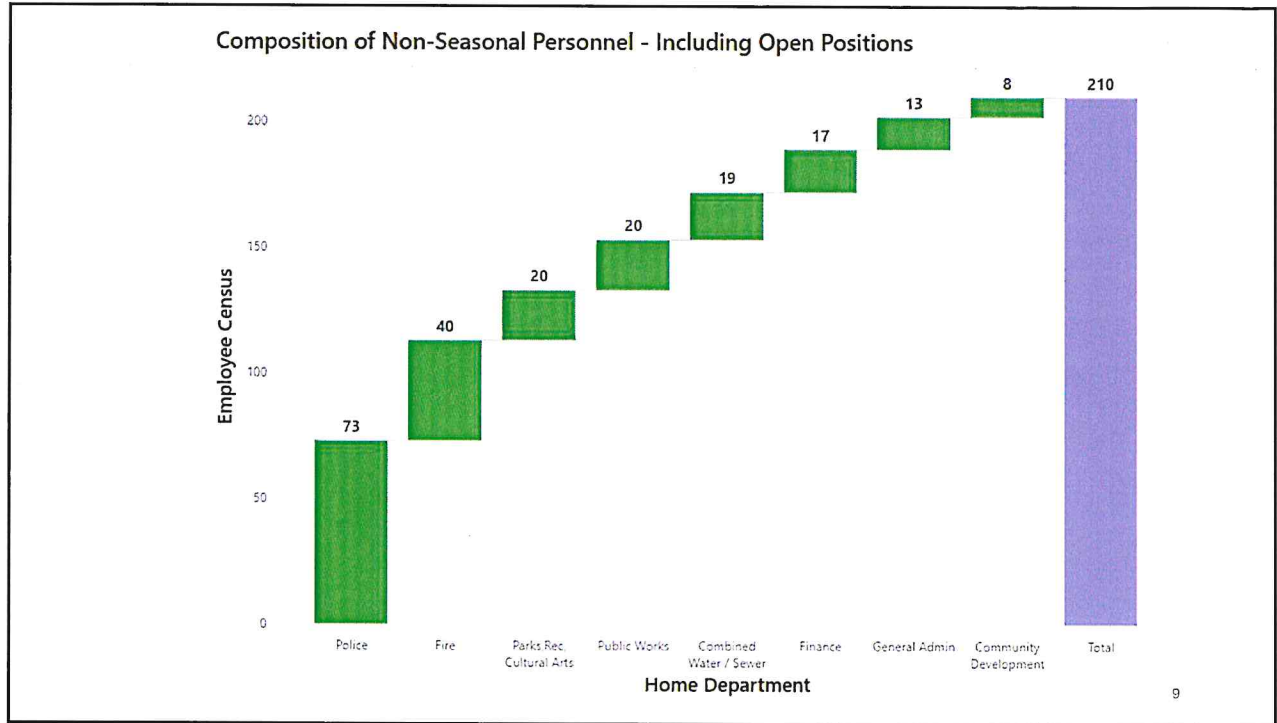
OUTDOOR POOL
FEES
INCREASES



AJ FARM VENUE
REVENUES:
NOT YET
PROJECTED

Personnel Assumptions and Considerations





Personnel Assumptions



Open positions will be filled all 12 months



Workers Comp increase by 5% for general city,
11% for fire



Recruitment and Retention in Public Safety and
Public Works will be key focus

11

Benefit Assumptions



3% increase in medical

The city will absorb the 3% increase in medical insurance for the year.



No change in HSA, other
third-party benefits

The city will not alter any HSA contributions. Non-medical prices for the city will stay at FY2025 levels.








Assume open positions
will enroll in benefits

For benefits, assume open headcount will fully enroll in family coverage

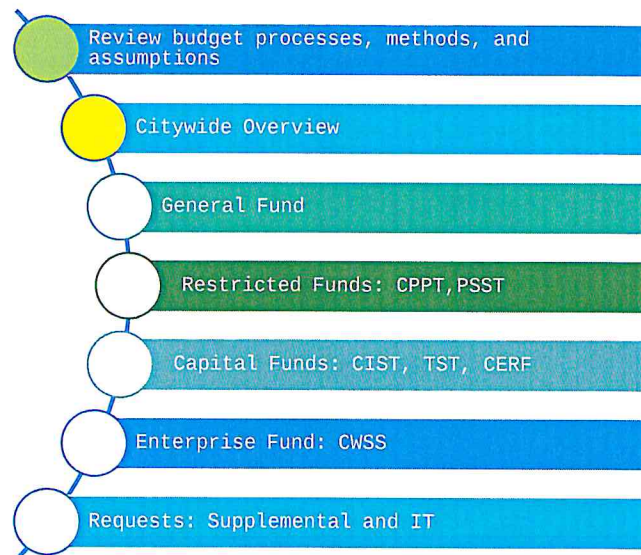
12

Risks – Personnel

-  The labor market continues to be competitive for qualified staff
-  Employee turnover continues to be an elevated risk
-  We currently have 26 open positions
-  Targeted market adjustments have been made for certain positions to mitigate further turnover
-  Retention of key staff and succession planning is vital and will be an enhanced focus area in FY2026

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Agenda



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Citywide Overview

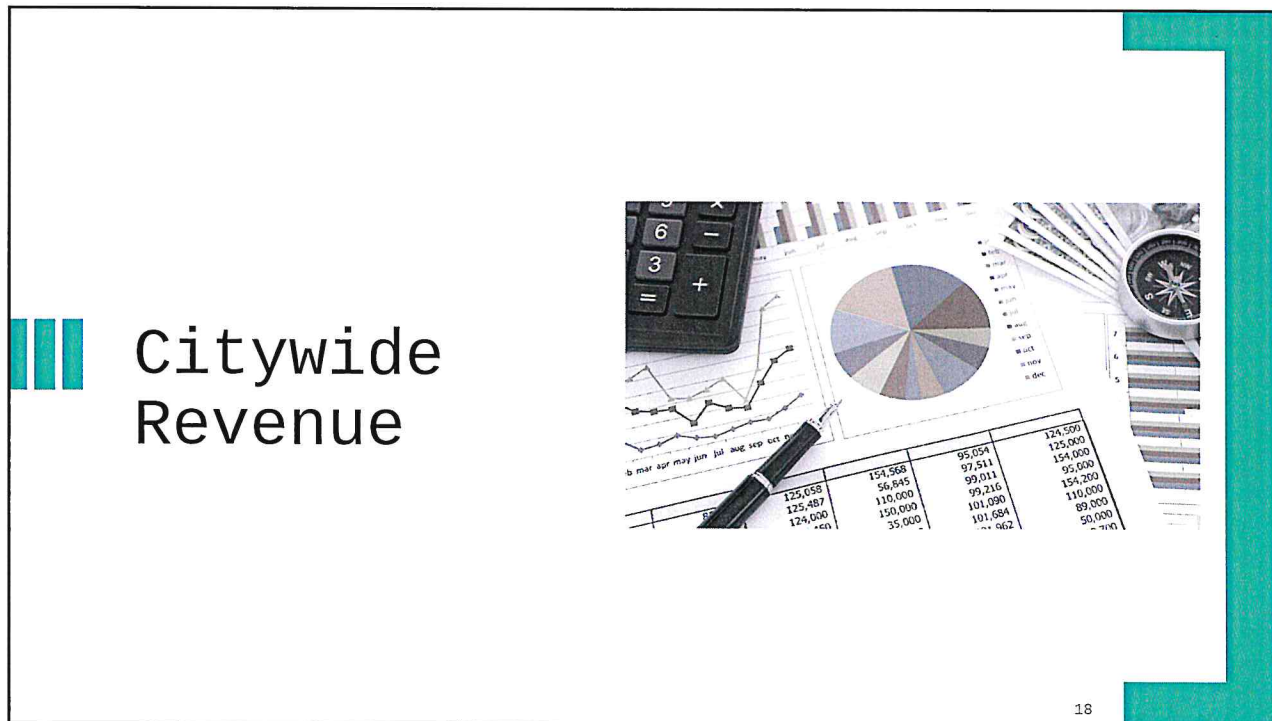
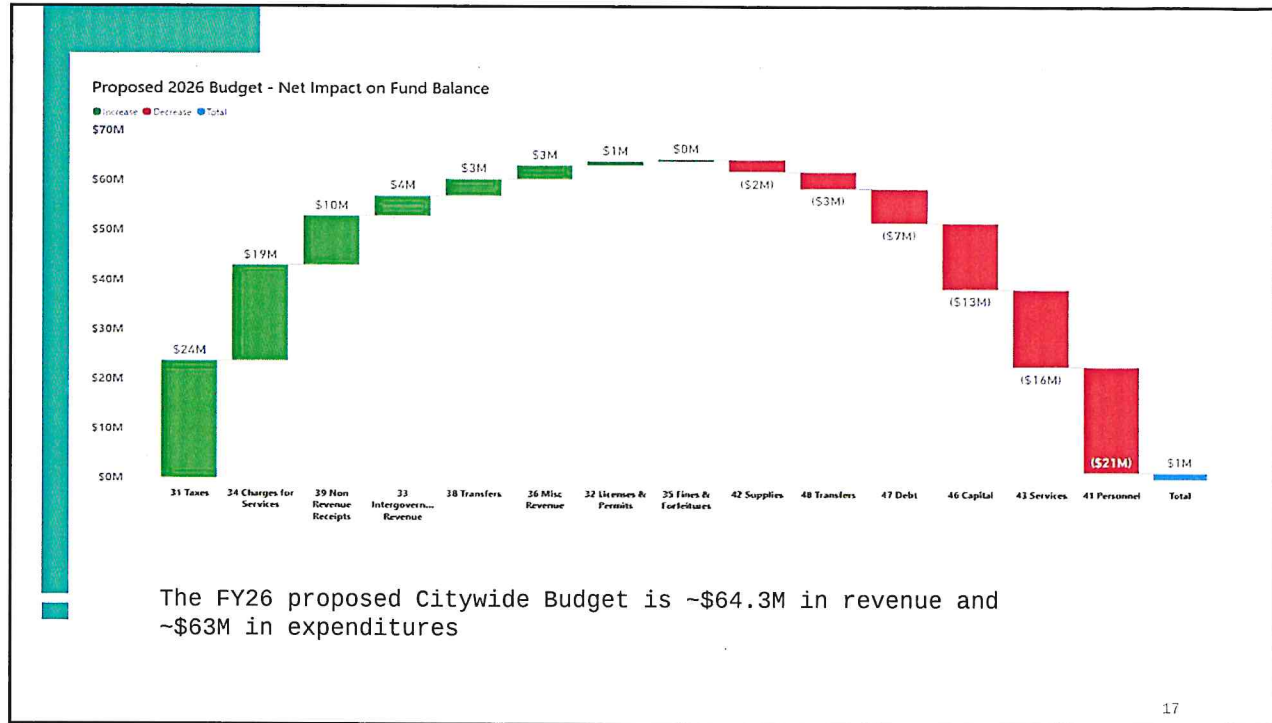


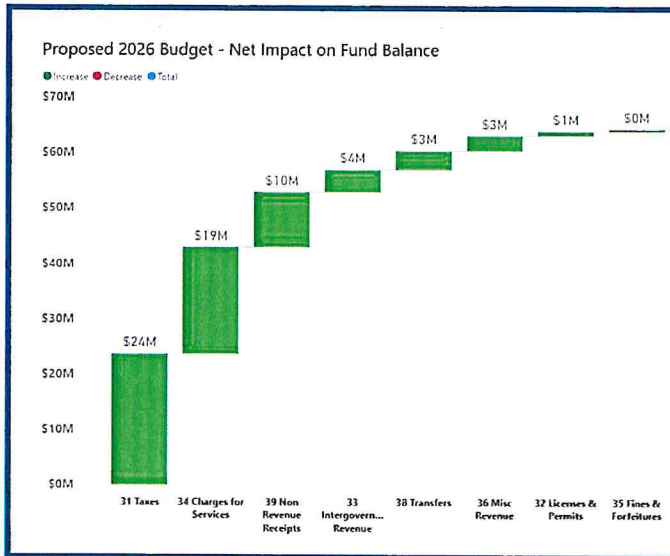
15

Proposed FY2026 Budgeted Funds - Overview

Class	101-General	202-CCPT	203-PSST	401 CIST	402-TST	404-Tech	501-CWSS	Total
31 Taxes	\$16,539,266	\$1,115,689	\$1,115,689	\$2,231,378	\$2,231,378	\$407,000		\$23,640,400
32 Licenses & Permits	\$854,338							\$854,338
33 Intergovernmental Revenue	\$1,913,506	\$750,000	\$3,898	\$0	\$1,400,000		\$0	\$4,067,404
34 Charges for Services	\$3,707,394	\$1,785,715		\$0	\$0		\$13,826,383	\$19,319,492
35 Fines & Forfeitures	\$362,755							\$362,755
36 Misc Revenue	\$1,550,928	\$410,096	\$35,553	\$123,067	\$150,360	\$84,878	\$422,781	\$2,777,663
38 Transfers	\$428,731	\$1,133,243	\$0	\$1,675,000	\$150,000	\$0	\$0	\$3,386,974
39 Non Revenue Receipts	\$986,810	\$0	\$55,976	\$1,750,000	\$1,000,000	\$0	\$6,164,466	\$9,957,252
Total	\$26,343,728	\$5,194,743	\$1,211,116	\$5,779,445	\$4,931,738	\$491,878	\$20,413,630	\$64,366,278
41 Personnel	(\$17,259,662)	(\$1,643,558)	(\$646,777)				(\$1,765,341)	(\$21,315,338)
42 Supplies	(\$1,294,895)	(\$135,651)	(\$97,047)				(\$941,715)	(\$2,469,308)
43 Services	(\$4,603,633)	(\$1,076,910)	(\$148,559)	(\$122,127)	(\$326,000)	\$0	(\$9,327,326)	(\$15,604,555)
46 Capital	(\$384,820)	(\$59,065)	(\$121,484)	(\$2,395,000)	(\$3,300,000)	\$0	(\$7,052,319)	(\$13,312,688)
47 Debt	(\$681,775)	(\$2,279,559)	(\$197,249)	(\$1,681,280)	(\$724,914)	(\$63,147)	(\$1,276,929)	(\$6,904,853)
48 Transfers	(\$2,118,943)	\$0	\$0	(\$689,300)	(\$100,000)	(\$428,731)	(\$50,000)	(\$3,386,974)
Total	(\$26,343,728)	(\$5,194,743)	(\$1,211,116)	(\$4,887,707)	(\$4,450,914)	(\$491,878)	(\$20,413,630)	(\$62,993,716)
	\$0	\$0	\$0	\$891,738	\$480,824	\$0	\$0	\$1,372,562

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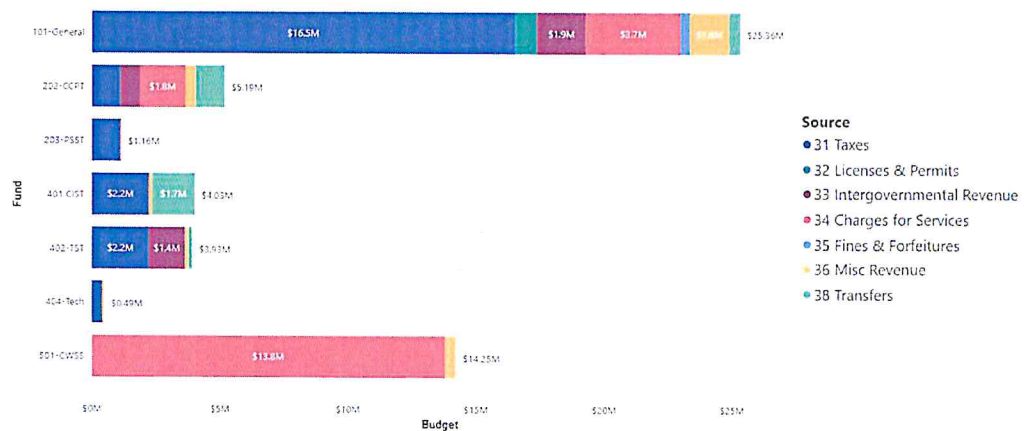




Revenue - Citywide: \$64,366,278

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Fund Revenue Sources



Revenue Forecast by Fund

- Conservative forecast for sales tax performance partially offset by improved marijuana tax revenue
- New construction expected to increase license & permit revenue

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Revenue - Budget Compared to Annualized Performance: All Funds Modified Accrual Basis - Before Transfers, Equity Drawdown, and Debt Proceeds

Prior Year Comparison to Proposed : Revenue

Type ● Annual Performance ● Budget



Revenue Forecast by Fiscal Year

- Staff maintained a conservative outlook for overall revenue
- Water and Sewer rate increases are expected to push revenue >\$700,000 higher

21

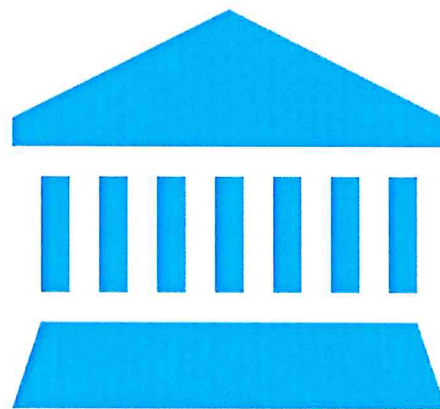
Risks : Revenue

• Uncertain cash inflows - Geopolitical factors


- Projecting ~\$5 million in intergovernmental revenue including local, state, federal inflows.
- If even a portion of this funding is frozen or delayed the city may be facing a million dollar+ funding gap for this budget year.

• Property Value Assessment Freeze for elderly residents


- 2026 base assessment year will start to impair an unknown portion of the city's property tax base.
- Until direct data are gained, internal estimates from census data show this will likely be a material impact.
- Change will start small but grow



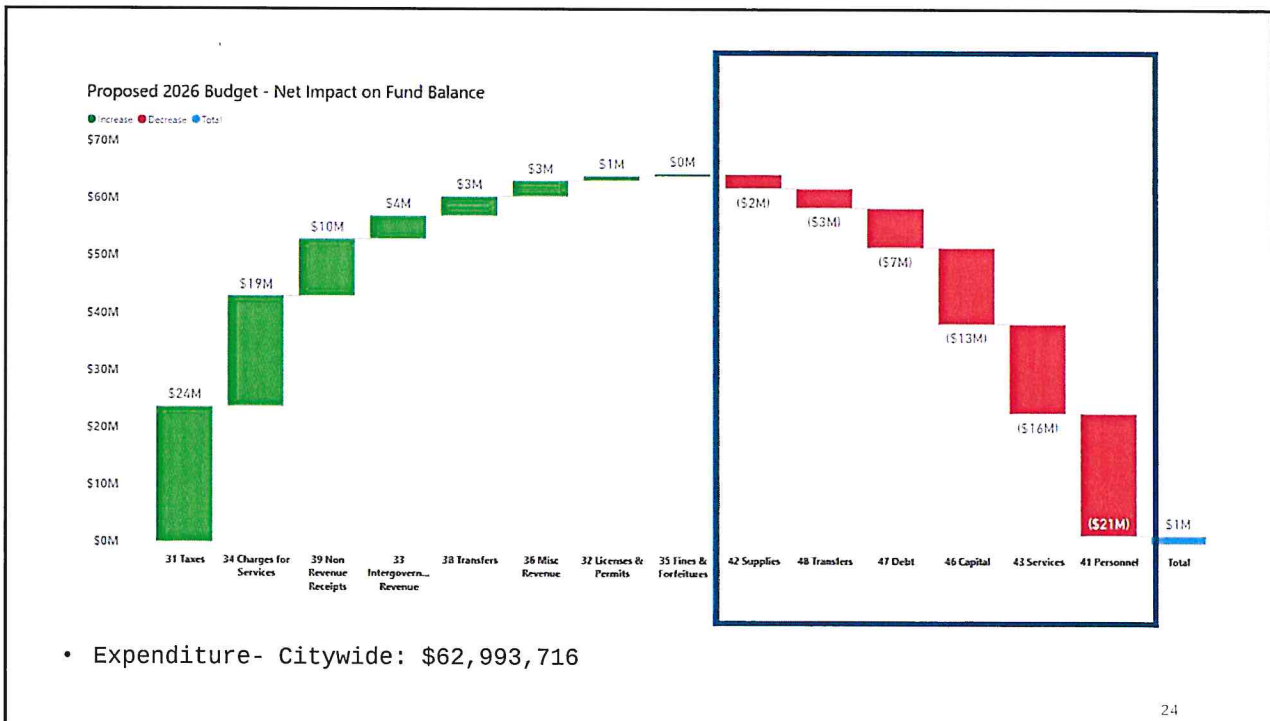
22

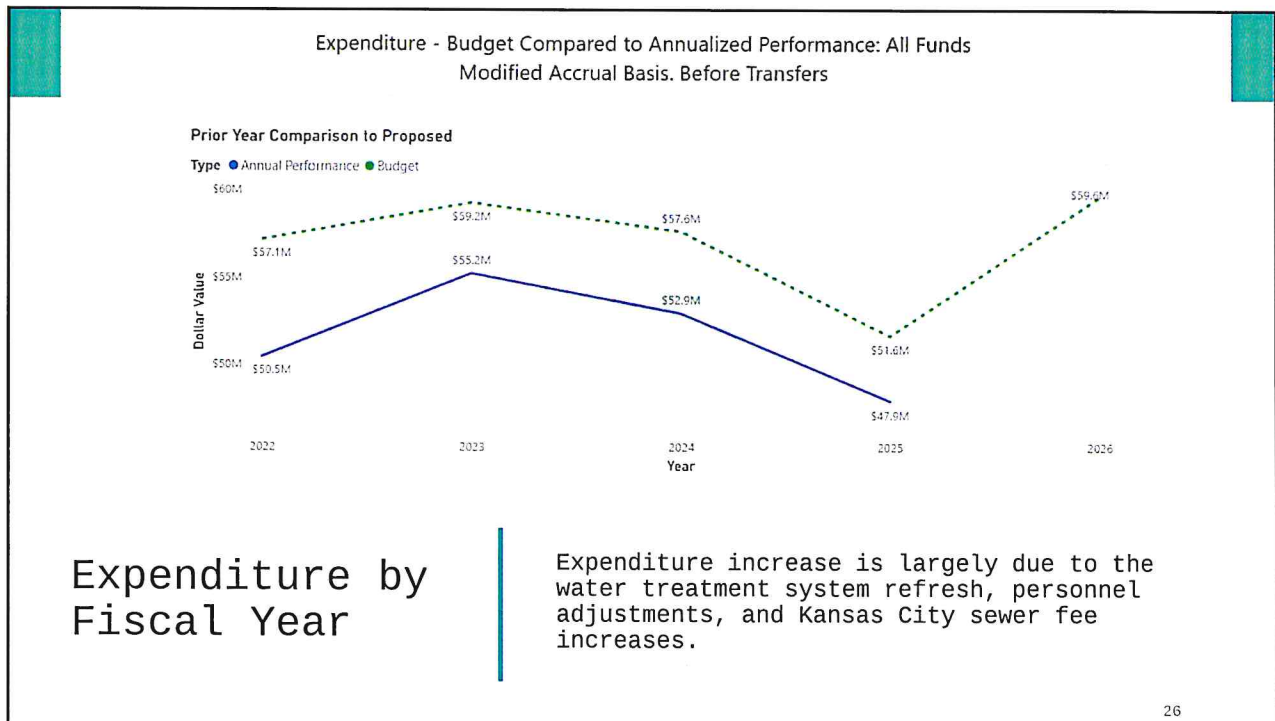
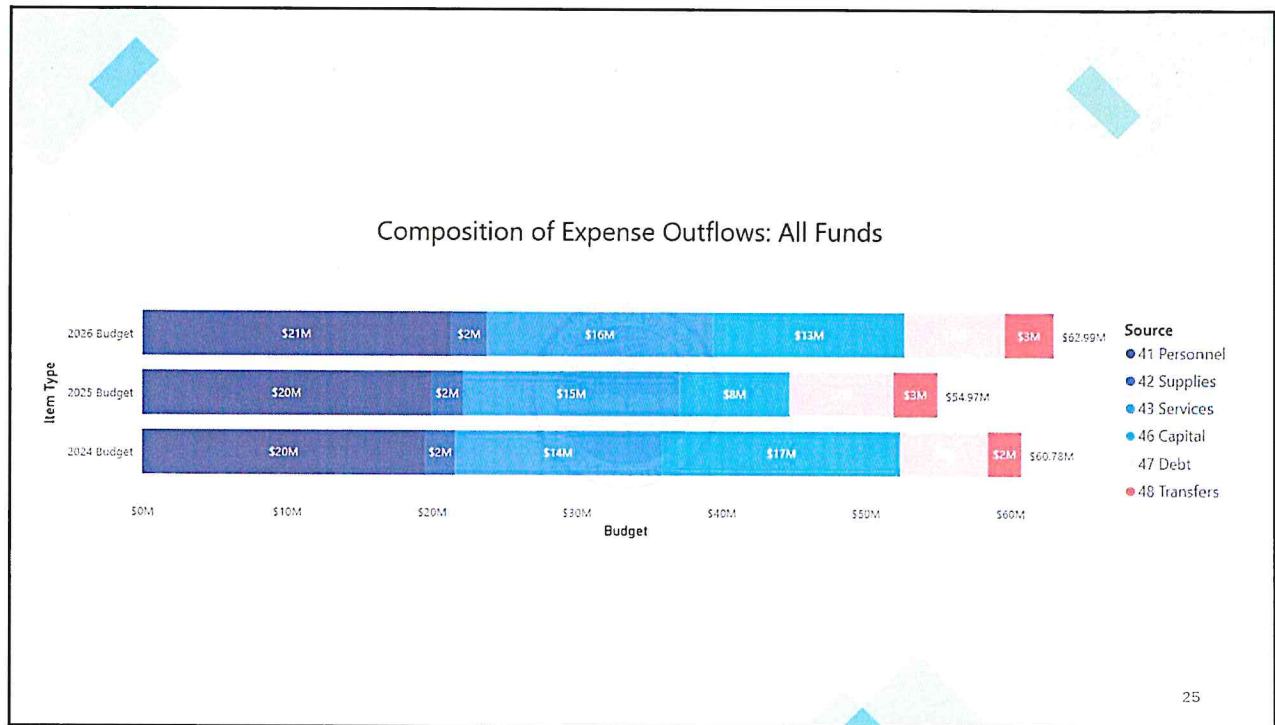


Citywide Expenditu res



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Risks: Expenditure – Significant Project Investments



FY26 budget allocates ~\$6 million to the water system renovation project



The entire project is estimated at ~\$14 million



Current tariff impacts, even if short term (12 months or less), may raise costs by 10-25%

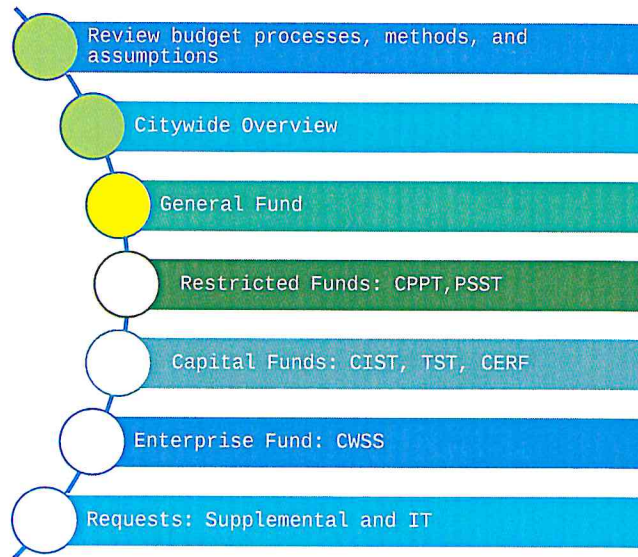
27

Fund Review



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Agenda



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General Fund - Budgeted Inflows and Outflows

- The general fund is exceptionally sensitive to conservative revenue forecasting.
- Personnel costs continue to account for most of the annual outflows
- A fund drawdown of \$986,810 is budgeted for 2026,
 - Related to the AJ Farm venue funding and spenddown of the 2024 COP proceeds.
- Budgeted revenues for the year are expected to be \$26.3 million, compared to \$25.3 million prior year.

Net Inflows and Outflows: FY2026

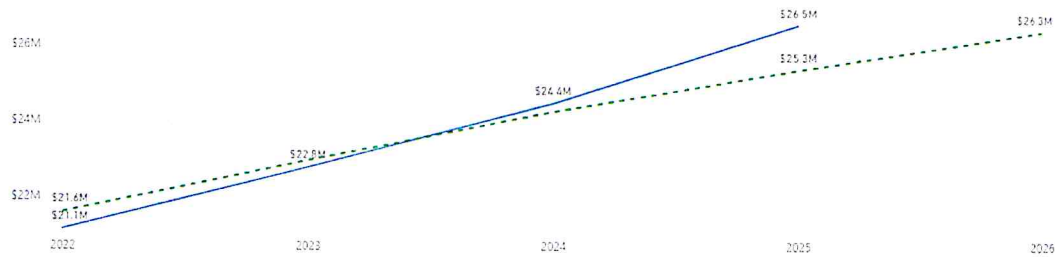
GL Type	Class Detail	101-General
Revenue	1 Federal	\$30,255
	1 General Government	\$3,151,496
	1 Licenses	\$367,397
	1 Property Tax	\$4,339,451
	2 Permits	\$406,941
	2 Public Safety	\$57,005
	2 State	\$1,463,251
	2019 Sales Tax	\$2,193,000
	3 Local	\$420,000
	3 Public Works	\$42,662
	4 Parks & Recreation	\$456,231
	6 Sales Tax	\$6,750,340
	8 Gross Receipts Tax	\$3,256,475
	Equity adjustment	\$986,810
	Fines and forfeitures	\$362,755
	Interest	\$575,616
	Miscellaneous	\$101,942
	Rents Royalties	\$873,370
	Transfers	\$428,731
	Total	\$26,343,728
Expense	1 COPS	(\$681,775)
	1 Intrafund	(\$2,118,943)
	1 Salary & Wage	(\$11,928,916)
	2 Benefits	(\$5,330,746)
	3 Supplies Operations	(\$873,911)
	4 Supplies Maintenance	(\$420,984)
	5 Services Operations	(\$4,150,340)
	6 Services Maintenance	(\$453,293)
	8 Machinery & Equipment	(\$384,820)
	Total	(\$26,343,728)
Total		\$0

30

Revenue - Budget Compared to Annualized Performance: General Fund

Prior Year Comparison to Proposed : Revenue

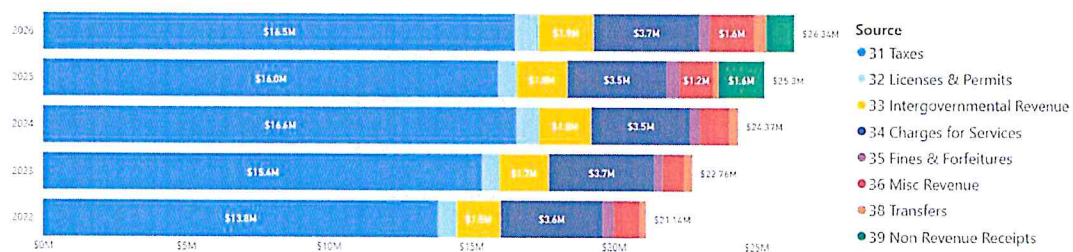
Type: Annual Performance Budget

General Fund
Revenue –
Budget to
Actuals
Comparison

- Caution! 2025 performance is presented on an annualized basis.
- The one-time deposits for property taxes slightly inflate this number
- Staff expect final 2025 numbers slightly lower than annualized would suggest

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Composition of Revenue Inflows: Past Actuals vs. Proposed Budget: General Fund

General Fund
Revenue –
Revenue
Composition

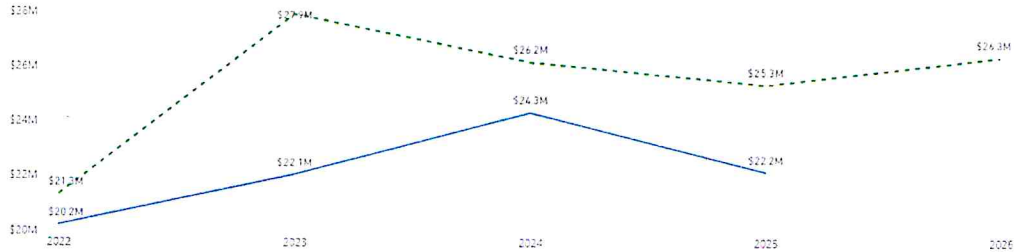
- 2024 COP Debt drawdown is expected for FY25 and FY26.

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Expenditure - Budget Compared to Annualized Performance: General Fund

Prior Year Comparison to Proposed : Expense

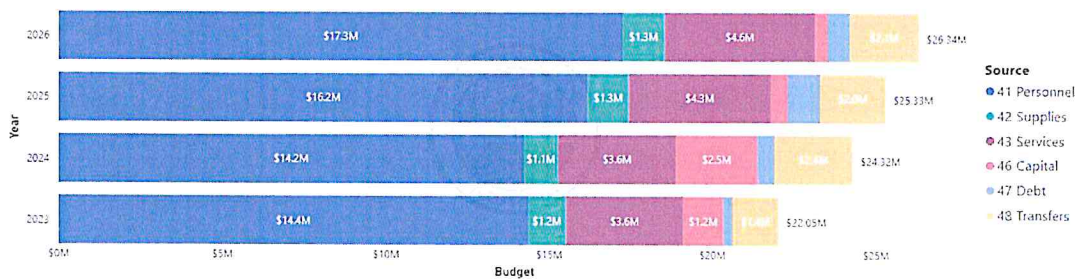
Type ● Annual Performance ● Budget

General Fund
Expenditure –
Budget to Actuals
Comparison

- Most of the expenditure increase is attributed to the market adjustments and merit increases for police and fire.
- 2025 annualized expenditures have not yet captured the increased spring / summer Parks and Rec activity.
- Outflows have historically actualized well under budget in prior years. This is mainly attributed to open full-time positions the City is struggling to fill in the police and public works departments.

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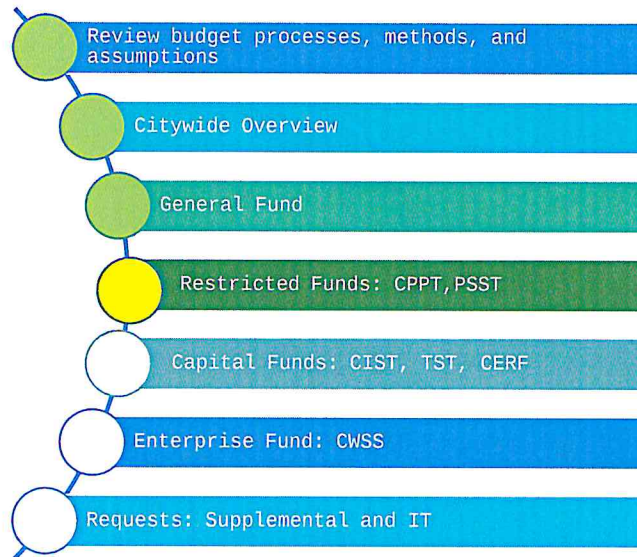
Composition of Outflows: General Fund

General Fund
Expenditure
Composition

- Personnel remains the dominant outflow for the general fund.
- Debt service, while still manageable, has increased in recent years, but should moderate over time.

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Agenda



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Community Center Parks Tax Fund (CCPT)

Budgeted Inflows and Outflows

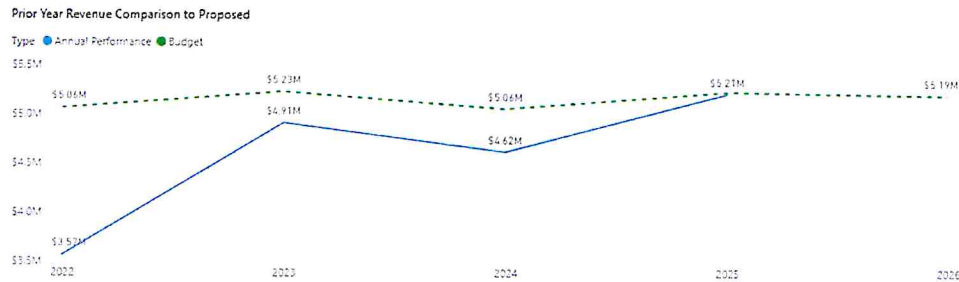
The Community Center and Parks Tax (CPPT) Fund is a special revenue fund that accounts for the 0.25% City sales tax for the purpose of funding a community center and various parks projects.

Proposed FY2026 Budgeted Funds - Overview

GL Type	Class	202-CCPT
Revenue	31 Taxes	\$1,115,689
	33 Intergovernmental Revenue	\$750,000
	34 Charges for Services	\$1,785,715
	36 Misc Revenue	\$410,096
	38 Transfers	\$1,133,243
	39 Non Revenue Receipts	\$0
	Total	\$5,194,743
Expense	41 Personnel	(\$1,643,558)
	42 Supplies	(\$135,651)
	43 Services	(\$1,076,910)
	46 Capital	(\$59,065)
	47 Debt	(\$2,279,559)
	48 Transfers	\$0
	Total	(\$5,194,743)
Total		\$0

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Revenue - Budget Compared to Annualized Performance: CCPT

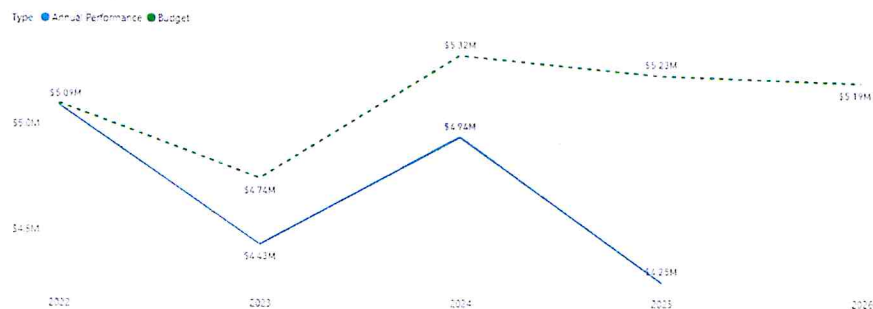


CCPT Revenue – Budget to Actuals Comparison

- Historically, the fund has struggled to meet revenue projections which has caused a strain on free fund balance and is closely monitored by staff.
- Revenue for the 2026 fiscal year has been conservatively budgeted as flat or slightly declining.

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Expenditure - Budget Compared to Annualized Performance: CCPT

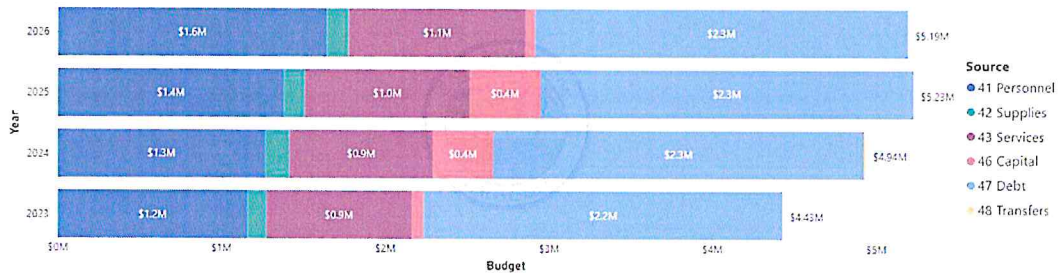


CCPT Expenditure – Budget to Actuals Comparison

- The 2025 annualized numbers presented are artificially lower than what staff expect to actualize by end of year. As the Spring and Summer 2025 busy season ramps up, staff expect the expenditure burn to approach past performance.
- Due to recent increases in the Missouri minimum wage, this fund has seen increased pressure on wages across the part time employment base.

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Composition of Outflows: CCPT



CCPT Expenditure Composition

- Until debt service expires in the early 2030's, resources available for public programming remain constrained.

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PUBLIC Safety Sales Tax (PSST)– Budgeted Inflows and Outflows

- The Public Safety Sales Tax (PSST) Fund is a special revenue fund that accounts for the 0.25% City sales tax for the purpose of meeting the public safety programming promised to voters in the 2010 ballot initiative.
- The historic programming of the PSST Fund has been to fund the general personnel expenditures of six law enforcement officers and related equipment expenses, fund two squad cars, and to pay the debt service on the City's recent radio system

Proposed FY2026 Budgeted Funds - Overview

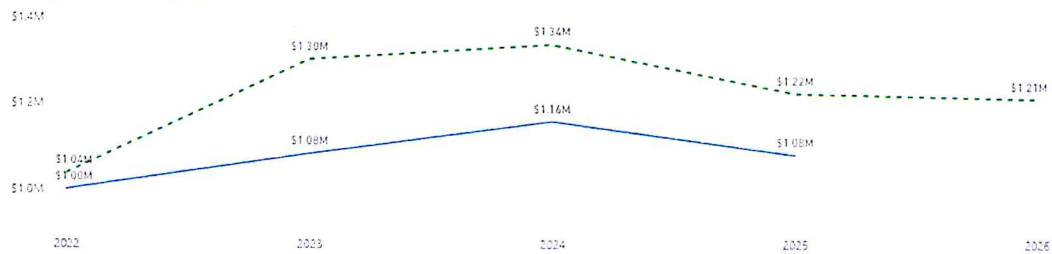
GL Type	Class	203-PSST
Revenue	31 Taxes	\$1,115,689
	33 Intergovernmental Revenue	\$3,898
	36 Misc Revenue	\$35,553
	38 Transfers	\$0
	39 Non Revenue Receipts	\$55,976
	Total	\$1,211,116
Expense	41 Personnel	(\$646,777)
	42 Supplies	(\$97,047)
	43 Services	(\$148,559)
	46 Capital	(\$121,484)
	47 Debt	(\$197,249)
	48 Transfers	\$0
	Total	(\$1,211,116)
Total		\$0

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Revenue - Budget Compared to Annualized Performance: PSST

Prior Year Revenue Comparison to Proposed

Type ● Annual Performance ● Budget



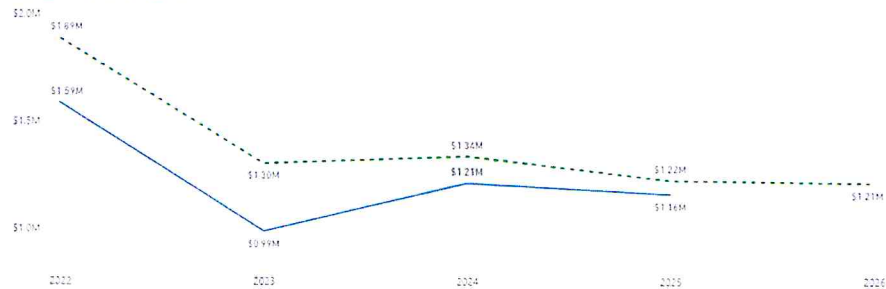
PSST Revenue – Budget to Actuals Comparison

- Actualized performance has historically been close to budgeted for multiple years.
- Due to conservative sales tax revenue forecasts, inflows are budgeted to remain relatively flat year over year.

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Expenditure - Budget Compared to Annualized Performance: PSST

Type ● Annual Performance ● Budget

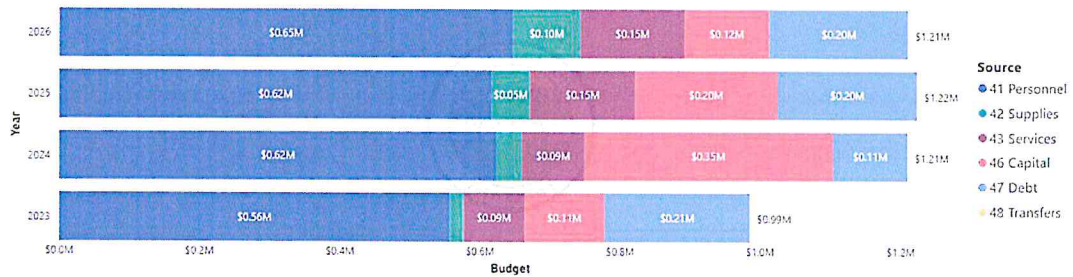


PSST Expenditure – Budget to Actuals Comparison

- The fund has consistently performed as budgeted
- The PSST fund is highly restricted on what types of expenditures are allowed. Namely, the bulk of funding is allocated to the personnel costs of 6 police officers and their related mission-critical equipment.
- The slight underspend in prior years is the cause of the small net free fund balance surplus

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Composition of Outflows: PSST

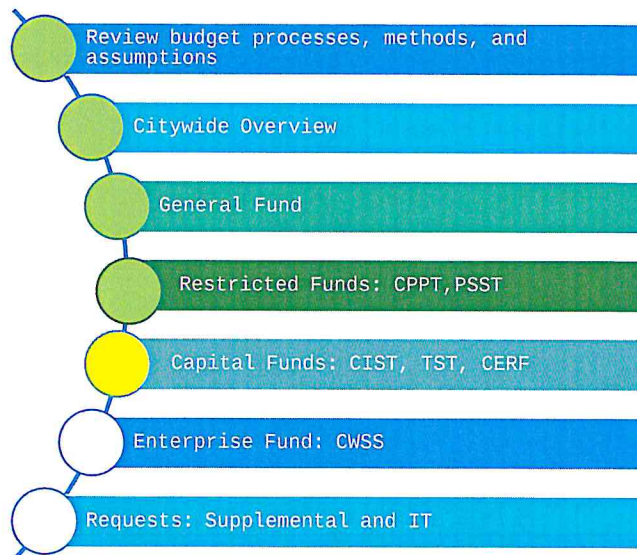


PSST Expenditure Composition

- Outflows for the fund are typically dominated by the personnel costs of 6 police officers.
- The scheduled vehicle refresh program accounts for a good portion of the remaining. (2 police cruisers per year, staggered)

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Agenda



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Capital Improvement Sales Tax Fund- Budgeted Inflows and Outflows

- The Capital Improvement Sales Tax (CIST) Fund is a special revenue fund that accounts for the 0.5% City sales tax for the purpose of funding large capital projects.

Proposed FY2026 Budgeted Funds - Overview

GL Type	Class	401 CIST
Revenue	31 Taxes	\$2,231,378
	33 Intergovernmental Revenue	\$0
	34 Charges for Services	\$0
	36 Misc Revenue	\$123,067
	38 Transfers	\$1,675,000
	39 Non Revenue Receipts	\$1,750,000
	Total	\$5,779,445
Expense	43 Services	(\$122,127)
	46 Capital	(\$2,395,000)
	47 Debt	(\$1,681,280)
	48 Transfers	(\$689,300)
	Total	(\$4,887,707)
Total		\$891,738

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Capital Improvement Sales Tax Fund (CIST)



SALES TAX PROJECTIONS HELD AT
1.5% GROWTH YEAR OVER YEAR



ONE TIME TRANSFER OF \$675,000
REQUIRED FROM THE GENERAL FUND
TO COVER AJ FARM EVENT CENTER

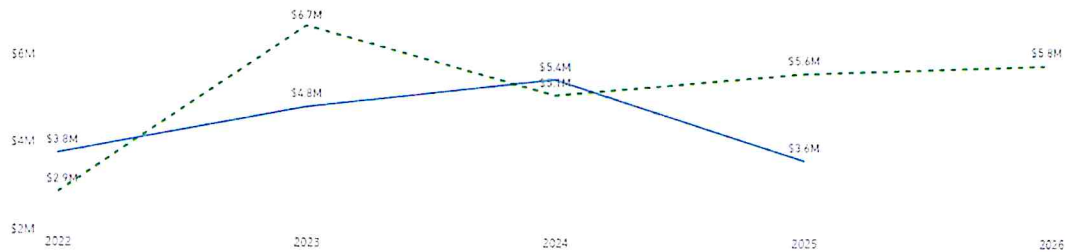


INTEREST REVENUE EXPECTED TO
DECLINE AS INVESTED FUNDS
DECREASE

Revenue - Budget Compared to Annualized Performance: CIST

Prior Year Revenue Comparison to Proposed

Type ● Annual Performance ● Budget

CIST Revenue –
Budget to
Actuals
Comparison

- Due to grant receipt timing, project schedules, and a slight slowing of sales tax receipts, FY2025 annualized performance as presented is lower than staff estimates.

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Capital
Improvement Sales
Tax: Revenues

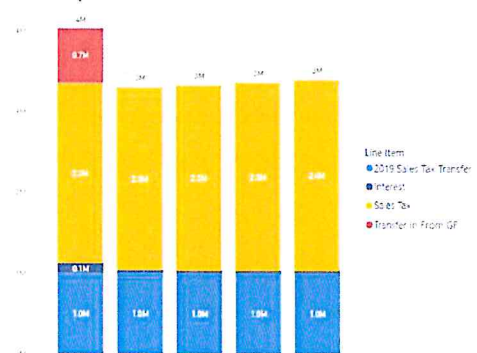
- A one-time transfer of \$675,000 from the General Fund is proposed in FY26 to help fund the AJ Farm Event Center and maintain the minimum \$150,000 fund level reserve.

Est Funds Available at 7/1/25

Budgeted Revenues

	FY26	FY27	FY28	FY29	FY30
Sales Tax	2,231,378	2,264,849	2,298,821	2,333,304	2,368,303
2019 Sales Tax Transfer	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Interest	123,056	40,000	30,000	30,000	30,000
Transfer In From General Fund	675,000	-	-	-	-
Total Budgeted Revenue	4,029,434	3,304,849	3,328,821	3,363,304	3,398,303

Revenue By Source



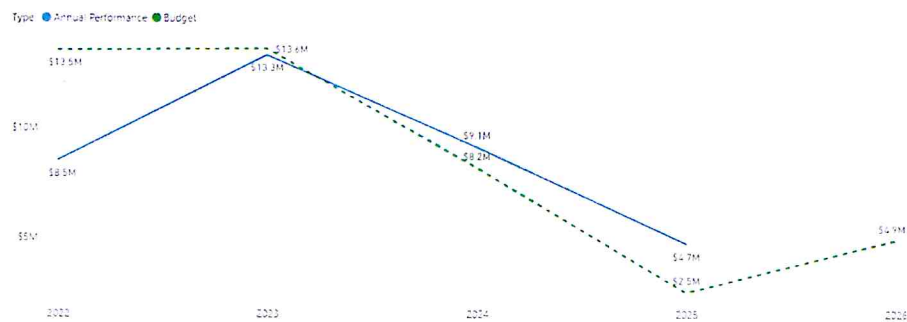
Composition of Revenue Inflows: Past Actuals vs. Proposed Budget: CIST

CIST
Expenditure
Composition

- FY2025 and FY2026 will see fund drawdowns related to the spend of the 2024 Certificates of Participation proceeds.

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Expenditure - Budget Compared to Annualized Performance: CIST

CIST
Expenditure -
Budget to
Actuals
Comparison

- The AJ Farm Venue project overages is the main contributor to current expenditure over budget.
- Rollforward of FY2025 project expenditures to FY2026 is the primary cause of the year over year increase.

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<u>Budgeted Expenditures</u>	FY26	FY27	FY28	FY29	FY30
Debt Service					
2024 COP Ends (3/1/44)	145,000	150,000	147,000	146,000	146,000
2021 COP (Ends 3/1/41)	885,000	870,000	860,000	865,000	865,000
2020 COP (Ends 3/1/40)	125,000	145,000	155,000	155,000	155,000
2017 Lease Purchase (Ends 6/1/32)	154,000	154,000	154,000	154,000	154,000
2016 Lease Purchase (Ends 1/22/30)	107,000	107,000	107,000	107,000	107,000
2015 COP - Refinanced 2017 (Ends 6/1/32)	688,000	688,000	688,000	688,000	688,000
2015 COP (Ends 6/1/30)	155,000	150,000	152,000	152,000	152,000
The Heights - (Ends 7/1/36)	147,000	147,000	147,000	147,000	147,000
Engineering Transfer	100,000	100,000	100,000	100,000	100,000
Arts Council	22,314	22,648	22,988	23,333	23,683
Subtotal	2,528,314	2,533,648	2,532,988	2,537,333	2,537,683

Capital Improvement Sales Tax - Debt Service and Outflows

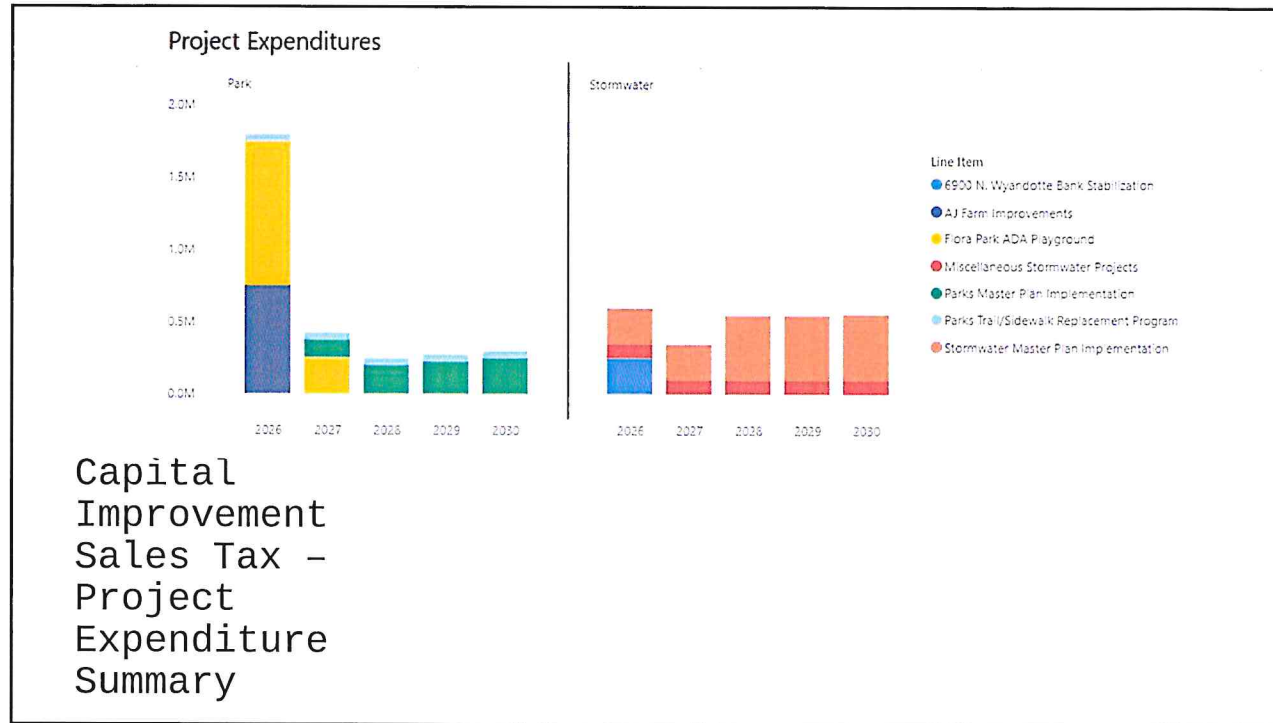
- Debt continues to be the largest outflow from the fund.

	FY26	FY27	FY28	FY29	FY30
<u>Stormwater Projects</u>					
Stormwater Master Plan Implementation	-	250,000	450,000	450,000	460,000
6900 N. Wyandotte Bank Stabilization	250,000	-	-	-	-
6725 N. Park Storm Improvements	250,000	-	-	-	-
Miscellaneous Stormwater Projects	95,000	95,000	95,000	95,000	95,000
Subtotal	595,000	345,000	545,000	545,000	555,000
<u>Park Projects</u>					
Parks Master Plan Implementation	-	125,000	200,000	225,000	250,000
Flora Park ADA Playground	1,000,000	250,000	-	-	-
Parks Trail/Sidewalk Replacement Program	50,000	50,000	50,000	50,000	50,000
AJ Farm Improvements	750,000	-	-	-	-
Subtotal	1,800,000	425,000	250,000	275,000	300,000
Total Budgeted Expenditures	4,923,314	3,303,648	3,327,988	3,357,333	3,392,683
Est Funds Available at 6/30*	\$ 151,218	\$ 152,418	\$ 153,252	\$ 159,222	\$ 164,843

* Includes \$150,000 required reserve

Capital Improvement Sales Tax - Project Expenditures

- Flora Park and AJ Farm Event Center expected to be completed in FY26.



Transportation Sales Tax (TST) - Budgeted Inflows and Outflows

Proposed FY2026 Budgeted Funds - Overview

GL Type	Class	402-TST
Revenue	31 Taxes	\$2,231,378
	33 Intergovernmental Revenue	\$1,400,000
	34 Charges for Services	\$0
	36 Misc Revenue	\$150,360
	38 Transfers	\$150,000
	39 Non Revenue Receipts	\$1,000,000
	Total	\$4,931,738
Expense	43 Services	(\$326,000)
	46 Capital	(\$3,300,000)
	47 Debt	(\$724,914)
	48 Transfers	(\$100,000)
	Total	(\$4,450,914)
Total		\$480,824

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Transportation Sales Tax Fund (TST)



Sales Tax Projections
Held at 1.5% Growth
Year over Year



Interest Revenue
Expected To Decrease as
Invested Funds Decrease

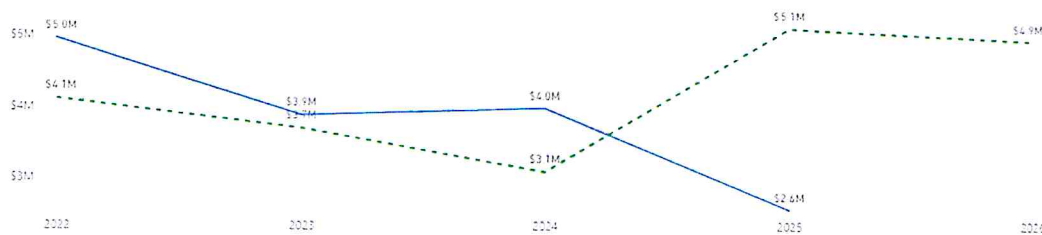


N. Oak Project Delayed
to FY27 and FY28

Revenue - Budget Compared to Annualized Performance: TST

Prior Year Revenue Comparison to Proposed

Type ● Annual Performance ● Budget

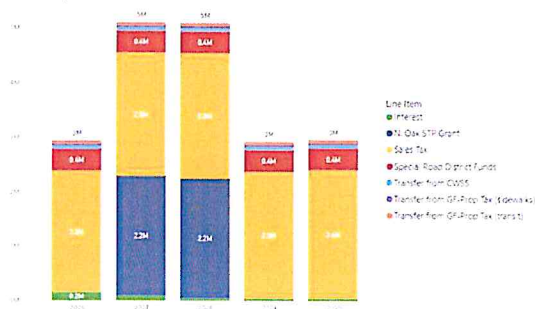


TST Revenue - Budget to Actuals Comparison

- The \$4.4 million STP North Oak Grant is responsible for the sharp increase in revenue forecasts in FY2025 and FY2026.
- This revenue is contingent on work completed, thus the lower than expected in FY2025.

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Revenue By Source



Est Funds Available at 7/1/25

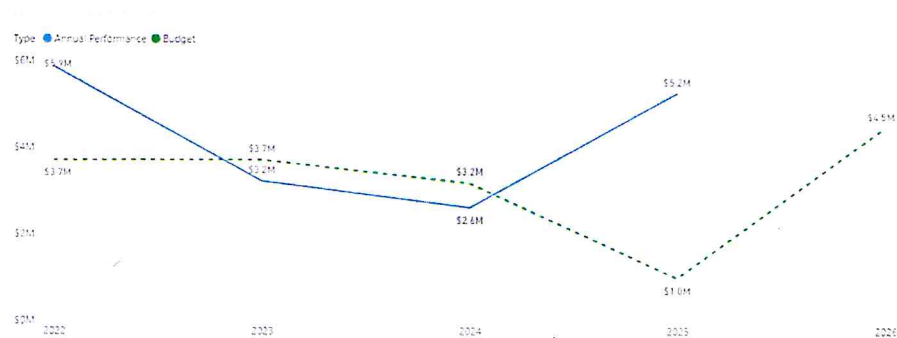
Budgeted Revenues

	FY26	FY27	FY28	FY29	FY30
	\$ 3,582,425	\$ 3,559,163	\$ 1,867,712	\$ 53,618	\$ 54,051
Sales Tax	2,231,378	2,264,849	2,298,021	2,333,304	2,368,303
Interest	150,360	90,000	40,000	30,000	30,000
Transfer from GF-Prop Tax (sidewalks)	50,000	50,000	50,000	50,000	50,000
Transfer from GF-Prop Tax (transit)	50,000	50,000	50,000	50,000	50,000
Transfer from CWSS	50,000	50,000	50,000	50,000	50,000
Special Road District Funds	400,000	400,000	400,000	400,000	400,000
N. Oak STP Grant	-	2,196,000	2,196,000	-	-
Vivion Road Trail TAP/CMAQ Grant (\$1,602,027 FY27)***	-	-	-	-	-
Old Antioch Road STP Grant (\$1,468,000 FY27)***	-	-	-	-	-
Total Budgeted Revenue	2,931,738	5,109,849	5,084,021	2,913,304	2,948,303

Transportation Sales Tax: Revenues

- N. Oak Complete Street Project and corresponding Federal Funding (\$4.392M) delayed until FY27 and FY28.
- Local match for Vivion Road Trail and Old Antioch Road is currently unfunded.

Expenditure - Budget Compared to Annualized Performance: TST



TST Expenditure — Budget to Actuals Comparison

- FY2025 actualized is largely attributed to the following mid-year adjustments:
 - Street Mill and Overlay : \$950,000
 - Linden Connector Trail: \$700,000
 - N Oak Complete Streets – NE 69th to NE 72nd: \$260,000

<u>Budgeted Expenditures</u>	FY26	FY27	FY28	FY29	FY30
Debt Service					
2024 COP (Ends 3/1/44)	220,000	220,000	220,000	220,000	220,000
2020 COP (Ends 3/1/34)	90,000	95,000	105,000	107,000	107,000
2017 Lease Purchase (Ends 6/1/32)	258,000	258,000	258,000	258,000	258,000
2015 COP (Ends 6/1/30)	45,000	46,000	46,000	46,000	46,000
2015 COP - Refinanced 2017 (Ends 6/1/32)	100,000	100,000	100,000	100,000	100,000
The Heights - (Ends 7/1/36)	116,000	116,000	116,000	116,000	116,000
Engineering Transfer	200,000	100,000	100,000	100,000	100,000
KCATA IRIS Service	126,000	132,300	138,915	145,861	153,154
<i>Subtotal</i>	<i>1,155,000</i>	<i>1,067,300</i>	<i>1,083,915</i>	<i>1,092,861</i>	<i>1,100,154</i>

Transportation Sales Tax - Debt Service and Outflows

- Status of KCATA service is currently an unknown.

	FY26	FY27	FY28	FY29	FY30
<u>Road Projects*</u>					
Street Mill & Overlay Program	600,000	600,000	640,000	820,000	825,000
Intermediate Maintenance	200,000	200,000	225,000	250,000	275,000
Road District Project - TBD	400,000	400,000	400,000	400,000	400,000
N. Oak Complete Streets - NE 69th St to NE 72nd St		4,050,000	4,050,000	-	-
Old Antioch Road Design - NE 68th Ter to NE 72nd St	275,000	-	-	-	-
<i>Subtotal</i>	<i>1,475,000</i>	<i>5,250,000</i>	<i>5,315,000</i>	<i>1,470,000</i>	<i>1,500,000</i>
<u>Sidewalk/Trail Projects*</u>					
Curb, Gutter, Sidewalk Replacement	200,000	200,000	225,000	250,000	250,000
ADA/Curbcut Sidewalks	50,000	50,000	50,000	50,000	50,000
Traffic/Ped Signal Upgrades - N Oak/Englewood	50,000	50,000	50,000	50,000	50,000
Vivion Road Trail	25,000	175,000	175,000	-	-
<i>Subtotal</i>	<i>325,000</i>	<i>475,000</i>	<i>500,000</i>	<i>350,000</i>	<i>350,000</i>
Total Budgeted Expenditures	2,955,000	6,792,300	6,898,915	2,912,861	2,950,154
Est Funds Available at 6/30**	\$ 3,559,163	\$ 1,867,712	\$ 53,618	\$ 54,061	\$ 52,211

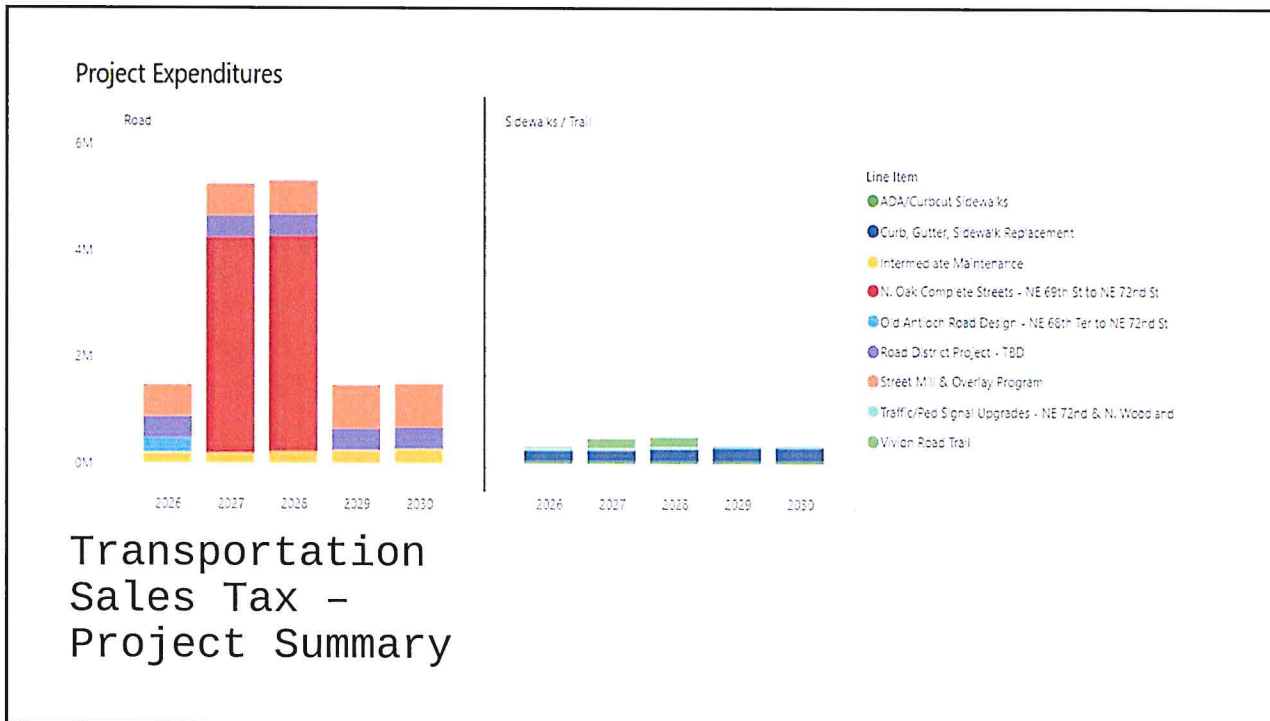
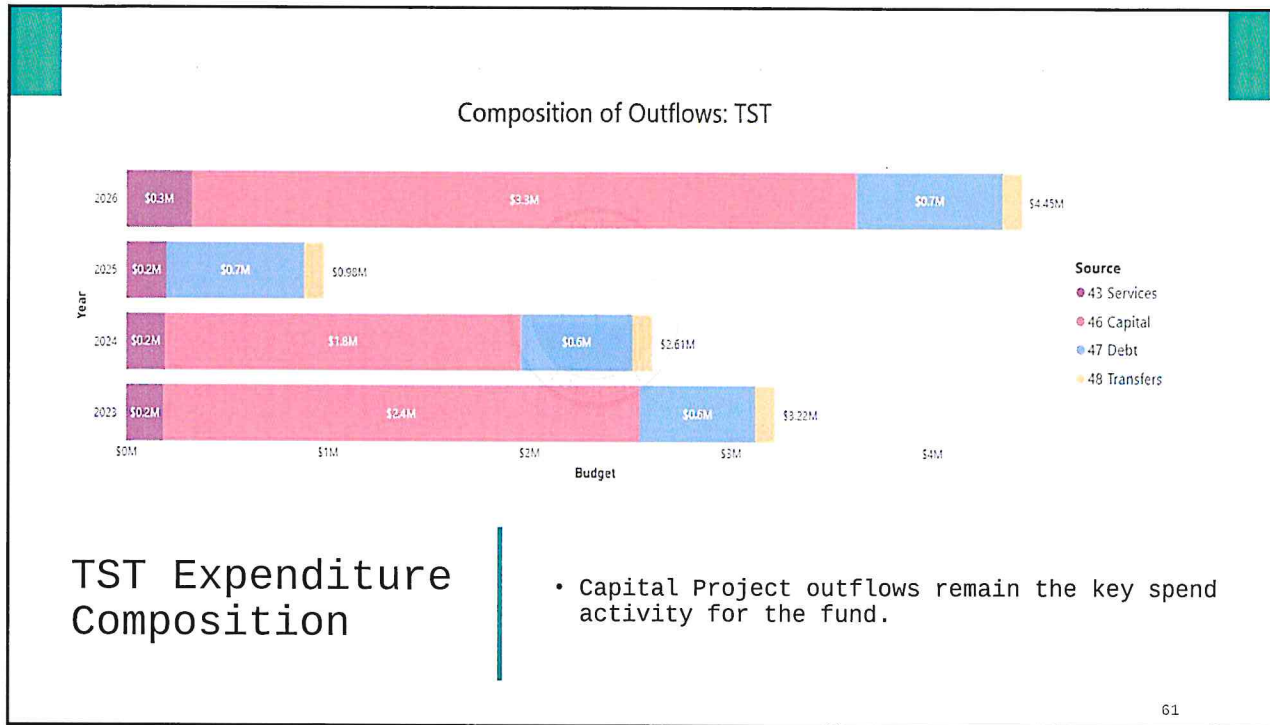
* Any remaining unused balances to be directed to the street mill & overlay program

** Includes \$50,000 required reserve

***Need to identify source of local match for construction

Transportation Sales Tax - Project Expenditures

- City staff will meet with the Road District later this year.



CERF, CERF-TECH: Budgeted Inflows and Outflows

- The Capital Equipment Replacement Fund (CERF) was established in 2001. This fund provides funds for capital purchases and projects.
- Inflows for this fund typically come from interest earnings, non-restricted tax revenues, and transfers.

Proposed FY2026 Budgeted Funds - Inflows and Outflows

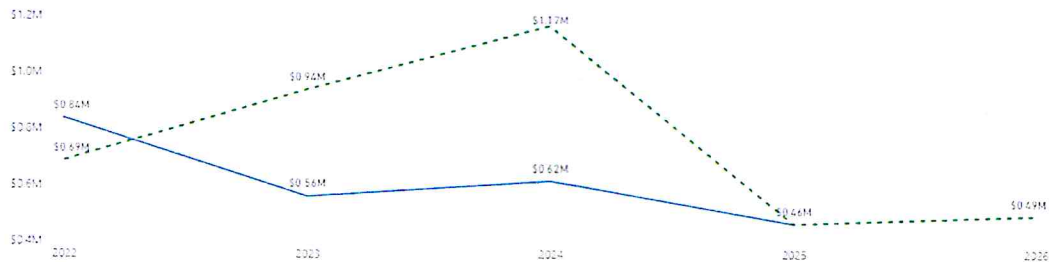
GL Type	Class	403-CERF	404-Tech
Revenue	31 Taxes	-	\$407,000
	32 Licenses & Permits	-	-
	33 Intergovernmental Revenue	-	-
	34 Charges for Services	-	-
	35 Fines & Forfeitures	-	-
	36 Misc Revenue	\$0	\$84,676
	38 Transfers	\$0	\$0
	39 Non Revenue Receipts	-	\$0
	Total	\$0	\$491,876
Expense	41 Personnel	-	-
	42 Supplies	-	-
	43 Services	\$0	\$0
	46 Capital	(\$35,931)	\$0
	47 Debt	-	(\$63,147)
	48 Transfers	\$0	(\$426,731)
	Total	(\$35,931)	(\$491,876)
Total		(\$35,931)	\$0

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Revenue - Budget Compared to Annualized Performance: CERF, CERF-TECH

Prior Year Comparison to Proposed : Revenue

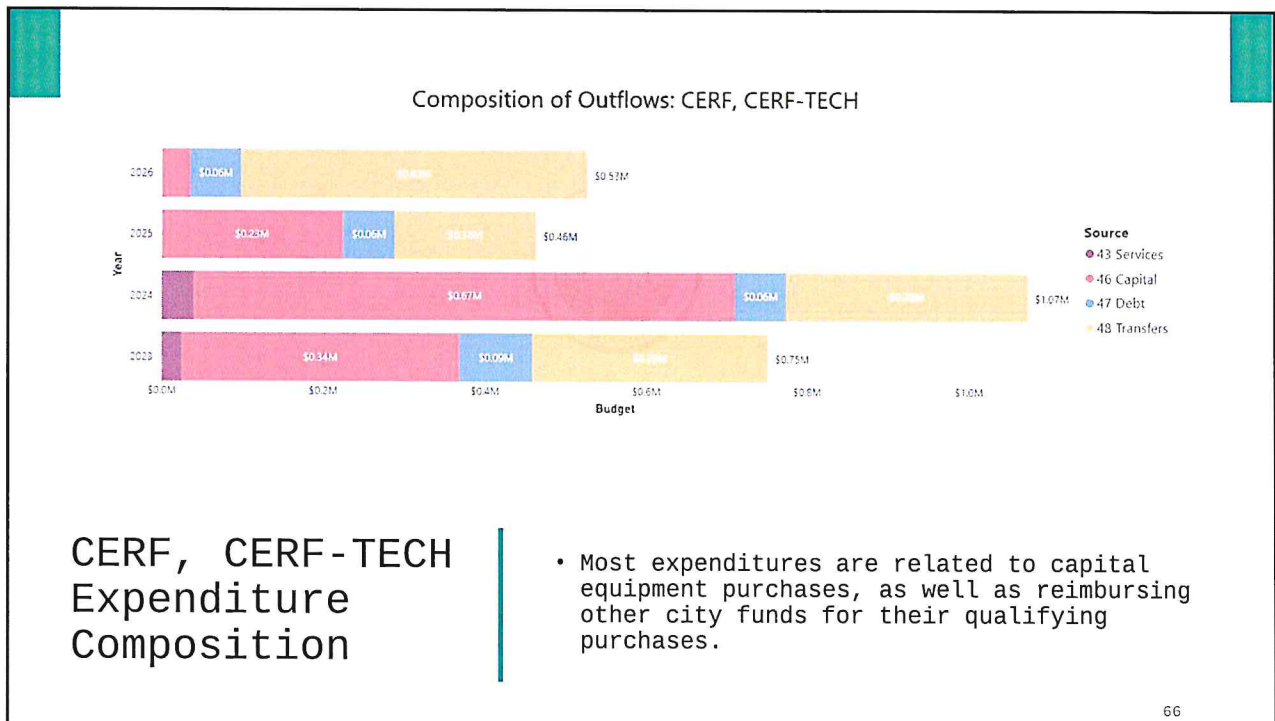
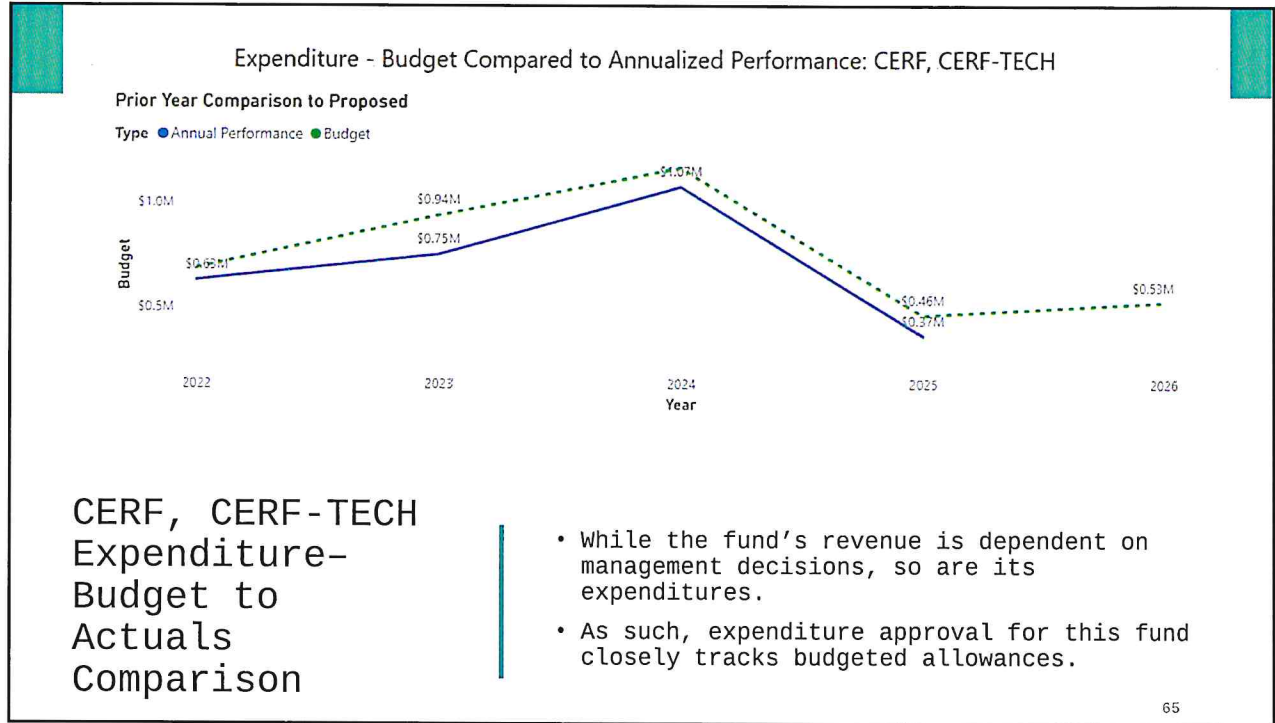
Type ● Annual Performance ● Budget



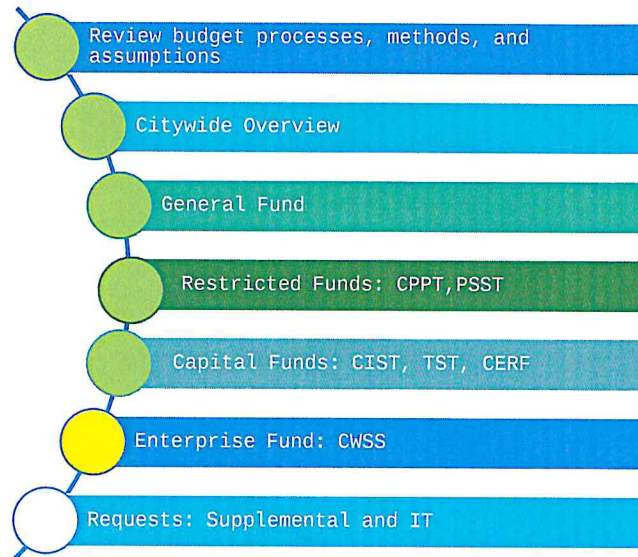
CERF, CERF-TECH- Budget to Actuals Comparison

- Without its own source of revenue generation, the fund's inflows are dependent on management decisions and allocations of taxes from the general fund

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Agenda



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Combined Waterworks and Sewerage Fund- Budgeted Inflows and Outflows

- The Combined Waterworks and Sewerage System (CWSS) Fund accounts for the provision of water and sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund including, but not limited to: administration, operations, maintenance, financing and related debt service, and billing and collections.

Proposed FY2026 Budgeted Funds - Overview

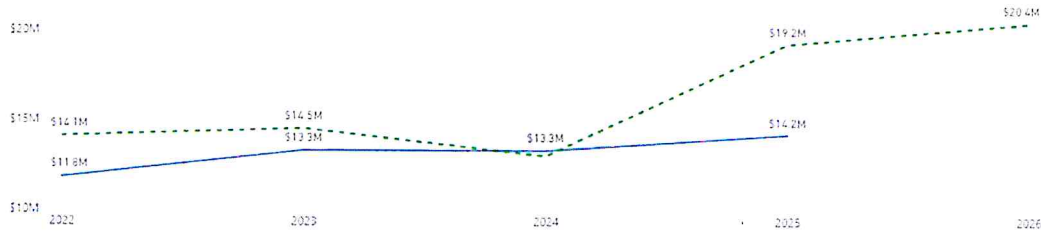
GL Type	Class	501-CWSS
Revenue	33 Intergovernmental Revenue	\$0
	34 Charges for Services	\$13,826,363
	36 Misc Revenue	\$422,781
	38 Transfers	\$0
	39 Non Revenue Receipts	\$6,164,466
	Total	\$20,413,630
Expense	41 Personnel	(\$1,765,341)
	42 Supplies	(\$941,715)
	43 Services	(\$9,327,326)
	46 Capital	(\$7,052,319)
	47 Debt	(\$1,276,929)
	48 Transfers	(\$50,000)
	Total	(\$20,413,630)
Total		\$0

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Revenue - Budget Compared to Annualized Performance: CWSS

Prior Year Revenue Comparison to Proposed

Type: ● Annual Performance ● Budget



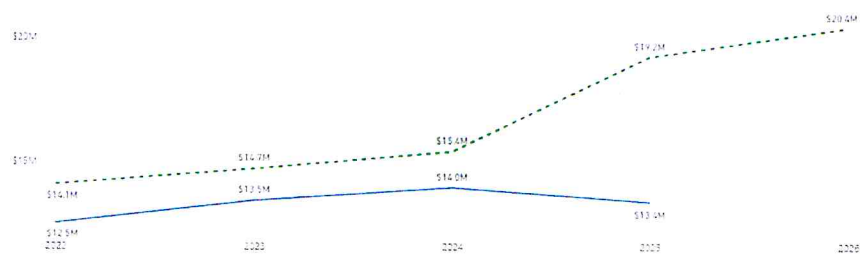
**CWSS Revenue -
Budget to
Actuals
Comparison.**
(Budgetary Basis Presentation)

- Revenue Budget is artificially high in FY25 and FY26 due to the spenddown of the 2024 COP Debt Proceeds.
- Staff expect to request a 6% increase in the per unit sewer rate for FY 2026 as a direct response to Kansas City raising their treatment costs to us by 6%. Staff are also expecting to request a 5% increase in the per unit water rate to address rising input costs as well as personnel costs.

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Expenditure - Budget Compared to Annualized Performance: CWSS

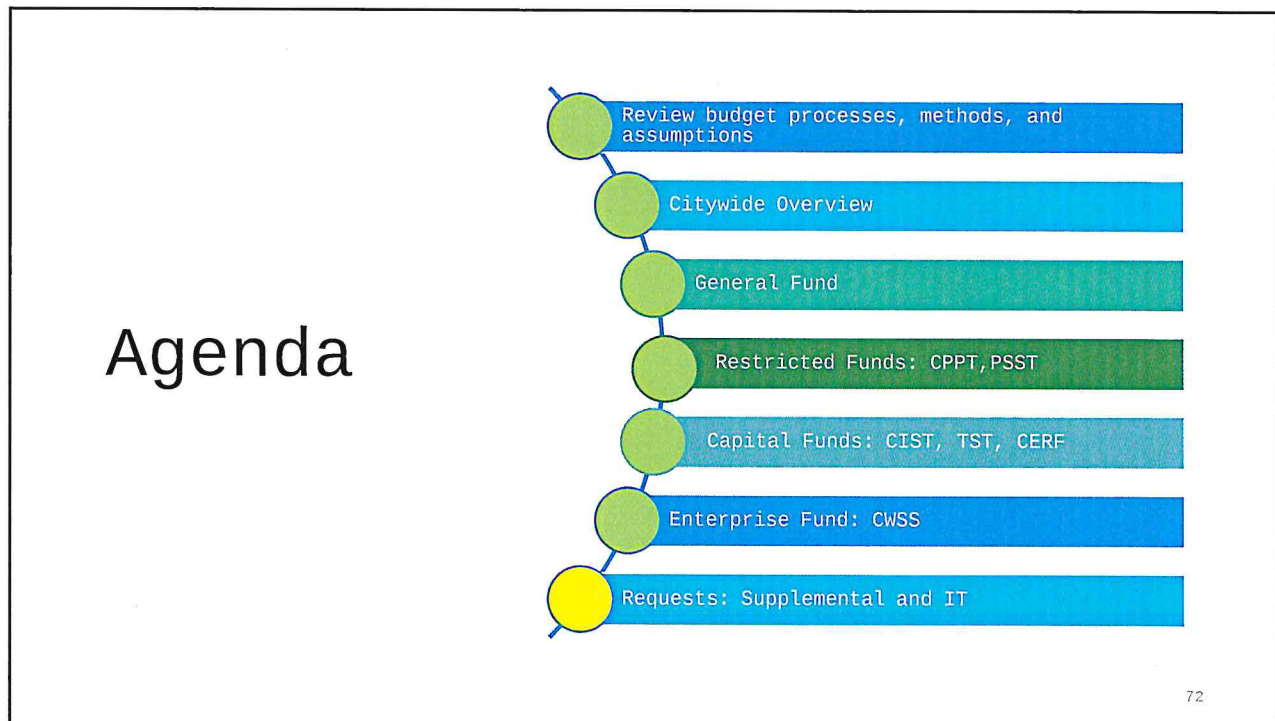
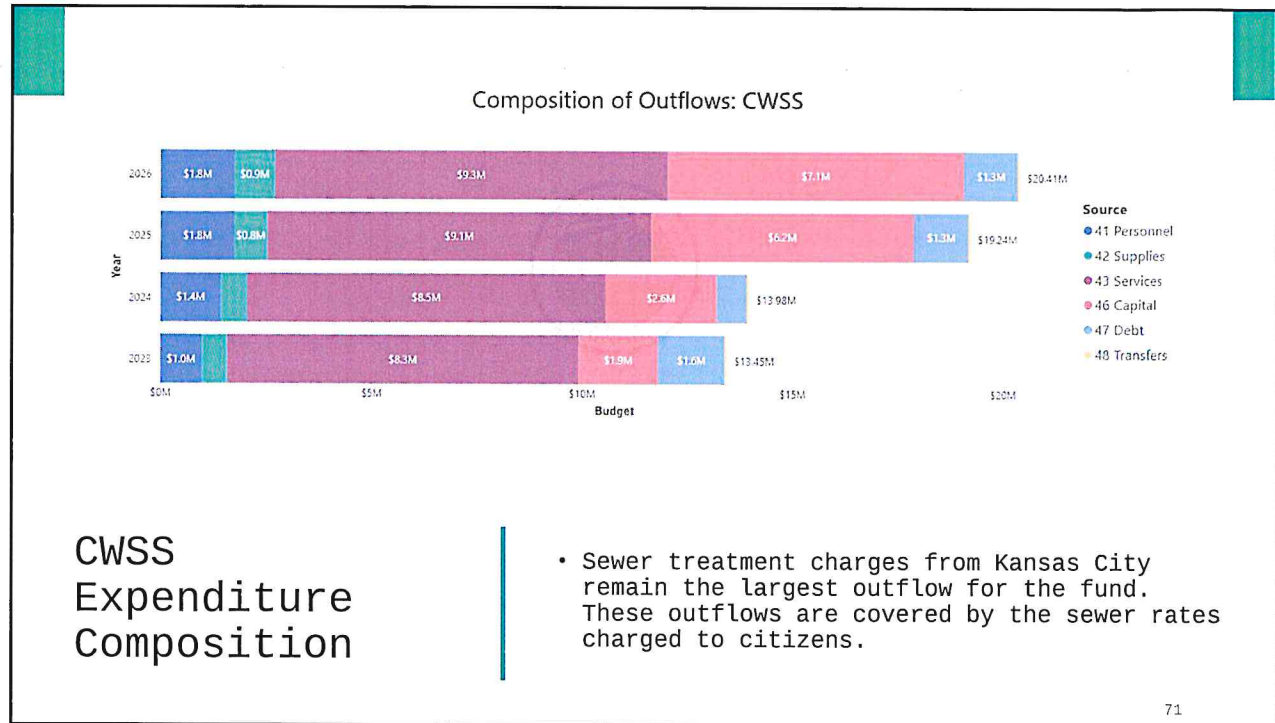
Type: ● Annual Performance ● Budget

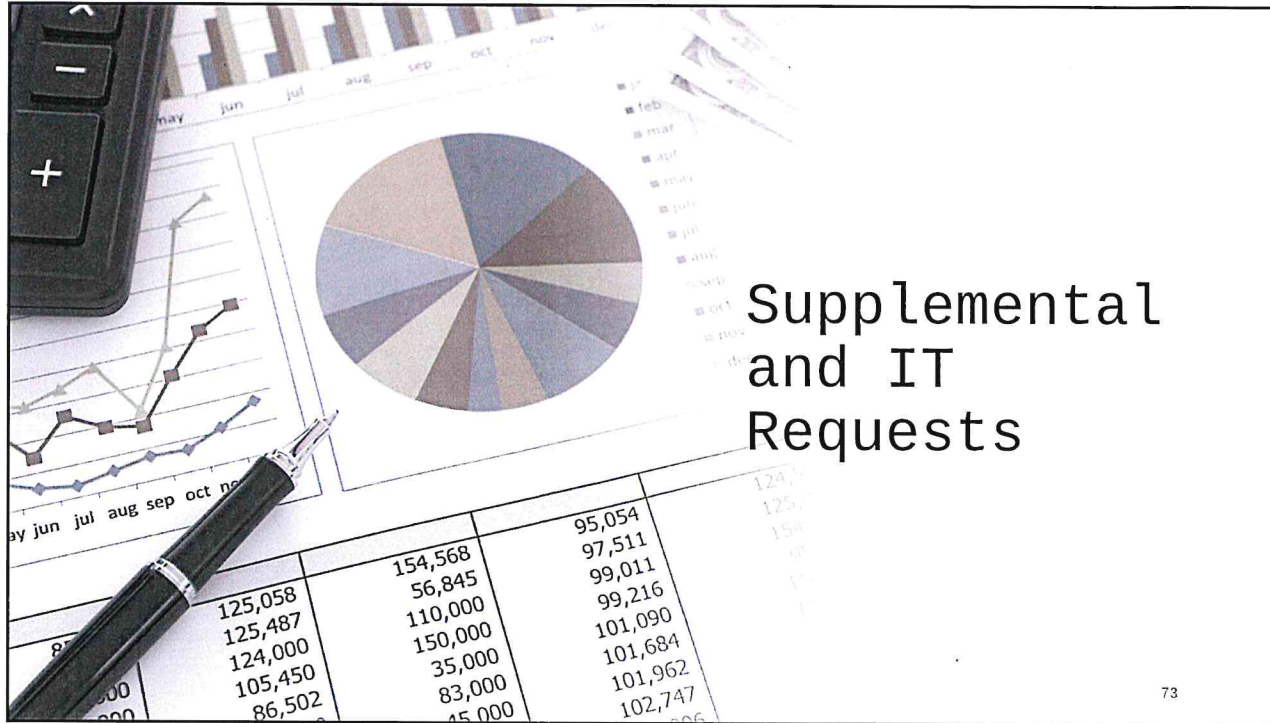


**CWSS
Expenditure -
Budget to
Actuals
Comparison**

- The fund has historically performed well against budget. Expenditure increases are attributed to the water treatment plant project and the 6% increase from KCMO sewer charges.

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IT Requests



Our Information Technology environment is mission-critical. The budget team is recommending the City formalize our technology refresh schedule.



Due to enhanced requirements for CJIS, the IT team is strongly recommending a standardization to Office 365 G3 (government) licensing.

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IT Requests - Important Note!

01

These are not considered new outlays for the city.

02

IT has already been replacing equipment on a similar schedule.

03

This will simply bring transparency and better planning for these activities into the budget process.

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General Category	Original Purchase Price	Count	Lifespan in Years	Annual Depreciation Unit Rate	Assigned Market Rate Replacement
Firewall	\$4,449.66	2	7	0.29	\$1,271.33
Backup Server	\$30,801.87	1	7	0.14	\$4,400.27
Backup Server	\$9,158.29	1	7	0.14	\$1,308.33
Backup Server	\$7,122.30	1	7	0.14	\$1,017.47
Network Switch	\$2,916.08	10	8	1.25	\$3,645.10
Network Switch	\$2,499.99	6	8	0.75	\$1,874.99
Network Switch	\$1,914.67	5	8	0.63	\$1,196.67
Network Switch	\$999.99	5	8	0.63	\$624.99
Network Switch	\$2,127.52	2	6	0.33	\$709.17
VMWare Server	\$29,885.59	2	6	0.33	\$9,961.86
NAS Server	\$10,999.99	1	6	0.17	\$1,833.33
Genetec Server	\$15,536.00	1	6	0.17	\$2,589.33
Genetec Server	\$15,700.00	1	6	0.17	\$2,616.67
Battery Backup	\$3,986.00	3	10	0.30	\$1,195.80
Battery Backup	\$1,432.00	3	10	0.30	\$429.60
Exchange Server	\$7,534.00	1	6	0.17	\$1,255.67
	\$147,063.95				\$35,930.59

Capital Equipment Replacement Fund Portion

- Enforcing a strict equipment refresh schedule will allow for better standardization and planning of the city InfoSec environment.
- These cost are generally piecemeal incurred.
- The budget team is recommending the city instead proactively plan for future outlays to prevent unnecessary spikes in the underlying funds.

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Conclusions

The Budget Team comprised of City Manager Bob Baer, Assistant City Manager Austin Greer, Director of Finance Matt Dayton, Finance Manager Robert Daniels, and Human Resource Administrator Amanda Wheeler believe that the proposed FY 2026 Budget is fiscally responsible and is a strong representation of the goals of the City Council while being budget that will continue to support the services expected by the citizens of Gladstone.

Thank you for your support and consideration of the proposed Fiscal Year 2026 Budget.

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Questions?

- Your Budget Team:
 - Bob Baer – City Manager
 - Austin Greer – Assistant City Manager
 - Matt Dayton – Director of Finance
 - Amanda Wheeler – HR Administrator
 - Robert Daniels – Finance Manager

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City of Gladstone

Public Hearing
Budget Draft
July 1, 2025 to June 30, 2026



June 9, 2025



CITY OF GLADSTONE COUNCIL MISSION STATEMENT, VISION, AND GOALS

Mission Statement

“The City Council, Boards, Commissions, and City Staff are inspired and invested to enhance Gladstone’s quality of life and sense of community through innovative and effective leadership and inclusive citizen engagement.”

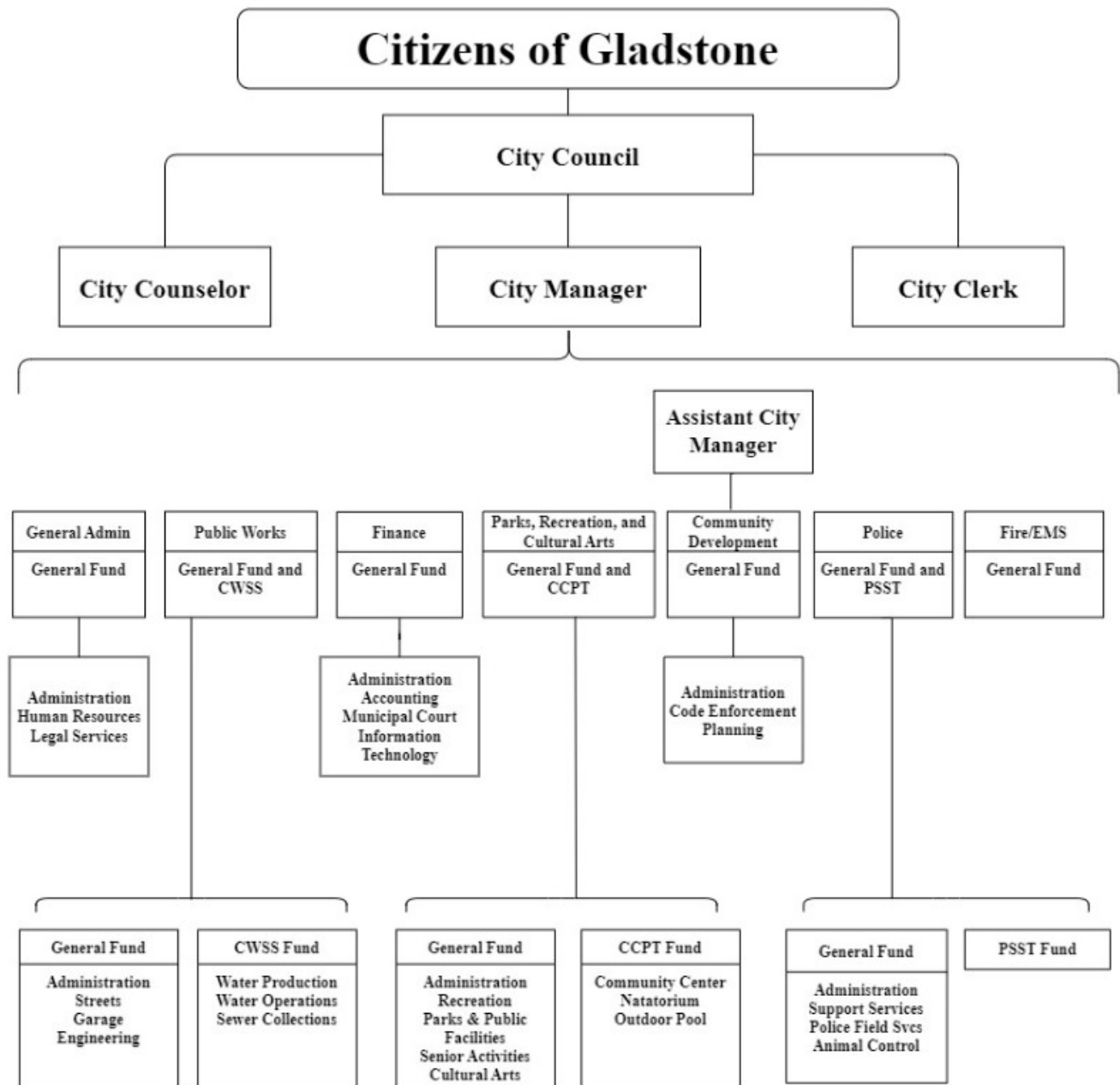
Gladstone Vision

- Invested in becoming an even more welcoming and inclusive community.
- A vibrant commercial center with revitalized corridors at North Oak and Antioch Road and an innovative financial strategy that encourages economic development and redevelopment.
- A diverse quality housing stock that encourages community investment, provides opportunities to age in place, and becomes a destination to raise families.
- Gladstone is a recognized leader and provides innovative contributions to regional issues.
- Continued strong and innovative partnerships that help us ensure a high quality of life.
- An inspiring sense of place with a clear identity including an emphasis on arts and culture. You know you are in Gladstone.
- A strong commitment to public safety and City infrastructure investment.
- An inspired, innovative, and invested City staff.
- Cooperative relationships with citizens highlighted by inclusive citizen engagement and participation.

2025 City Council Goals

- Keep Gladstone as a safe place with a focus on crime prevention, traffic enforcement, and the recruitment and retention of high-quality police officers, firefighters / EMS personnel.
- Continue commitment to downtown, commercial corridors, and under-developed areas through effective and innovative infrastructure and redevelopment strategies.
- Provide the resources and support the strategies to continue to improve residential and commercial code enforcement.
- Build an event center to replace the existing barn on the Atkins-Johnson Farm to provide long-term programming opportunities.
- Prioritize infrastructure for neighborhood revitalization to meet the needs of our residents and encourage quality residential density and homeowner investment to preserve and increase housing values.
- Promote initiatives to beautify Gladstone by encouraging civic engagement and community pride.
- Promote diversity, equity, and inclusion in all that we do to continue to be a welcoming city to everyone.
- Continue to improve and build communication strategies to better inform and engage our residents.
- Continue towards developing Flora Park as an all-inclusive recreational space.
- Explore funding opportunities for improving infrastructure, roads, and amenities.
- Prepare for the opportunities and challenges that will come with the World Cup 2026.

CITY OF GLADSTONE ORGANIZATION CHART



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City Manager's Budget Message

Introduction

Submitted herewith is the Fiscal Year 2026 (FY26) budget and program of services for the City of Gladstone. The annual budget for FY26 as proposed represents the strategic, administrative, and financial plan of the City of Gladstone.

The FY26 budget is intended to serve as a policy document, a financial plan, an operations guide, and a communication device. The following overview of the FY26 budget illustrates the conservative approach utilized by the City Council and City Staff to develop a proposed budget plan which benefits the entire City of Gladstone and its residents. This budget is the product of a comprehensive team effort from every level of the municipal organization and has been reviewed by the budget team consisting of the City Manager, Assistant City Manager, Finance Director, and Human Resources Administrator.

The FY26 budget presents a balanced program of services and cost control measures which will be monitored throughout the year to provide the quality programs and services important to the citizens of Gladstone.

Guiding Principles and Best Practices

City staff and the budget team begin with City Council goals and mission statement as the guiding policies for developing the budget. The proposed budget seeks to implement Council objectives through the re-allocation of existing resources and the allocation of additional resources where necessary. At all times, the city aims to maximize the utility of resources provided by residents. This requires focusing funds towards those objectives most desired by residents as well as ensuring the efficient and transparent spend of those funds.

Maximize the Utility of Resources Provided by Residents

Prudent budgeting practices should provide a long-term sustainable trajectory for the city. The following best practices are implemented in this policy document:

- Regular operating expenditure must be covered by regular revenues.
 - Examples: Routine payroll and benefit costs, electricity, fuel for police vehicles
- One-time inflows of resources should be first assigned to one-time outflows of resources.
 - Example: Debt proceeds and one-time grants should be prioritized to be spent on infrequent purchases such as a new fire truck or a large facility refresh.
- Restricted funds should be used as able before general funds.
 - Resources legally restricted towards specific uses should be exhausted for those uses before the city commits unrestricted resources.
 - Example: Public Safety Sales Tax revenues should be fully applied to the payroll of six police officers as promised to voters before general sales tax is used to cover any remaining payroll expense.

The Budget Planning Process – Revenue

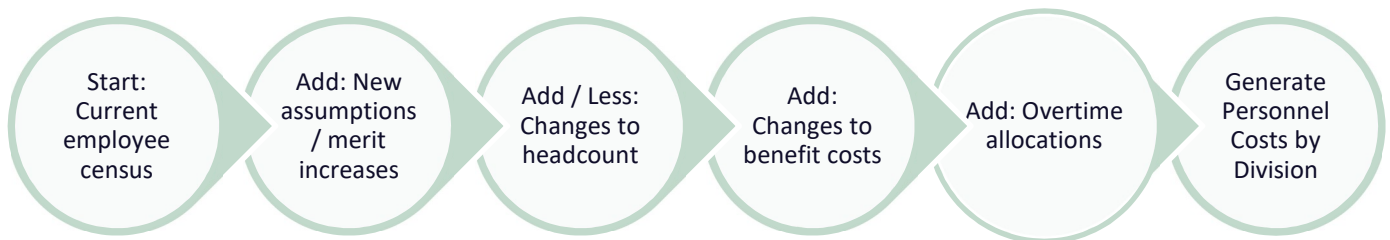


City revenues are diverse and subject to multiple internal and external economic factors. Using the current year's performance and best available data, staff work to generate forecasts for the next budget cycle on a fund level basis. As additional information is received by the city, revenue forecasts are frequently evaluated for accuracy and adjustments to assumptions or expenditure burn rates are made as needed.

The Budget Planning Process – Expenditure

Personnel

Representing the largest resource outlay for the city, a significant amount of time is spent on personnel budgeting and forecasting. The projections for these expenditures are subject to various laws and regulations, union agreements, and external market forces. The process is iterative, and is a collaboration between Human Resources, the budget team, department leaders, employee advocates, and other stakeholders.



The city begins with the current wages for employees as well as their related benefit costs. After consulting with Human Resources and department heads, changes to the census are incorporated.

Common Updates to the Employee Census



Open head count and new positions



Market adjustments



Annual merit and cost of living adjustments



Changes to benefit costs provided by third party benefit companies



Changes to part-time seasonal wage budget needs

Debt

The issuance of tax-free municipal debt is a crucial financing tool for the city. Our most recent credit rating by S&P Global, AA-, is partially the result of prudent financial management and favorable long-term economic conditions of the city. Maintaining a high-quality credit rating is crucial for the long-term financial health of the city and may result in lower borrowing costs across multiple projects and funds.

Latest Credit Rating: AA-

As of March 2025, the debt load of the city on a government-wide basis was \$61,474,571. FY26 debt service is budgeted at \$6,904,853 or ~10.7% of overall annual outlays for the city.

Debt service budget amounts are based on regular payoff and amortization schedules. Any one-time debt payments and refinancing are considered separately.

Other Mandatory Spending, not debt-related

Certain cash outflows are required by law, either restricted through voter approved ballot measures, by state statute, or other contracted agreement. The city is committed to transparent compliance with these mandatory spending requirements.

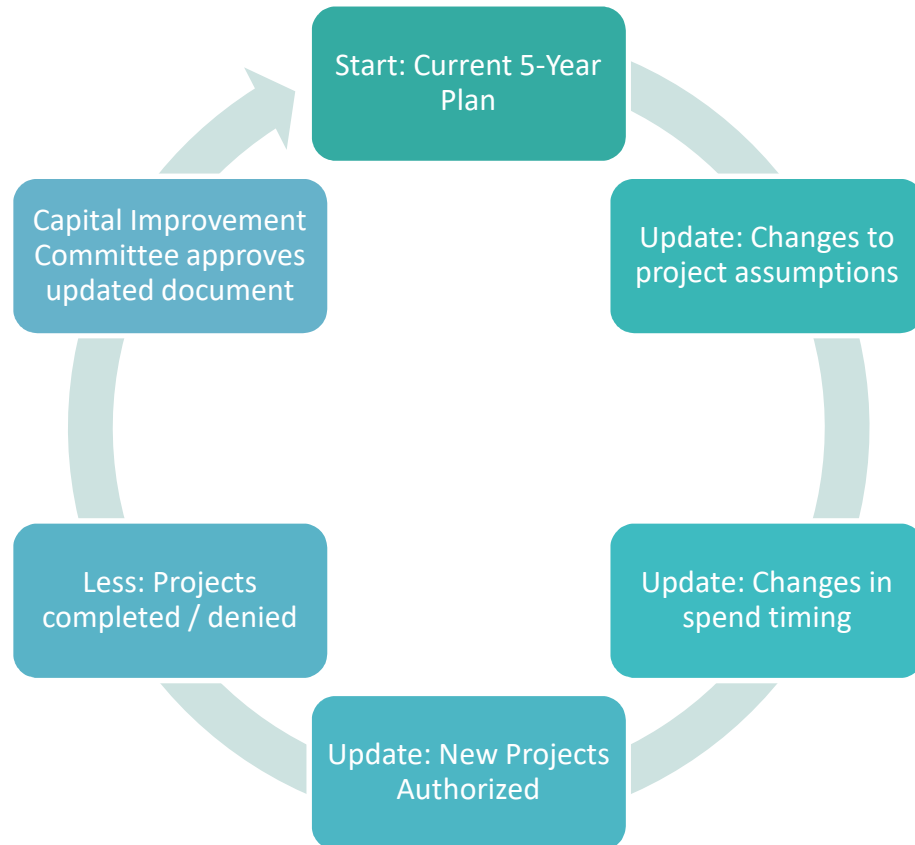
Examples of such spending can include:

- The payroll expenditures and supporting equipment for six police officers paid for with the Public Safety Sales Tax

- The maintenance and construction of roads and trails as paid for by the Transportation Sales Tax
- Long-term capital improvements as paid for by the Capital Improvement Sales Tax
- The renovation of the city water treatment plant and water towers as paid for by the 2024 Certificates of Participation.

Considerable care is taken to ensure that budgeted expenditures match these requirements.

5-year Capital Improvement Plan



Many of the services provided by the city rely on functional capital equipment and infrastructure. Representing an annual multi-million dollar outlay, the City works constantly to maintain a forward-focused outlook to adequately prepare for large capital expenditures before they become a strain on current resources. The City maintains a 5-year capital improvement plan that monitors current spend, fund balance levels, forecasted revenues, and forecasted capital outflows.

Common Reasons to Update the Capital Improvement Plan



Changes to cost assumptions



Changes in spend timing



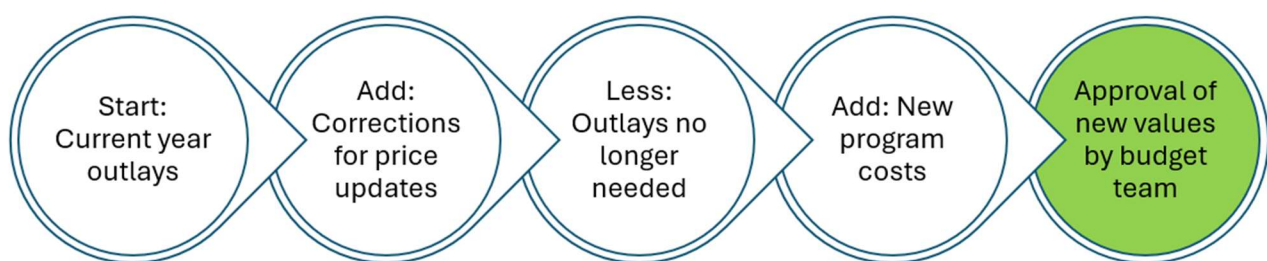
Feasibility of new projects



Updates to the useful life of active capital equipment

Outlays called for in the Capital Improvement Plan are added to the budget file after review with the Director of Public Works, Construction Coordinator, and the Capital Improvements Team.

Review and Roll of Routine Operating Expenditures



Representing ~4% of annual outlays, routine operating expenditure covers the necessary but less visible costs of providing government services. Expenditures in this category include items such as office supplies, fees and memberships, and employee training / tuition reimbursements.

Department heads are given increased discretion on how to best spend these funds, based on the needs of their department for that specific year. Re-occurring general expenditures are usually rolled from prior year actuals and their levels are corrected for considerations such as inflation, recent programs / costs, or updated management experience. Unique identification of each outflow is usually not mandated. As an example, the budget team does not require department heads to account for the exact amount of paper they will use for the budget year. Instead, past performance will be reviewed for reasonableness and departments can request supplemental increases / changes to their allocations on a needs basis.

Department Level Supplemental Requests

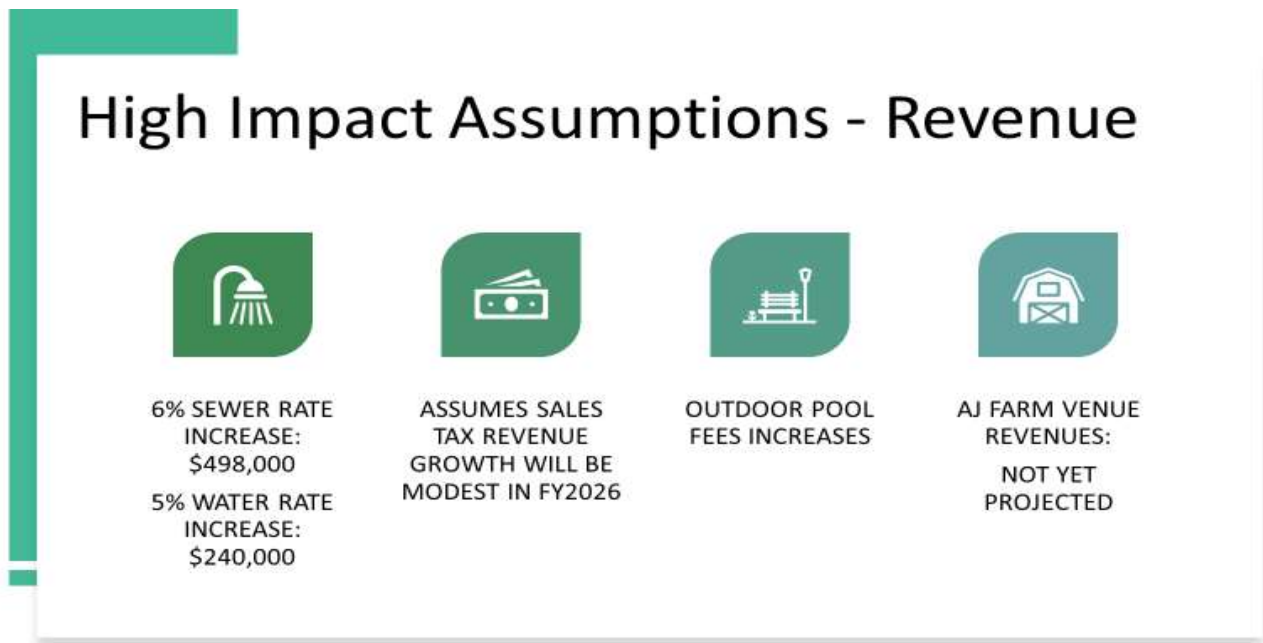
Once the base budget is solidified, the budget team reviews supplemental and new cost requests from departments. An overall increase or decrease in a division's budget authority must be approved by the budget team.

Each supplemental request must contain sufficient cause, research, and be in line with the goals and mission of the City. The budget team evaluates each request, which is approved or denied based on resources available and the benefits that citizens would realize from the request.

General Budget Considerations and Assumptions

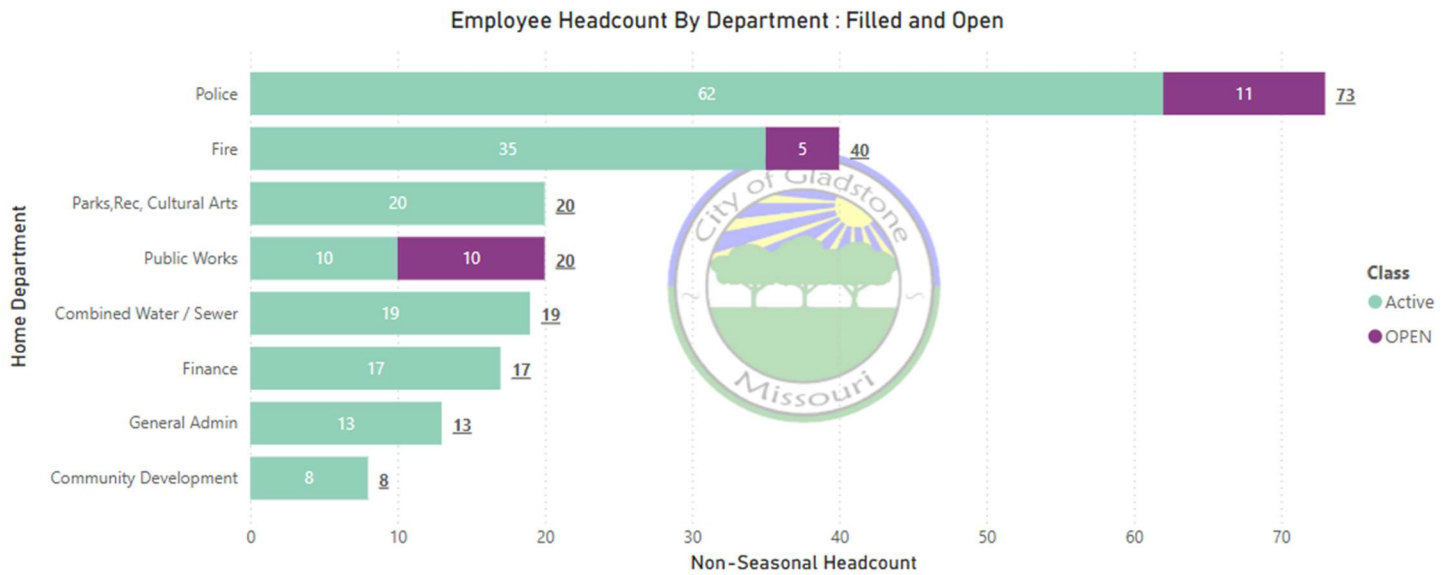
Revenue Assumptions

City staff have generated revenue forecasts for the next budget cycle based on the best available information. This includes current revenue receipt rates, analysis of sales tax return reporting, review of cash balances and investment opportunities, and past experience. While the tax base for the city remains relatively stable year over year, staff continually monitor for indications that assumptions should be revised.



Personnel and Benefit Assumptions

The city continues to deal with significant challenges with recruitment and retention across multiple departments. As part of our ongoing recruitment effort, retention of key staff and succession planning is vital and will be an enhanced focus area in FY2026



Personnel Assumptions



Open positions will be filled all 12 months



Workers Comp increase by 5% for general city, 11% for fire



Recruitment and Retention in Public Safety and Public Works will be key focus

Benefit Assumptions



3% increase in medical

The city will absorb the 3% increase in medical insurance for the year.



No change in HSA, other third-party benefits

The city will not alter any HSA contributions. Non-medical prices for the city will stay at FY2025 levels.



Assume open positions will enroll in benefits

For benefits, assume open headcount will fully enroll in family coverage

City Wide Overview

Proposed FY2026 Budgeted Funds - Overview

Class	101-General	202-CCPT	203-PSST	401 CIST	402-TST	404-Tech	501-CWSS	Total
31 Taxes	\$16,539,266	\$1,115,689	\$1,115,689	\$2,231,378	\$2,231,378	\$407,000		\$23,640,400
32 Licenses & Permits	\$854,338							\$854,338
33 Intergovernmental Revenue	\$1,913,506	\$750,000	\$3,898	\$0	\$1,400,000		\$0	\$4,067,404
34 Charges for Services	\$3,707,394	\$1,785,715		\$0	\$0		\$13,826,383	\$19,319,492
35 Fines & Forfeitures	\$362,755							\$362,755
36 Misc Revenue	\$1,550,928	\$410,096	\$35,553	\$123,067	\$150,360	\$84,878	\$422,781	\$2,777,663
38 Transfers	\$428,731	\$1,133,243	\$0	\$1,675,000	\$150,000	\$0	\$0	\$3,386,974
39 Non Revenue Receipts	\$986,810	\$0	\$55,976	\$1,750,000	\$1,000,000	\$0	\$6,164,466	\$9,957,252
Total	\$26,343,728	\$5,194,743	\$1,211,116	\$5,779,445	\$4,931,738	\$491,878	\$20,413,630	\$64,366,278
41 Personnel	(\$17,259,662)	(\$1,643,558)	(\$646,777)				(\$1,765,341)	(\$21,315,338)
42 Supplies	(\$1,294,895)	(\$135,651)	(\$97,047)				(\$941,715)	(\$2,469,308)
43 Services	(\$4,603,633)	(\$1,076,910)	(\$148,559)	(\$122,127)	(\$326,000)	\$0	(\$9,327,326)	(\$15,604,555)
46 Capital	(\$384,820)	(\$59,065)	(\$121,484)	(\$2,395,000)	(\$3,300,000)	\$0	(\$7,052,319)	(\$13,312,688)
47 Debt	(\$681,775)	(\$2,279,559)	(\$197,249)	(\$1,681,280)	(\$724,914)	(\$63,147)	(\$1,276,929)	(\$6,904,853)
48 Transfers	(\$2,118,943)	\$0	\$0	(\$689,300)	(\$100,000)	(\$428,731)	(\$50,000)	(\$3,386,974)
Total	(\$26,343,728)	(\$5,194,743)	(\$1,211,116)	(\$4,887,707)	(\$4,450,914)	(\$491,878)	(\$20,413,630)	(\$62,993,716)
	\$0	\$0	\$0	\$891,738	\$480,824	\$0	\$0	\$1,372,562

Revenue - Budget Compared to Annualized Performance: All Funds Modified Accrual Basis - Before Transfers, Equity Drawdown, and Debt Proceeds

Prior Year Comparison to Proposed : Revenue

Type ● Annual Performance ● Budget



Revenue Forecast by Fiscal Year

- Staff maintained a conservative outlook for overall revenue
- Water and Sewer rate increases are expected to push revenue >\$700,000 higher

Risks : Revenue

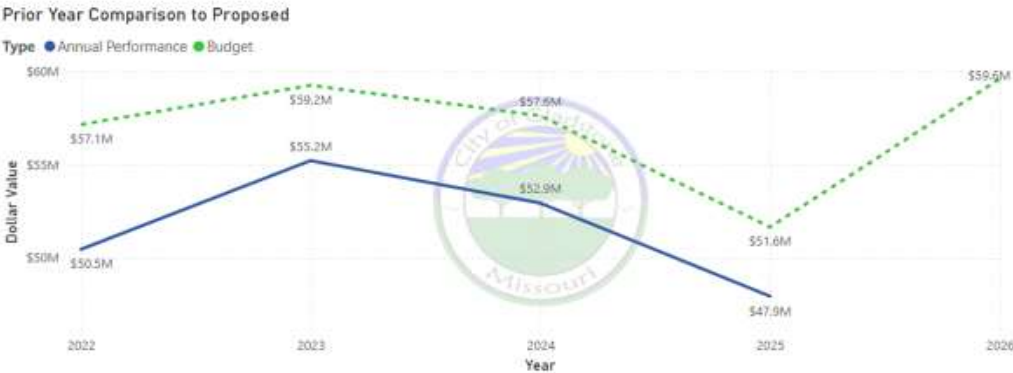
- **Uncertain cash inflows – Geopolitical factors**
 - Projecting ~\$5 million in intergovernmental revenue including local, state, federal inflows.
 - If even a portion of this funding is frozen or delayed the city may be facing a million dollar+ funding gap for this budget year.
- **Property Value Assessment Freeze for elderly residents**
 - 2026 base assessment year will start to impair an unknown portion of the city's property tax base.
 - Until direct data are gained, internal estimates from census data show this will likely be a material impact.
 - Change will start small but grow each assessment pass.



Citywide Expenditures



Expenditure - Budget Compared to Annualized Performance: All Funds
Modified Accrual Basis. Before Transfers



Expenditure by Fiscal Year

Expenditure increase is largely due to the water treatment system refresh, personnel adjustments, and Kansas City sewer fee increases.

Risks: Expenditure – Significant Project Investments



FY26 budget allocates ~\$6 million to the water system renovation project



The entire project is estimated at ~\$14 million



Current tariff impacts, even if short term (12 months or less), may raise costs by 10-25%

Fund Level Analysis

General Fund

Overview

The general fund 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. This fund accounts for the general operating transactions of the City including finance, police, fire/EMS, public works, community development, parks and recreation.

Prior Year Accomplishments and New Year Goals

Revenue

General Fund revenues are comprised mainly of sales taxes, property taxes, and charges for services. Budgeted revenues for the year are expected to be \$26.3 million, compared to \$25.3 million prior year. Revenue presented below on an annualized basis is slightly higher than final figures, attributable mainly to the bulk deposit of annual property tax receipts in December 2024. While General Fund revenues are buoyed by new tax streams from tourism and marijuana sales, staff are noting a decline in general sales tax receipts in the latter half of fiscal year 2025. This decline has been accounted for in the 2026 revenue forecasts, and the City will continue to monitor.

General Fund – Budgeted Inflows and Outflows

- The general fund is exceptionally sensitive to conservative revenue forecasting.
- Personnel costs continue to account for most of the annual outflows
- A fund drawdown of \$986,810 is budgeted for 2026,
 - Related to the AJ Farm venue funding and spenddown of the 2024 COP proceeds.
- Budgeted revenues for the year are expected to be \$26.3 million, compared to \$25.3 million prior year.

Net Inflows and Outflows: FY2026

GL Type	Class Detail	101-General
Revenue	1 Federal	\$30,255
	1 General Government	\$3,151,496
	1 Licenses	\$367,397
	1 Property Tax	\$4,339,451
	2 Permits	\$486,941
	2 Public Safety	\$57,005
	2 State	\$1,463,251
	2019 Sales Tax	\$2,193,000
	3 Local	\$420,000
	3 Public Works	\$42,662
	4 Parks & Recreation	\$456,231
	6 Sales Tax	\$6,750,340
	8 Gross Receipts Tax	\$3,256,475
	Equity adjustment	\$986,810
	Fines and forfeitures	\$362,755
	Interest	\$575,616
	Miscellaneous	\$101,942
	Rents Royalties	\$873,370
	Transfers	\$428,731
	Total	\$26,343,728
Expense	1 COPS	(\$681,775)
	1 Intrafund	(\$2,118,943)
	1 Salary & Wage	(\$11,928,916)
	2 Benefits	(\$5,330,746)
	3 Supplies Operations	(\$873,911)
	4 Supplies Maintenance	(\$420,984)
	5 Services Operations	(\$4,150,340)
	6 Services Maintenance	(\$453,293)
	8 Machinery & Equipment	(\$384,820)
	Total	(\$26,343,728)
Total		\$0

Revenue - Budget Compared to Annualized Performance: General Fund

Prior Year Comparison to Proposed : Revenue

Type ● Annual Performance ● Budget

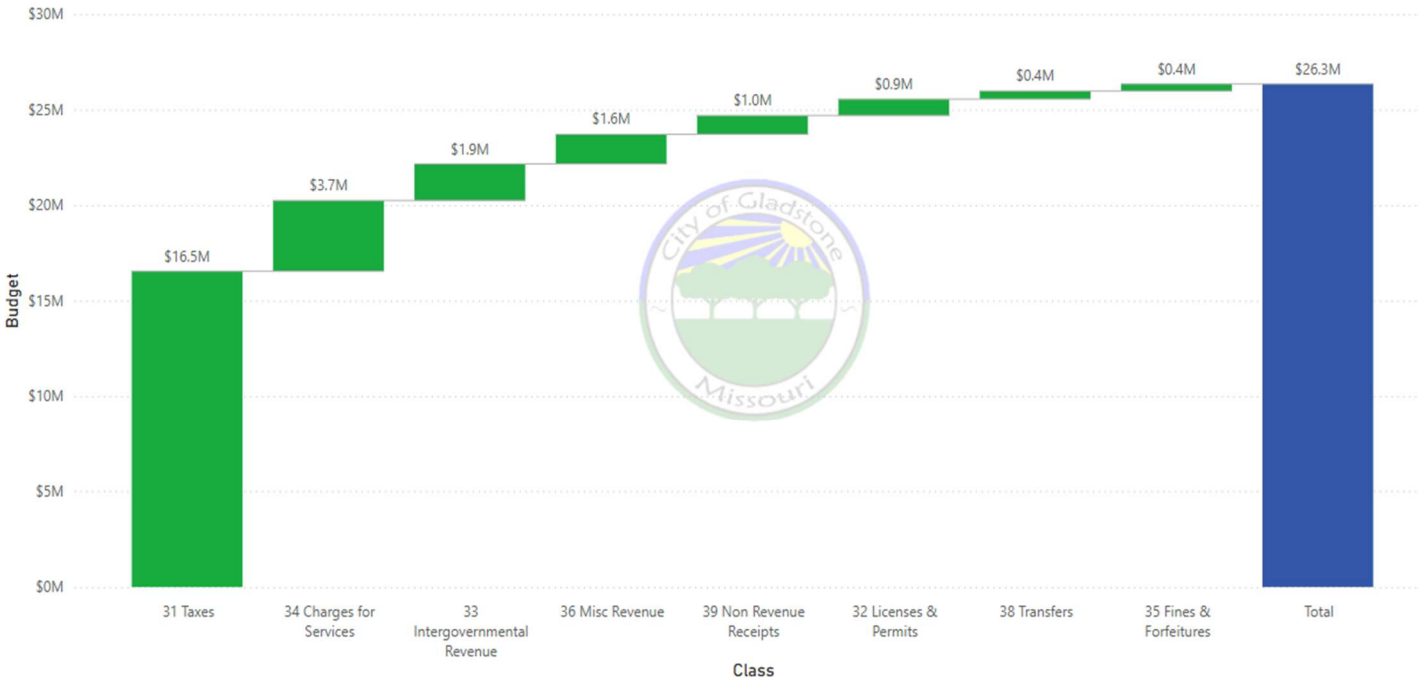


General Fund Revenue – Budget to Actuals Comparison

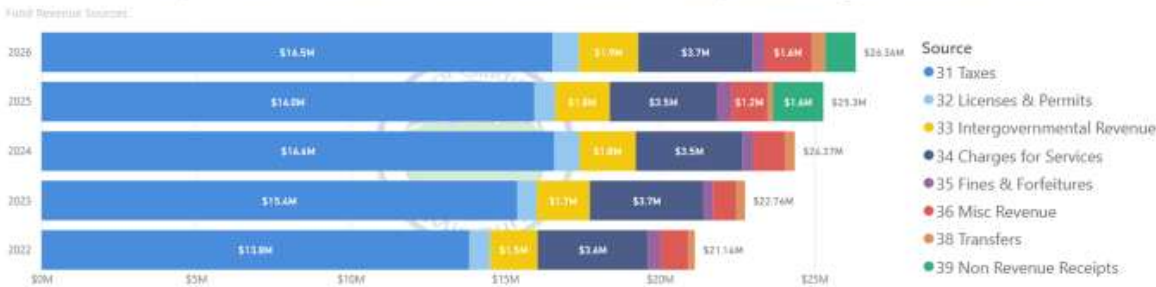
- Caution! 2025 performance is presented on an annualized basis.
 - The one-time deposits for property taxes slightly inflate this number
 - Staff expect final 2025 numbers slightly lower than annualized would suggest

Composition of Revenue Inflows: General Fund

Fund Revenue Sources



Composition of Revenue Inflows: Past Actuals vs. Proposed Budget: General Fund



General Fund Revenue – Revenue Composition

- 2024 COP Debt drawdown is expected for FY25 and FY26.

Expenditure

Expenditure - Budget Compared to Annualized Performance: General Fund



General Fund Expenditure – Budget to Actuals Comparison

- Most of the expenditure increase is attributed to the market adjustments and merit increases for police and fire.
- 2025 annualized expenditures have not yet captured the increased spring / summer Parks and Rec activity.
- Outflows have historically actualized well under budget in prior years. This is mainly attributed to open full-time positions the City is struggling to fill in the police and public works departments.

Composition of Outflows: General Fund



General Fund Expenditure Composition

- Personnel remains the dominant outflow for the general fund.
- Debt service, while still manageable, has increased in recent years, but should moderate over time.

Community Center and Parks Tax Fund

Overview

The Community Center and Parks Tax (CPPT) Fund is a special revenue fund that accounts for the 0.25% City sales tax for the purpose of funding a community center and various parks projects.

In February of 2005, the citizens of Gladstone approved a .25% Parks Sales Tax to be used to construct a community center. In a partnership with the North Kansas City School District, a natatorium was added to the project to be funded by shared expenses and bonds. The Community Center offers aerobic exercise and dance areas, weight, strength, and cardio training areas, regulation basketball courts, walking/jogging track, meeting areas for up to 300 people, 25-meter competitive pool, dive well, and seating for 1,500 spectators in the competition pool/dive area.

Community Center Parks Tax Fund (CCPT)

Budgeted Inflows and Outflows

- The Community Center and Parks Tax (CPPT) Fund is a special revenue fund that accounts for the 0.25% City sales tax for the purpose of funding a community center and various parks projects.

Proposed FY2026 Budgeted Funds - Overview

GL Type	Class	202-CCPT
Revenue	31 Taxes	\$1,115,689
	33 Intergovernmental Revenue	\$750,000
	34 Charges for Services	\$1,785,715
	36 Misc Revenue	\$410,096
	38 Transfers	\$1,133,243
	39 Non Revenue Receipts	\$0
	Total	\$5,194,743
Expense	41 Personnel	(\$1,643,558)
	42 Supplies	(\$135,651)
	43 Services	(\$1,076,910)
	46 Capital	(\$59,065)
	47 Debt	(\$2,279,559)
	48 Transfers	\$0
	Total	(\$5,194,743)
Total		\$0

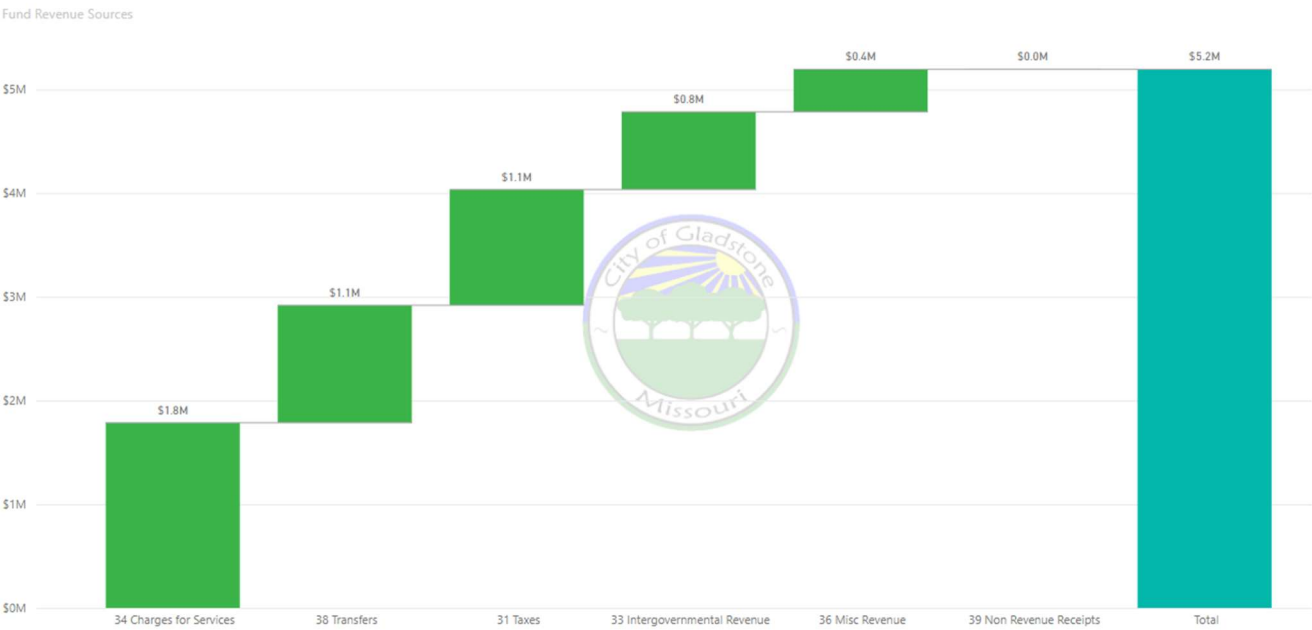
Revenue



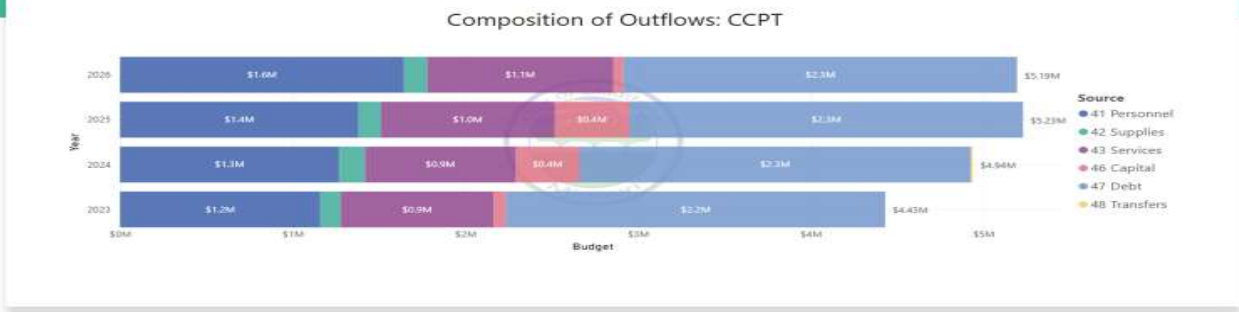
CCPT Revenue –
Budget to Actuals
Comparison

- Historically, the fund has struggled to meet revenue projections which has caused a strain on free fund balance and is closely monitored by staff.
- Revenue for the 2026 fiscal year has been conservatively budgeted as flat or slightly declining.

Composition of Revenue Inflows: Community Center/Parks Tax Fund



Expenditure



CCPT Expenditure Composition

- Until debt service expires in the early 2030's, resources available for public programming remain constrained.

Public Safety Sales Tax Fund

Overview

The Public Safety Sales Tax (PSST) Fund is a special revenue fund that accounts for the 0.25% City sales tax for the purpose of meeting the public safety programming promised to voters in the 2010 ballot initiative.

The historic programming of the PSST Fund has been to fund the general personnel expenditures of six law enforcement officers and related equipment expenses, fund two squad cars, and to pay the debt service on the City's recent radio system refresh project.

Public Safety Sales Tax (PSST)– Budgeted Inflows and Outflows

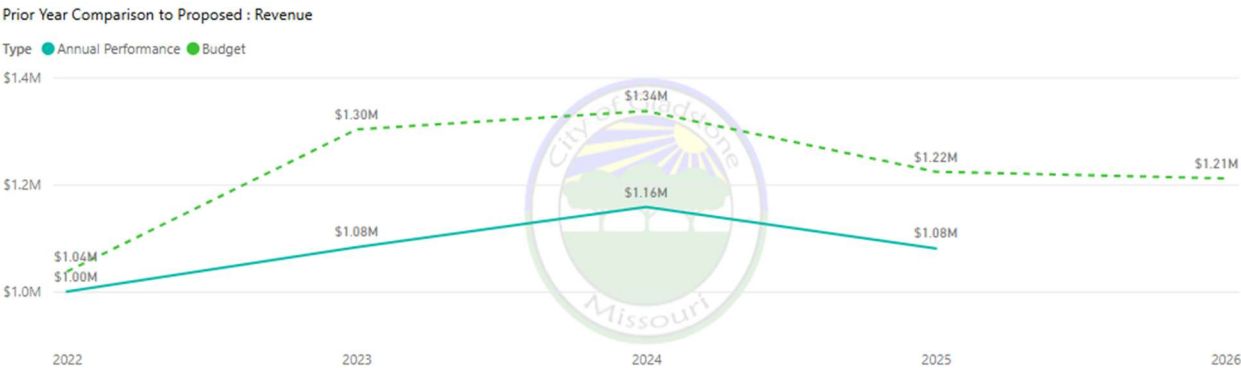
- The Public Safety Sales Tax (PSST) Fund is a special revenue fund that accounts for the 0.25% City sales tax for the purpose of meeting the public safety programming promised to voters in the 2010 ballot initiative.
- The historic programming of the PSST Fund has been to fund the general personnel expenditures of six law enforcement officers and related equipment expenses, fund two squad cars, and to pay the debt service on the City's recent radio system refresh project.

Proposed FY2026 Budgeted Funds - Overview

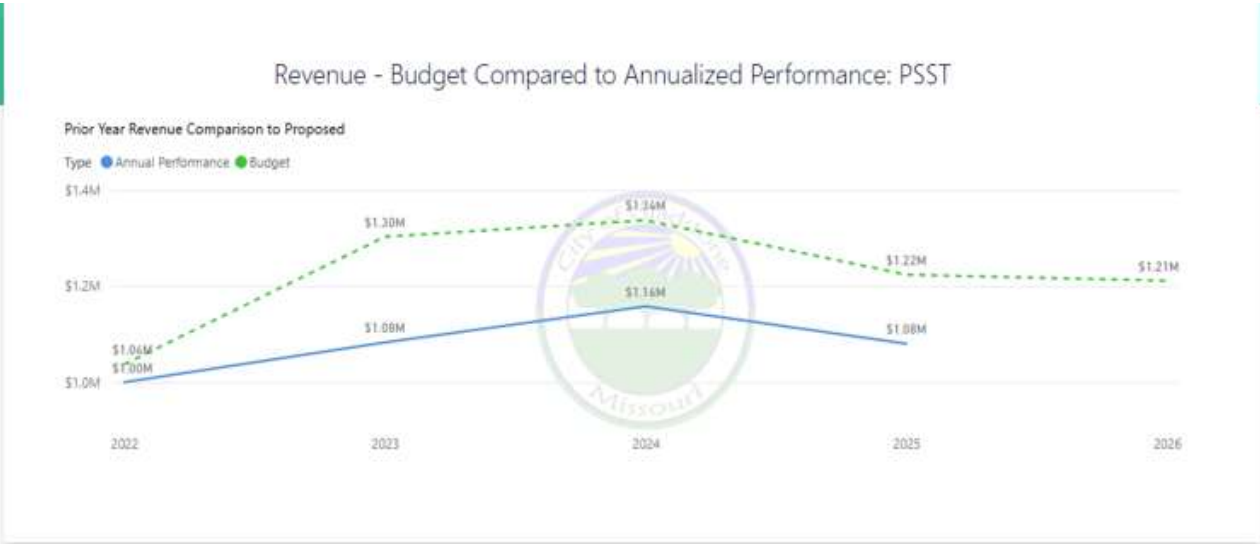
GL Type	Class	203-PSST
Revenue	31 Taxes	\$1,115,689
	33 Intergovernmental Revenue	\$3,898
	36 Misc Revenue	\$35,553
	38 Transfers	\$0
	39 Non Revenue Receipts	\$55,976
	Total	\$1,211,116
Expense	41 Personnel	(\$646,777)
	42 Supplies	(\$97,047)
	43 Services	(\$148,559)
	46 Capital	(\$121,484)
	47 Debt	(\$197,249)
	48 Transfers	\$0
	Total	(\$1,211,116)
Total		\$0

Revenue

Revenue - Budget Compared to Annualized Performance: Public Safety Sales Tax Fund



Expenditure



PSST Revenue –
Budget to Actuals
Comparison

- Actualized performance has historically been close to budgeted for multiple years.
- Due to conservative sales tax revenue forecasts, inflows are budgeted to remain relatively flat year over year.

Composition of Outflows: PSST



PSST Expenditure Composition

- Outflows for the fund are typically dominated by the personnel costs of 6 police officers.
- The scheduled vehicle refresh program accounts for a good portion of the remaining. (2 police cruisers per year, staggered)

Capital Improvement Program

Overview

The Capital Improvement Program (CIP) is an important policy document considered by the City Council. Capital project construction is generally reviewed on a five year look forward period annually. Planned and prudent investment is critical to maintaining the quality of life and economic vitality of any community.

Planned and prudent investment is critical to maintaining the quality of life and economic vitality of any community

The CIP document provides the City Council, Capital Improvement Program Committee, staff, and public with a framework for planning and scheduling capital projects. The plan presents a clear picture of projects scheduled for the current year. The process of updating the plan annually also provides an opportunity to revise the document based on changing community needs and priorities, economic conditions, revised cost estimates, or alternative funding sources.

The Capital Improvement Program consists of two special revenue funds: the Capital Improvement Sales Tax (CIST) Fund and the Transportation Sales Tax (TST) Fund.

Funding

Funding for both the Capital Improvement Sales Tax and the Transportation Sales Tax Fund comes from each of their dedicated 0.5% general City sales tax inflows, as well as an annual \$1 million transfer from the General Fund relating to the 2019 Sales Tax. In years past, these funds have also been used to handle debt proceeds, miscellaneous supplementary transfers from the General Fund, and to re-allocate whatever interest revenue is realized from temporary investment activities to qualifying projects.

Spending

Due to recent capital expenditures, a large portion of both capital funds outlays is comprised of debt service expenditures. Minimal discretionary funding is available from a free fund balance level, which dramatically impacts the ability of the City to address every concern. Projects and investments continue to be authorized and funded as additional funding is received.

Capital Improvement Sales Tax Fund

Overview

The Capital Improvement Sales Tax (CIST) Fund is a special revenue fund that accounts for the 0.5% City sales tax for the purpose of funding large capital projects.

Capital Improvement Sales Tax Fund— Budgeted Inflows and Outflows

- The Capital Improvement Sales Tax (CIST) Fund is a special revenue fund that accounts for the 0.5% City sales tax for the purpose of funding large capital projects.

Proposed FY2026 Budgeted Funds - Overview

GL Type	Class	401 CIST
Revenue	31 Taxes	\$2,231,378
	33 Intergovernmental Revenue	\$0
	34 Charges for Services	\$0
	36 Misc Revenue	\$123,067
	38 Transfers	\$1,675,000
	39 Non Revenue Receipts	\$1,750,000
	Total	\$5,779,445
Expense	43 Services	(\$122,127)
	46 Capital	(\$2,395,000)
	47 Debt	(\$1,681,280)
	48 Transfers	(\$689,300)
	Total	(\$4,887,707)
Total		\$891,738

Capital Improvement Sales Tax Fund (CIST)



SALES TAX PROJECTIONS HELD AT 1.5%
GROWTH YEAR OVER YEAR



ONE TIME TRANSFER OF \$675,000
REQUIRED FROM THE GENERAL FUND
TO COVER AJ FARM EVENT CENTER



INTEREST REVENUE EXPECTED TO
DECLINE AS INVESTED FUNDS
DECREASE

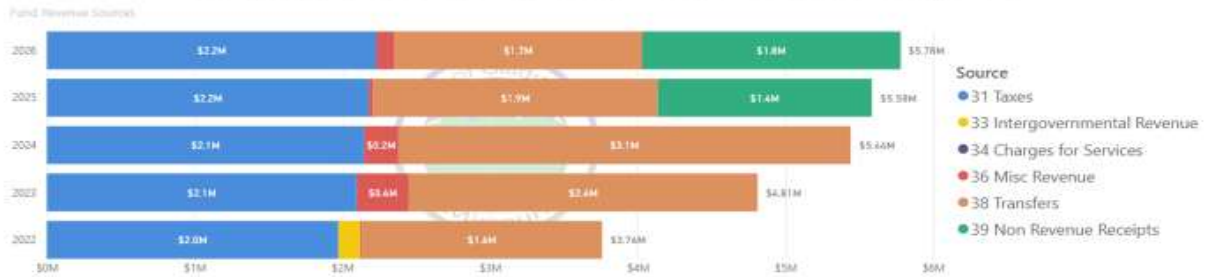
Revenue



CIST Revenue – Budget to Actuals Comparison

- Due to grant receipt timing, project schedules, and a slight slowing of sales tax receipts, FY2025 annualized performance as presented is lower than staff estimates.

Composition of Revenue Inflows: Past Actuals vs. Proposed Budget: CIST



CIST Revenue Composition

- FY2025 and FY2026 will see fund drawdowns related to the spend of the 2024 Certificates of Participation proceeds.

Expenditure

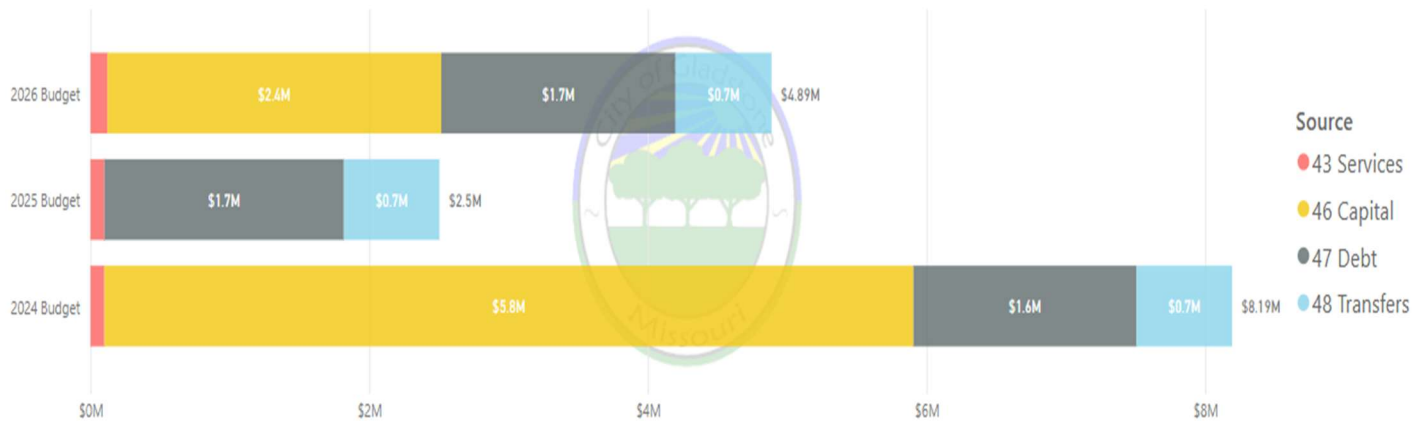
Expenditure - Budget Compared to Annualized Performance: CIST



CIST Expenditure – Budget to Actuals Comparison

- The AJ Farm Venue project overages is the main contributor to current expenditure over budget.
- Rollforward of FY2025 project expenditures to FY2026 is the primary cause of the year over year increase.

Composition of Expense Outflows: Capital Improvement Sales Tax Fund



Transportation Sales Tax Fund

Overview

The Transportation Sales Tax (TST) Fund is a special revenue fund that accounts for the 0.5% City sales tax for the purpose of funding capital roads and trail projects.

The fund revenues are comprised of a ½ cent sales tax, transfers from the General and CWSS Funds, various granting sources, and the Special Road District. This fund is used for transportation related improvements including the street maintenance program, major street projects, sidewalks, and trails.

Transportation Sales Tax (TST)– Budgeted Inflows and Outflows

Proposed FY2026 Budgeted Funds - Overview

GL Type	Class	402-TST
Revenue	31 Taxes	\$2,231,378
	33 Intergovernmental Revenue	\$1,400,000
	34 Charges for Services	\$0
	36 Misc Revenue	\$150,360
	38 Transfers	\$150,000
	39 Non Revenue Receipts	\$1,000,000
	Total	\$4,931,738
Expense	43 Services	(\$326,000)
	46 Capital	(\$3,300,000)
	47 Debt	(\$724,914)
	48 Transfers	(\$100,000)
	Total	(\$4,450,914)
Total		\$480,824

Transportation Sales Tax Fund (TST)



Sales Tax Projections Held at 1.5% Growth Year over Year

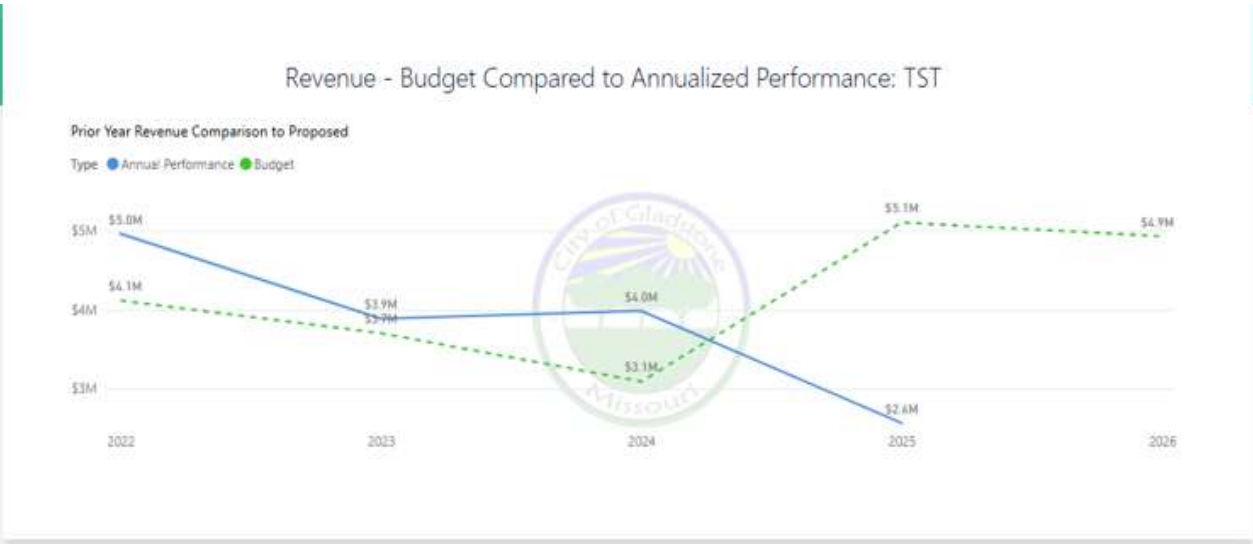


Interest Revenue Expected To Decrease as Invested Funds Decrease



N. Oak Project Delayed to FY27 and FY28

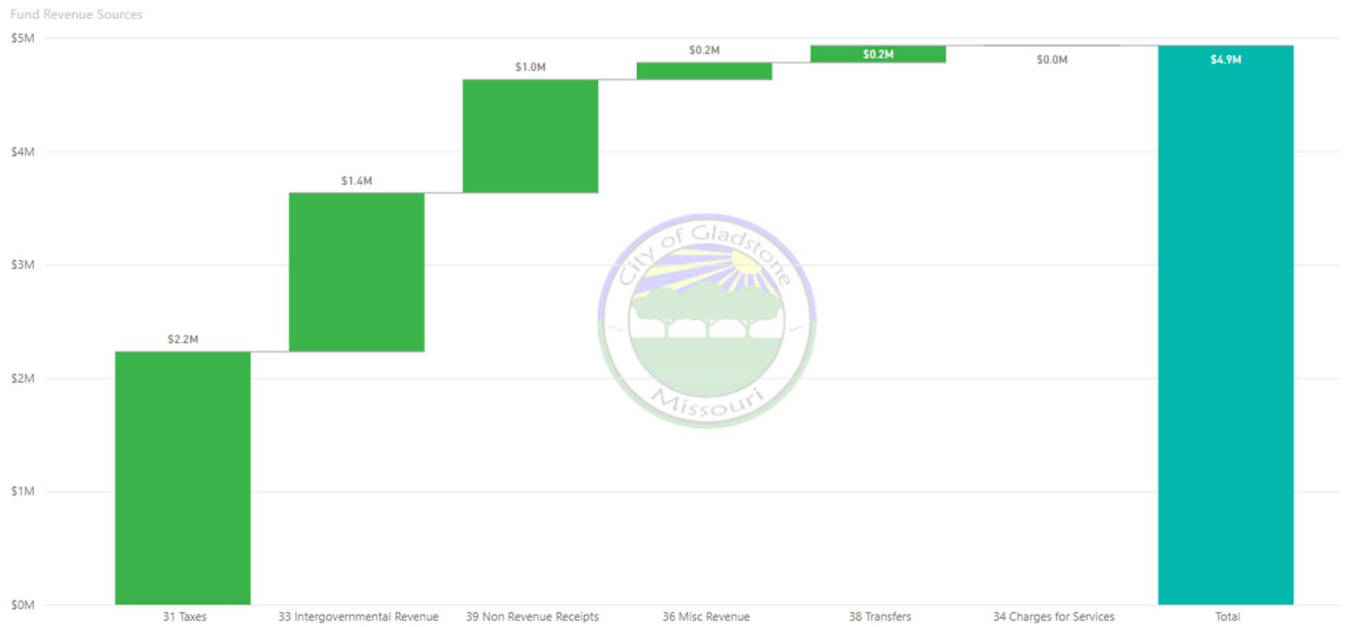
Revenue



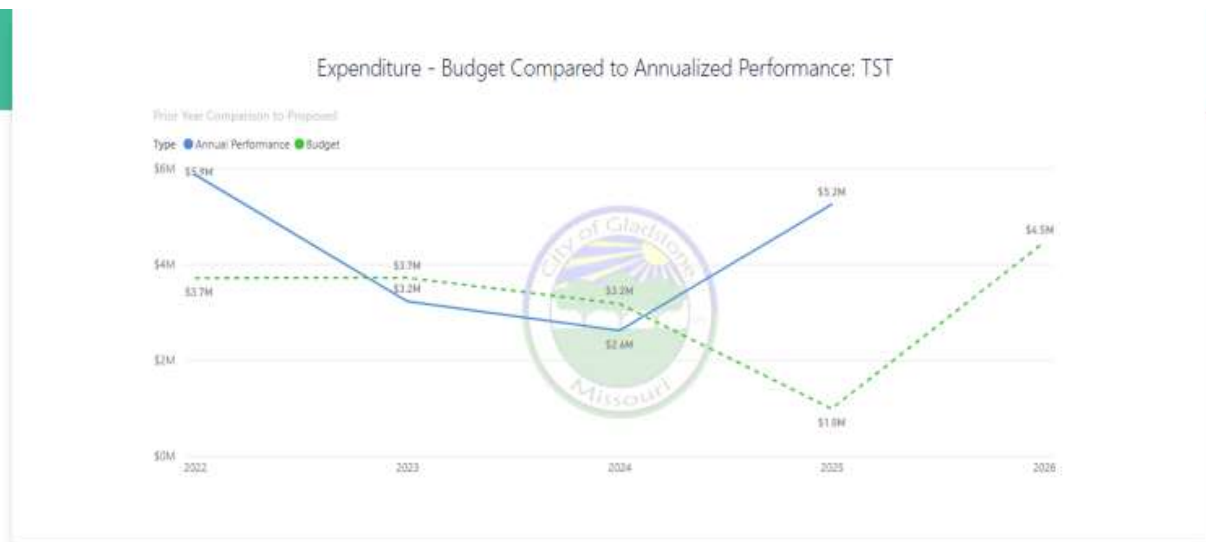
TST Revenue – Budget to Actuals Comparison

- The \$4.4 million STP North Oak Grant is responsible for the sharp increase in revenue forecasts in FY2025 and FY2026.
- This revenue is contingent on work completed, thus the lower than expected in FY2025.

Composition of Revenue Inflows: Transportation Sales Tax Fund



Expenditure



TST Expenditure – Budget to Actuals Comparison

- FY2025 actualized is largely attributed to the following mid-year adjustments:
 - Street Mill and Overlay : \$950,000
 - Linden Connector Trail: \$700,000
 - N Oak Complete Streets – NE 69th to NE 72nd: \$260,000

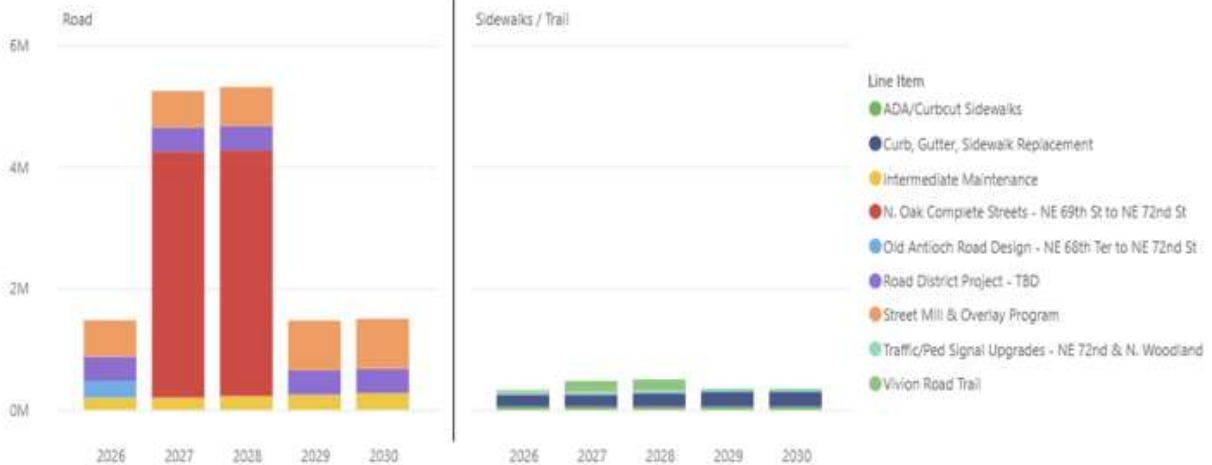
Composition of Outflows: TST



TST Expenditure Composition

- Capital Project outflows remain the key spend activity for the fund.

Project Expenditures



Transportation Sales Tax – Project Summary

Capital Equipment Replacement Fund

Overview

The Capital Equipment Replacement Fund (CERF) was established in 2001. This fund provides funds for capital purchases and projects.

Inflows for this fund typically come from interest earnings, non-restricted tax revenues, and transfers.

CERF, CERF-TECH: Budgeted Inflows and Outflows

- The Capital Equipment Replacement Fund (CERF) was established in 2001. This fund provides funds for capital purchases and projects.
- Inflows for this fund typically come from interest earnings, non-restricted tax revenues, and transfers.

Proposed FY2026 Budgeted Funds - Inflows and Outflows				
GL Type	Class	403-CERF	404-Tech	
Revenue	31 Taxes	-	\$407,000	
	32 Licenses & Permits	-	-	
	33 Intergovernmental Revenue	-	-	
	34 Charges for Services	-	-	
	35 Fines & Forfeitures	-	-	
	36 Misc Revenue	\$0	\$84,878	
	38 Transfers	\$0	\$0	
	39 Non Revenue Receipts	-	\$0	
	Total	\$0	\$491,878	
Expense	41 Personnel	-	-	
	42 Supplies	-	-	
	43 Services	\$0	\$0	
	46 Capital	(\$35,931)	\$0	
	47 Debt	-	(\$63,147)	
	48 Transfers	\$0	(\$428,731)	
	Total	(\$35,931)	(\$491,878)	
Total		(\$35,931)	\$0	

Revenue

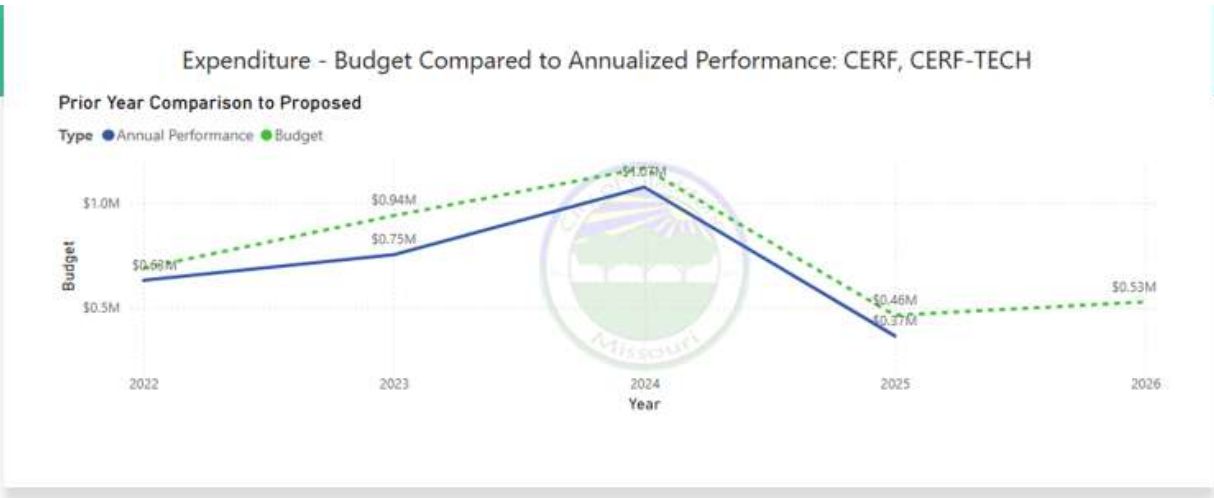
Revenue - Budget Compared to Annualized Performance: CERF, CERF-TECH



CERF, CERF-TECH— Budget to Actuals Comparison

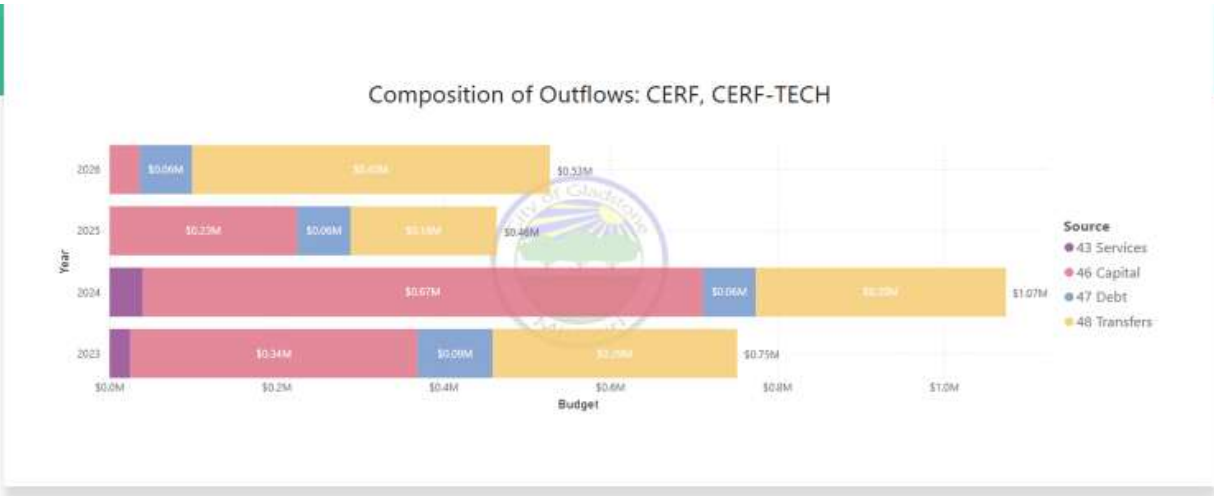
- Without its own source of revenue generation, the fund’s inflows are dependent on management decisions and allocations of taxes from the general fund

Expenditure



CERF, CERF-TECH Expenditure– Budget to Actuals Comparison

- While the fund’s revenue is dependent on management decisions, so are its expenditures.
- As such, expenditure approval for this fund closely tracks budgeted allowances.



CERF, CERF-TECH Expenditure Composition

- Most expenditures are related to capital equipment purchases, as well as reimbursing other city funds for their qualifying purchases.

Combined Water and Sewerage System Fund

Overview

The Combined Water and Sewerage System (CWSS) Fund accounts for the provision of water and sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund including, but not limited to: administration, operations, maintenance, financing and related debt service, and billing and collections.

As the city's only enterprise fund, it is designed and budgeted for as a self-sustaining entity without the need for unrestricted resources from the General Fund.

Combined Waterworks and Sewerage Fund—Budgeted Inflows and Outflows

- The Combined Waterworks and Sewerage System (CWSS) Fund accounts for the provision of water and sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund including, but not limited to: administration, operations, maintenance, financing and related debt service, and billing and collections.

Proposed FY2026 Budgeted Funds - Overview

GL Type	Class	501-CWSS
Revenue	33 Intergovernmental Revenue	\$0
	34 Charges for Services	\$13,826,383
	36 Misc Revenue	\$422,781
	38 Transfers	\$0
	39 Non Revenue Receipts	\$6,164,466
	Total	\$20,413,630
Expense	41 Personnel	(\$1,765,341)
	42 Supplies	(\$941,715)
	43 Services	(\$9,327,326)
	46 Capital	(\$7,052,319)
	47 Debt	(\$1,276,929)
	48 Transfers	(\$50,000)
	Total	(\$20,413,630)
Total		\$0

Revenue

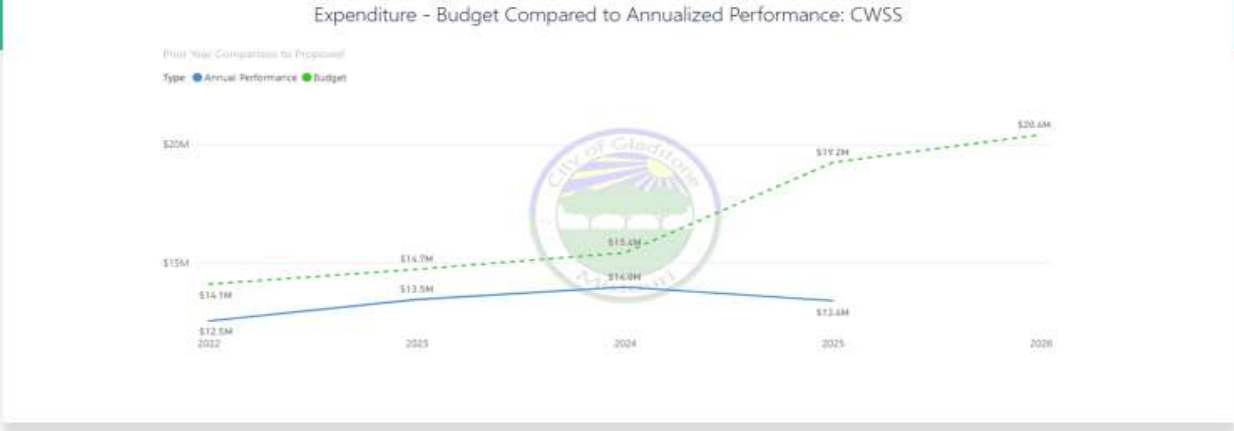
Revenue - Budget Compared to Annualized Performance: CWSS



CWSS Revenue – Budget to Actuals Comparison. (Budgetary Basis Presentation)

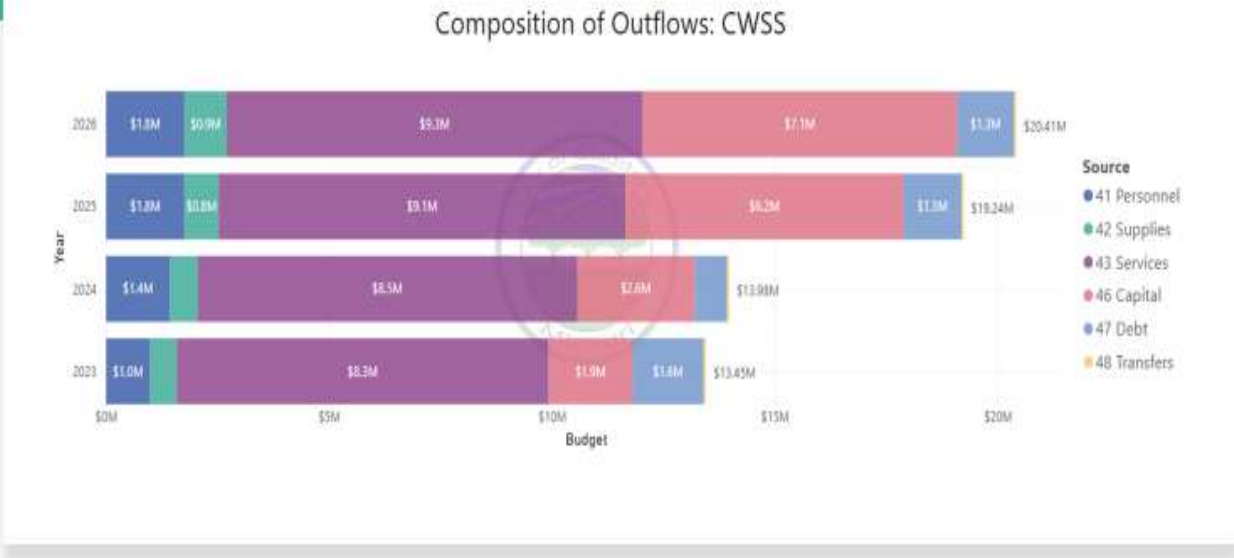
- Revenue Budget is artificially high in FY25 and FY26 due to the spenddown of the 2024 COP Debt Proceeds.
- Staff expect to request a 6% increase in the per unit sewer rate for FY 2026 as a direct response to Kansas City raising their treatment costs to us by 6%. Staff are also expecting to request a 5% increase in the per unit water rate to address rising input costs as well as personnel costs.

Expenditure



CWSS Expenditure – Budget to Actuals Comparison

- The fund has historically performed well against budget. Expenditure increases are attributed to the water treatment plant project and the 6% increase from KCMO sewer charges.



CWSS Expenditure Composition

- Sewer treatment charges from Kansas City remain the largest outflow for the fund. These outflows are covered by the sewer rates charged to citizens.

IT Requests - Important Note!

01

These are not considered new outlays for the city.

02

IT has already been replacing equipment on a similar schedule.

03

This will simply bring transparency and better planning for these activities into the budget process.

General Category	Original Purchase Price	Count	Lifespan in Years	Annual Depreciation Unit Rate	Assigned Market Rate Replacement
Firewall	\$4,449.66	2	7	0.29	\$1,271.33
Backup Server	\$30,801.87	1	7	0.14	\$4,400.27
Backup Server	\$9,158.29	1	7	0.14	\$1,308.33
Backup Server	\$7,122.30	1	7	0.14	\$1,017.47
Network Switch	\$2,916.08	10	8	1.25	\$3,645.10
Network Switch	\$2,499.99	6	8	0.75	\$1,874.99
Network Switch	\$1,914.67	5	8	0.63	\$1,196.67
Network Switch	\$999.99	5	8	0.63	\$624.99
Network Switch	\$2,127.52	2	6	0.33	\$709.17
VMWare Server	\$29,885.59	2	6	0.33	\$9,961.86
NAS Server	\$10,999.99	1	6	0.17	\$1,833.33
Genetec Server	\$15,536.00	1	6	0.17	\$2,589.33
Genetec Server	\$15,700.00	1	6	0.17	\$2,616.67
Battery Backup	\$3,986.00	3	10	0.30	\$1,195.80
Battery Backup	\$1,432.00	3	10	0.30	\$429.60
Exchange Server	\$7,534.00	1	6	0.17	\$1,255.67
	\$147,063.95				\$35,930.59

Capital Equipment Replacement Fund Portion

- Enforcing a strict equipment refresh schedule will allow for better standardization and planning of the city InfoSec environment.
- These cost are generally piecemeal incurred.
- The budget team is recommending the city instead proactively plan for future outlays to prevent unnecessary spikes in the underlying funds.

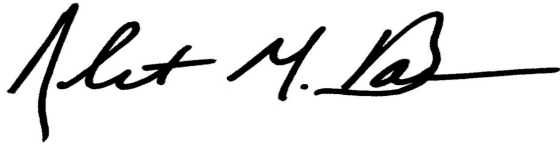
Conclusion

In summary, the FY26 Budget continues the emphasis on achievement of Council and Budget Team goals, sustainable budget practices, and continued employee support and funding for the Compensation & Classification Plan.

The FY26 Budget is fiscally responsible and continues to support the provision of outstanding citizen services, programs, and staffing levels necessary to provide enhanced Citizen services. This Budget represents a stable organization that continues to plan for the future, and an organization that believes in providing excellent basic services.

The contents of the FY26 Budget are inclusive of various staff committee recommendations, department priorities, and review by the Budget Team comprised of Assistant City Manager Austin Greer, Director of Finance Matt Dayton, Finance Manager Robert Daniels, Human Resource Administrator Amanda Wheeler, and myself. Thank you for your support and consideration of the proposed fiscal year 2026 Budget.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Robert M. Baer", with a long horizontal flourish extending to the right.

Robert Baer
City Manager



**City of Gladstone, MO
7010 N. Holmes St
Gladstone, MO 64118**

For Further Information: (816)-436-2200

Sewer Rate Public Hearing



June 9, 2025

Factors Impacting Water and Sewer Rates

1. KC Water will be increasing sewer rates by 6% effective May 1, 2025
2. Support costs for the City of Gladstone have increased due to inflationary factors by 5%

Proposed Water & Sewer Charges

- **Water**
 - Usage
 - Current - \$5.10 per 1,000 gallons
 - Proposed - \$5.36 per 1,000 gallons
 - Service charge
 - Current - \$10.25
 - Proposed - \$10.25
- **Sewer**
 - Usage
 - Current - \$12.40
 - Proposed - \$13.14
 - Service charge
 - Current - \$18.18
 - Proposed - \$18.18

➤ 5% increase to water usage fee based on increased support costs

➤ 6% increase to sewer usage fee as a pass through cost from KC Water

Comparison of Proposed Water & Sewer Charges

Proposed Water & Sewer Rates of Metropolitan Cities Based on Average Household Usage As of March 2025

<u>City</u>	<u>Water Amount</u>	<u>Sewer Amount</u>	<u>Total</u>
Kansas City	\$ 54.92	\$ 89.99	\$ 144.91
Raytown	72.12	58.70	130.82
Excelsior Spgs	53.96	69.92	123.88
Liberty	40.70	77.81	118.51
Parkville	48.80	60.35	109.15
Gladstone, (proposed 6/1/25)	37.03	70.76	107.78
Gladstone (as of 5/1/24)	35.75	67.78	103.53
Grandview	65.17	37.64	102.81
North Kansas City	31.26	61.05	92.31
Lees Summit	39.47	44.47	83.94
Blue Springs	42.00	38.95	80.95
Independence	34.90	42.24	77.14

Assumptions: Average water rates are based on 5,000 gallons of usage and 4,000 gallons of sewer usage monthly

Total increase of \$4.25 per month consisting of \$2.98 of sewer pass through costs from KC Water and \$1.27 of increased support costs for City of Gladstone

Questions and Next Steps

Questions?

Next Steps:

- Proposed rates will go into effect July 1 if the City Council approves ordinances on tonight's agenda.



Request for Council Action

RES ☐ # City Clerk Only

BILL ☒ # 25-15 & 25-16

ORD ☒ # 4.699 & 4.700

Date: 6/4/2025

Department: Finance

Meeting Date Requested: 6/9/2025

Public Hearing: Yes ☒ Date: 6/9/2025

Subject: Water and Sewer Rate Changes

Background: Each year, the budget team and Director of Public Works take the opportunity to discuss past and current performance, revenues, and expenditures for the Combined Waterworks and Sewerage System Fund (CWSS). Items that are taken into consideration to calculate the cost to provide water and sewer services are water usage, personnel, supplies, services, payments for debt, and capital needs. The City produces water from their wells, and Kansas City Water handles the sewer treatment.

Budget Discussion: N/A

Public/Board/Staff Input: After analysis of the needs of the CWSS fund, the budget team is recommending a change in the water usage fee of \$0.26 per month (per 1,000 gallons) from \$5.10 to \$5.36. The water service charge of \$10.25 per month will remain unchanged. Staff received notification from KC Water that the charges for sewer treatment would increase effective May 1, 2025 by 6%. To keep revenues and expenditures in-line for the fund, staff is recommending a corresponding increase to the monthly usage fee of 6%. This would result in a change in the per 1,000-gallon fee of \$.74 per 1,000 of usage to \$13.14 per 1,000 gallons (increases are in-line with changes from KC Water). For customers with average usage of 5,000 gallons of water and 4,000 gallons of sewage, the monthly payment would increase \$4.25 from \$103.53 per month to \$107.78.

Provide Original Contracts, Leases, Agreements, etc. to: City Clerk and Vendor.

Matt Dayton
Department Director/Administrator

JA
City Attorney

BB
City Manager

AN ORDINANCE AMENDING SECTION 6.110.570 OF THE CODE OF ORDINANCES OF THE CITY OF GLADSTONE, MISSOURI LEVYING SEWER SERVICE CHARGES AND COMMODITY RATE CHARGES IN THE CITY.

WHEREAS, pursuant to Section 250.233 RSMo., notice of a public hearing regarding proposed sewer rate changes in the City was provided by newspaper publication; and

WHEREAS, on June 9, 2025, a public hearing was held on the proposed sewer rate changes; and

WHEREAS, the City Council desires to adopt the proposed sewer rate changes as provided in this Ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, AS FOLLOWS:

SECTION 1. Section 6.110.570 of the Code of Ordinances of the City of Gladstone, Missouri is hereby deleted in its entirety and replaced with the following:

Sec. 6.110.570 Sewer Service Charges and Commodity Charges.

There is hereby levied a charge against every person occupying property having a sewer connection with the city sewer system or having sewers available for connection, or otherwise, discharging sewage, industrial waste, water or other liquid into the city's sewer system, such charge to be used to pay the cost of operating, maintaining, repairing, or enlarging the existing or future sewer systems. Such charge is to be the sum of a monthly service charge and a commodity rate charge to be computed and levied as follows:

- (a) **Domestic Users.** For residential water service accounts (one and two-family residences), a monthly service charge and a commodity rate charge each as established in subsection (c) of this section, except, that for the billing periods April through December, the commodity rate charge shall be based upon the lesser of actual water used or an average of water used during the winter period of December, January, and February, billed in January, February, and March, such charges shall be payable with each bill rendered throughout the year. Where residential water service accounts do not have an acceptable history of winter water use, the commodity rate charge for the period April through November shall be the commodity rate charge established in subsection (c) of this section, or ninety-seven dollars and two cents (\$97.02) per monthly billing, whichever is the lesser.
- (b) **Commercial and Industrial Users.** For commercial and industrial users (all persons and corporations other than the occupants of one and two-family residences), a monthly service charge and a commodity rate charge as established in subsection (c) of this section.
- (c) **Charges**
 - (1) A monthly service charge of \$18.18.
 - (2) A commodity rate charge based on the total volume of water purchased by the customer during the billing period of \$13.14 per 1,000 gallons.

BILL NO. 25-15

ORDINANCE NO. 4.699

SECTION 2. Effective Date. The Sewer Service Charge and Commodity Rate Charges as set forth in this ordinance are effective July 1, 2025.

SECTION 3. Severability. The provisions of this ordinance are severable and if any provision hereof is declared invalid, unconstitutional, or unenforceable, such determination shall not affect the validity of the remainder of this ordinance.

INTRODUCED, READ, PASSED, AND ADOPTED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, THIS 9TH DAY OF JUNE 2025.

Mayor Les Smith

ATTEST:

Kris Keller, City Clerk

1st Reading: June 9, 2025

2nd Reading: June 9, 2025

AN ORDINANCE AMENDING SECTION 6.110.100 OF THE CODE OF ORDINANCES OF THE CITY OF GLADSTONE, MISSOURI, REGARDING WATER SERVICE RATES IN THE CITY.

WHEREAS, the metered water service rates charged by the City of Gladstone are set forth in Section 6.110.100 of the Code of Ordinances of the City of Gladstone, Missouri; and

WHEREAS, the City Council desires to establish new rates for metered water service customers that are reasonable and appropriate, and serve the best interest of the citizens of the City of Gladstone.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, AS FOLLOWS:

SECTION 1. Section 6.110.100 of the Code of Ordinances of the City of Gladstone, Missouri is hereby deleted in its entirety and replaced with the following:

Sec. 6.110.100. Service Rates.

(a) The following rates shall be charged for all metered water service:

(1) Minimum service charge of \$10.25 monthly.

(2) Plus \$5.36 per 1,000 gallons used.

SECTION 2. Effective Date. The metered water service rates as set forth in Section 1 of this Ordinance shall be effective July 1, 2025.

INTRODUCED, READ, PASSED, AND ADOPTED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, THIS 9TH DAY OF JUNE 2025.

Mayor Les Smith

ATTEST:

Kris Keller, City Clerk

1st Reading: June 9, 2025

2nd Reading: June 9, 2025



Request for Council Action

RES ☐# City Clerk Only

BILL ☒# 25-17

ORD ☒# 4.701

Date: 6/3/2025

Department: General Administration

Meeting Date Requested: 6/9/2025

Public Hearing: Yes ☐ Date: Click here to enter a date.

Subject: An Ordinance authorizing the City Manager to re-enter into a cooperative agreement with the Federal Bureau of Investigation (FBI) to provide Gladstone law enforcement resources to the Child Exploitation and Human Trafficking Task Force.

Background: The FBI operates a Child Exploitation and Human Trafficking Task Force, made up of Federal, State, and Local law enforcement agencies, to investigate crimes against children, specifically sexual victimization, and other human trafficking. The Gladstone Police Department has been part of that task force since 2022 and the training and resources received by our agency cannot be understated. Participation in this Task Force is “as needed” and does not require a full-time position. The FBI has requested a re-signing of the current MOU due to change in leadership. Passage of the proposed Ordinance will allow the City Manager to sign the Memorandum of Understanding, allowing continuation of Gladstone law enforcement participation in the Task Force.

Budget Discussion: N/A

Public/Board/Staff Input: Staff recommends approval of the proposed Ordinance.

Provide Original Contracts, Leases, Agreements, etc. to: City Clerk and Vendor.

Fred Farris
Police Chief

CW
City Attorney

BB
City Manager

AN ORDINANCE AUTHORIZING THE CITY MANAGER TO ENTER INTO A COOPERATIVE AGREEMENT WITH THE FEDERAL BUREAU OF INVESTIGATION (FBI) TO PROVIDE LAW ENFORCEMENT RESOURCES TO THE CHILD EXPLOITATION AND HUMAN TRAFFICKING TASK FORCE.

WHEREAS, the Federal Bureau of Investigations has formed a Task Force aimed at providing a rapid, proactive, and intelligence-driven investigative response to crimes against children and human trafficking within the jurisdiction of the FBI; and

WHEREAS, the FBI relies on the cooperation and resources of local jurisdictions to strengthen the capabilities of the Task Force through training, intelligence sharing, technical support, and investigative assistance; and

WHEREAS, both the City of Gladstone and the FBI understand the importance and effectiveness of inter-agency cooperation; and

WHEREAS, the City of Gladstone believes a Memorandum of Understanding with the FBI to formally establish participation in the Child Exploitation and Human Trafficking Task Force is beneficial to both agencies.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI AS FOLLOWS:

THAT, the City Manager of the City of Gladstone, Missouri, is hereby authorized to enter into a cooperative agreement with the Federal Bureau of Investigation to provide law enforcement resources to the Child Exploitation and Human Trafficking Task Force on the terms and conditions described herein and as more particularly set forth in the Memorandum of Understanding.

INTRODUCED, READ, PASSED, AND ADOPTED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, THIS 9TH DAY OF JUNE 2025.

Mayor Les Smith

ATTEST:

Kris Keller, City Clerk

1st Reading: June 9, 2025

2nd Reading: June 9, 2025



Request for Council Action

RES ☒ # R-25-33

BILL ☐ # City Clerk Only

ORD ☐ # City Clerk Only

Date: 6/3/2025

Department: Public Works

Meeting Date Requested: 6/9/2025

Public Hearing: Yes ☐ Date: Click here to enter a date.

Subject: Change Order No. 3, FY25 Water Main Replacements, Project WP2587

Background: The contract for Project WP2587 was awarded to Linaweaver Construction, Inc. as authorized by Resolution R-24-71. Change Orders No. 1 and 2 added two (2) emergency water main break repairs to the scope of that contract. Change Order No. 3 ratifies the emergency repair of ten (10) additional water main breaks including the one on NE 72nd Street just west of N. Oak Trafficway (\$68,754.40) and adds an additional 1,000 square feet of sidewalk replacement to the project.

Budget Discussion: A financial breakdown of the contract is as follows:

Original Contract Amount:	\$ 645,180.00
Change Orders 1 thru 2	<u>22,905.64</u>
Total approved to date:	668,085.64
Change Order 3	<u>143,095.15</u>
Revised Contract Amount:	<u><u>\$ 811,180.79</u></u>

Funds are available from the Combined Waterworks and Sewerage System Fund.

Public/Board/Staff Input: City staff recommends approval of this change order.

Provide Original Contracts, Leases, Agreements, etc. to: City Clerk and Vendor

Timothy A. Nebergall
Department Director/Administrator

JA
City Attorney

BB
City Manager

RESOLUTION NO. R-25-33

A RESOLUTION AUTHORIZING CHANGE ORDER NO. 3 IN THE AMOUNT OF \$143,095.15 TO THE CONTRACT WITH LINAWEAVER CONSTRUCTION, INCORPORATED, FOR THE FY25 WATER MAIN REPLACEMENTS PROJECT WP2587.

WHEREAS, additional work under the FY25 Water Main Replacements Project has been determined necessary and is recommended by the Director of Public Works.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, AS FOLLOWS:

THAT, the City Manager of the City of Gladstone, Missouri is hereby authorized to execute Change Order No. 3 to the FY25 Water Main Replacements Project WP2587 with Linaweaver Construction, Incorporated, as follows:

Original Contract Amount:	\$ 645,180.00
Change Orders 1 thru 2	<u>22,905.64</u>
Total approved to date:	668,085.64
Change Order 3	<u>143,095.15</u>
Revised Contract Amount:	<u><u>\$ 811,180.79</u></u>

FURTHER, THAT, funds for such purpose are available from the Combined Waterworks and Sewerage System Fund.

INTRODUCED, READ, PASSED, AND ADOPTED BY THE COUNCIL OF THE CITY OF GLADSTONE, MISSOURI, THIS 9TH DAY OF JUNE 2025.

Mayor Les Smith

ATTEST:

Kris Keller, City Clerk