

**SMITHVILLE BOARD OF ALDERMEN  
WORK SESSION**

August 19, 2025 5:30 p.m.

City Hall Council Chambers and Via Videoconference

**1. Call to Order**

Alderman Atkins called the meeting to order at 5:54 p.m. following the Executive Session. A quorum of the Board was present: Melissa Wilson, Marv Atkins, Kelly Kobylski, Dan Hartman and Leeah Stone. Ronald Russell joined the meeting at 5:55 p.m. Mayor Boley joined the meeting at 5:58 p.m.

Staff present: Cynthia Wagner, Gina Pate, Chief Lockridge, Jack Hendrix, Rick Welch, Matt Denton, Anthony Glenn and Linda Drummond.

**2. 9-Month FY2025 Budget Update**

Finance Director Rick Welch presented the FY2025 Budget update.

**Revenues**

Property Tax: Property tax is tracking to hit budget in FY2025.

Sales Tax: Revenues had a small increase in projection due to steady results, staff continues to monitor closely.

Use Tax: No slow down through Q3. Increased projections in Q3 for FY2025.

Interest Income: Higher than budgeted revenue as rates remain high, slight increase the projection in Q3.

Building Permits: Although no increase in projection made in Q3, overall building permits remain strong for FY25.

**Expenditures**

General Fund Operational Expenditures: Expenditures are trending as budgeted. Staff continues to monitor closely.

Capital Budgets: Projected capital budget activity has increased in all funds this year. Staff will continue to monitor budgets for any potential change orders or project cost increases.

Alderman Wilson inquired whether we had many delinquent property taxes.

Rick explained that there were a small handful, but the number was not significant.

The Board discussed the Commercial Street Sidewalk project now on hold and if we had been billed for the project. Rick explained that we have only received one small bill to date.

**3. FY2026 Budget Discussion**

Finance Director Rick Welch presented the proposed FY2026 budget developed with the staff and Board input.

Operational Budget Item	Estimated Cost	Considerations
Building and Facilities Manager (Parks & Recreation)	\$92,455	New position in the Parks & Recreation department.
GIS/IT Technician (50% Admin / 50% CWWS)	\$83,458	New position that will be split between Administration and Combined Water and Wastewater (\$41,729 per department).
World Cup	\$40,000	Authority up to \$40,000 to provide support initiatives for World Cup.
Mini Excavator	\$25,000	Estimated annual lease payment of \$25,000. Improve project timelines and safety of staff with the addition of mini excavator.
Walk Behind Saw	\$15,000	Improve productivity and precision and reduce outsourcing.
Rapid Warning	\$50,000	Enhance efficiency and reliability of outdoor warning system and incorporating Realtime alerts.
Golf Cart	\$15,000	Priority on Parks & Recreation equipment replacement plan for quick and easy access.
Toolcat Bucket	\$6,000	Replacement of current broken arm.
Strategic Planning	\$50,000	Revise and update the City's strategic Plan.
Financial Support	\$25,000	Provide assistance to outside requests as directed by the Board.
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Wellness Stipend	\$20,100	Reimburse City employees up to \$300 for wellness related expenses.
	\$447,013	

Financial Support was added twice. The correct total amount is \$422,013 added to the General Fund FY2026 Budget.

#### Proposed FY2026 General Fund Revenue Summary

General Fund Revenues	Actual FY2024	FY2025 Budget	Projected FY2025	FY2026 Proposed Budget
Property Taxes	1,208,975	1,205,585	1,205,585	1,215,000
Sales and Use Taxes	2,688,789	2,550,738	2,773,611	2,878,671
Franchise Taxes	804,845	784,370	784,370	838,565
Licenses, Fees, and Permits	351,651	365,246	390,246	358,696
Intergovernmental Revenues	539,592	501,119	501,119	555,773
Charges for Services	495,811	474,025	474,025	479,271
Fines and Forfeits	88,937	116,652	116,652	112,000
Interest Earnings	730,251	315,258	710,000	222,684
Other Revenue	237,245	104,164	104,164	126,498
Transfers In	286,750	320,500	333,987	359,250
Total Revenues	\$ 7,432,846	\$ 6,737,657	\$ 7,393,759	\$ 7,146,409

Rick noted that staff had projected only a modest increase for revenue. He added that interest earnings would continue to be watched closely and with the impact of the Senior Property Tax freeze no increase was added for real estate tax revenue.

## Proposed FY2026 General Fund Expenditure Summary

General Fund Expenditures	Actual FY2024	FY2025 Budget	Projected FY2025	FY2026 Proposed Budget
Personnel Services	4,319,582	4,661,649	4,661,649	5,156,321
Commodities	1,097,603	1,161,730	1,161,730	1,315,172
Capital Outlay	782,774	852,043	852,043	408,925
Contractual Services	452,401	489,074	489,074	709,118
Transfers Out	357,000	383,000	383,000	333,000
<b>Total Expenditures</b>	<b>\$ 7,009,359</b>	<b>\$ 7,547,496</b>	<b>\$ 7,547,496</b>	<b>\$ 7,922,536</b>

### Public Safety Sales Tax

#### City communications regarding priorities

- Increased compensation and benefits for officers to support recruitment and retention
- Additional staffing and related equipment
- Implementation of a full-time animal control program

#### Board directed priorities

- Recruitment and retention of public safety personnel
- Development of animal control program

### Anticipated Revenue Collection

- Collection of the Public Safety Sales Tax will begin October 1, 2025.
- An estimated \$700,000 is anticipated to be collected for FY2026.

### Smithville Police Expenses

Personnel and Benefits	\$91,000
LAGERS upgrade to L-6	\$33,500
Equipment and Training	\$106,200
<b>Total</b>	<b>\$230,700</b>

### Animal Control Expenses

Personnel and Benefits	\$52,500
Commodities	\$15,515
Contracted Services	\$11,725
Capital Improvements	\$33,450
<b>Total</b>	<b>\$113,190</b>

### Combined Water and Wastewater Fund

Rick noted that as of November 1, 2025, no water or wastewater rate increases are proposed. The City will conduct a rate study in Fall 2025 to help inform potential rate adjustments, which may be proposed in early 2026.

Proposed FY2026 Combined Water and Wastewater System Fund

	Actual FY2024	Projected FY2025	Proposed FY2026
Beginning Fund Balance	6,589,526	8,863,647	16,378,987
Total Revenues	6,942,100	15,643,660	7,454,901
Total Expenses	4,667,979	8,128,320	16,466,155
Net Change in Fund Balance	2,274,121	7,515,340	(9,011,254)
Ending Fund Balance	8,863,647	16,378,987	7,367,732

Proposed Five Year CIP (FY2026-2030) Combined Water and Wastewater System Fund

Capital Improvement Project	FY 2026	FY 2027	FY 2028	FY2029	FY2030
West Bypass of the 144th Street Lift Station (Construction)	\$ 4,000,000	\$ -	\$ -	\$ -	\$ -
144 <sup>th</sup> Street Lift Station Federal Earmark	\$ (1,000,000)	\$ -	\$ -	\$ -	\$ -
Smith's Fork Force Main (Construction)	\$ 600,000	\$ -	\$ -	\$ -	\$ -
Maple Ave & River Crossing (12" Waterline) (50% of Construction)	\$ 1,190,000	\$ -	\$ -	\$ -	\$ -
Stonebridge Lift Station (Construction With SSD Cost Sharing)	\$ 1,300,000	\$ -	\$ -	\$ -	\$ -
McDonalds/Central Bank Lift Station (Engineering)	\$ 100,000	\$ -	\$ -	\$ -	\$ -
Interconnect Mains at 144 <sup>th</sup> /169 Highway/Major Mall (S2, Engineering)	\$ 55,000	\$ -	\$ -	\$ -	\$ -
Highway 92 & Commercial Waterline (Engineering)	\$ 150,000	\$ -	\$ -	\$ -	\$ -
Smith's Fork Park Waterline (Construction)	\$ 170,000	\$ -	\$ -	\$ -	\$ -
Highway 92 & Commercial Waterline (Construction)	\$ 300,000	\$ -	\$ -	\$ -	\$ -
Wastewater Treatment Plant Expansion (Engineering)	\$ 1,050,000	\$ -	\$ -	\$ -	\$ -
Water and Wastewater Master Plans Update	\$ 200,000	\$ -	\$ -	\$ -	\$ -
Taste and Odor	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -
<b>Grand Total (Net Cost)</b>	<b>\$9,115,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Cont.

Capital Improvement Project	FY 2026	FY 2027	FY 2028	FY2029	FY2030
Owens Branch Gravity Line Phase #1, Line #1 (Construction)	\$ -	\$ 150,000	\$ -	\$ -	\$ -
Owens Branch Gravity Line Phase #1 and #3, Line #2 (Engineering)	\$ -	\$ 500,000	\$ -	\$ -	\$ -
Interconnect Mains at 144 <sup>h</sup> /169 Highway/Major Mall (S2, Construction)	\$ -	\$ 150,000	\$ -	\$ -	\$ -

Water Plant Expansion (Engineering)	\$ -	2,100,000	\$ -	\$ -	\$ -
McDonalds/Central Bank Lift Station (Construction)	\$ -	\$ 500,000	\$ -	\$ -	\$ -
Wastewater Treatment Plant Expansion (Construction)	\$ -	\$3,000,000	\$ -	\$ -	\$ -
Owens Branch Gravity Line Phase #1 and #3, Line #2 (Engineering)	\$ -	\$ -	\$ 500,000	\$ -	\$ -
Additional Water and Wastewater Project Funding	\$ -	\$ -	\$2,000,000	\$ -	\$ -
Owens Branch Gravity Line Phase #1, Line #2 (Construction)	\$ -	\$ -	\$ -	\$2,500,000	\$ -
Owens Branch Gravity Line Phase #1, Line #3 (Construction)	\$ -	\$ -	\$ -	\$2,000,000	\$ -
Additional Water and Wastewater Project Funding	\$ -	\$ -	\$ -	\$2,000,000	\$ -
Water Plant Expansion, Phase I (Construction)	\$ -	\$ -	\$ -	\$7,500,000	\$15,000,000
Grand Total (Net Cost)	\$9,115,000	\$7,400,000	\$2,500,000	\$14,000,000	\$15,000,000

Proposed Five Year CIP (FY2026-2030) Transportation Sales Tax Fund

Capital Improvement Project Name	FY2026	FY2027	FY2028	FY2029	FY2030
Annual Asphalt Overlay Program (Projects TBD)	\$ 500,000	\$ 350,000	\$ 350,000	\$ 400,000	\$ 450,000
Annual Residential Sidewalk Replacement Program	\$ 100,000	\$ 60,000	\$ 60,000	\$ 70,000	\$ 70,000
Dundee Overlay Project	\$ 100,000	\$ -	\$ -	\$ -	\$ -
Richardson St / 169 Signal (Engineering)	\$ 300,000	\$ -	\$ -	\$ -	\$ -
Commercial Street Sidewalks (Construction)	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -
Commercial Street Sidewalks (MARC Reimbursement)	\$ (800,000)	\$ -	\$ -	\$ -	\$ -
Richardson St / 169 Signal (Construction)	\$ -	\$ 1,200,000	\$ -	\$ -	\$ -
Richardson St / 169 Signal (Construction) MODOT 50% Cost Share	\$ -	\$ (600,000)	\$ -	\$ -	\$ -
Richardson St / 169 Signal (Construction) Developments Share	\$ -	\$ (200,000)	\$ -	\$ -	\$ -
1 <sup>st</sup> & Bridge St Round-A-Bout Construction (80% of Project Expense)	\$ -	\$ 3,300,000	\$ -	\$ -	\$ -
1 <sup>st</sup> & Bridge Street Round-A-Bout (MARC Reimbursement)	\$ -	\$ (900,000)	\$ -	\$ -	\$ -
180th & Eagle Round-A-Bout Construction (25% of Project Expense)	\$ -	\$ -	\$ -	\$ 300,000	\$ -
Grand Total (Net Cost)	\$1,200,000	\$3,210,000	\$410,000	\$770,000	\$ 520,000

Proposed Five Year CIP (FY2026-2030) Capital Improvement Sales Tax Fund

Capital Improvement Project Name	FY2026	FY2027	FY2028	FY2029	FY2030
Annual Transfer to Debt Service	\$ 367,920	\$ 373,420	\$376,420	\$382,420	\$ 390,540
2 <sup>nd</sup> Creek Sidewalks (Engineering)	\$ 20,000	\$ -	\$ -	\$ -	\$ -
2 <sup>nd</sup> Creek Sidewalks (70% of Construction)	\$ 515,000	\$ 515,000	\$ -	\$ -	\$ -
2 <sup>nd</sup> Creek Sidewalks (MARC Reimbursement)	\$(300,000)	\$(300,000)	\$ -	\$ -	\$ -
2 <sup>nd</sup> Creek Bridge Sidewalks (30% of Construction)	\$ 125,000	\$ 125,000	\$ -	\$ -	\$ -
Riverwalk & Trail (Engineering)	\$ 20,000	\$ -	\$ -	\$ -	\$ -
Riverwalk & Trail Construction (60% of Construction)	\$ 480,000	\$ 670,000	\$ -	\$ -	\$ -
Riverwalk & Trail (MARC Reimbursement)	\$(480,000)	\$(420,000)	\$ -	\$ -	\$ -
Maple Lane Sidewalks (Engineering)	\$ 100,000	\$ -	\$ -	\$ -	\$ -
1 <sup>st</sup> & Bridge Street - Round-A-Bout (20% of Construction)	\$ -	\$1,000,000	\$ -	\$ -	\$ -
Maple Lane Sidewalks (Construction)	\$ -	\$ 600,000	\$ -	\$ -	\$ -
Maple Lane Sidewalks (MARC Reimbursement)	\$ -	\$(480,000)	\$ -	\$ -	\$ -
180 <sup>th</sup> & Eagle Parkway Round-A-Bout (Engineering)	\$ -	\$ -	\$350,000	\$ -	\$ -
Pope Lane Round-a-Bout/Connection (80% of Engineering)	\$ -	\$ -	\$ -	\$400,000	\$ -
180 <sup>th</sup> & Eagle Parkway Round-A-Bout (75% of Construction)	\$ -	\$ -	\$ -	\$ -	\$ 4,000,000
180 <sup>th</sup> & Eagle Parkway Round-A-Bout (MARC Reimburse)	\$ -	\$ -	\$ -	\$ -	\$(2,000,000)
Grand Total (Net Cost)	\$ 847,920	\$2,083,420	\$726,420	\$782,420	\$ 2,390,540

Proposed Five Year CIP (FY2026-2030) Parks and Stormwater Sales Tax Fund

Capital Improvement Project Name	FY2026	FY2027	FY2028	FY2029	FY2030
Dundee Road Stormwater Improvements (Construction)	\$ 200,000	\$ -	\$ -	\$ -	\$ -
Riverwalk & Trail Construction (40% of Construction)	\$ 600,000	\$ -	\$ -	\$ -	\$ -
Riverwalk Park & Trail (10% of Construction)	\$ 200,000	\$ -	\$ -	\$ -	\$ -
OK Railroad Trail - Phase I (Construction)	\$ 281,000	\$ -	\$ -	\$ -	\$ -
OK Railroad Trail - Phase I (Grant)	\$ (184,000)	\$ -	\$ -	\$ -	\$ -
Forest Oaks Stormwater Improvements (Engineering)	\$ -	\$ -	\$ -	\$ -	\$ -

Forest Oaks Stormwater Improvements (Construction)	\$ 300,000	\$ -	\$ -	\$ -	\$ -
Smith's Fork Park Complex (Engineering & Design)	\$ 320,000	\$ 320,000	\$ -	\$ -	\$ -
Cedar Lakes Stormwater Improvements (Engineering)	\$ -	\$ 25,000	\$ -	\$ -	\$ -
Cedar Lakes Stormwater Improvements (Construction)	\$ -	\$ 100,000	\$ -	\$ -	\$ -
Maple Lane Stormwater Improvements (Engineering)	\$ -	\$ -	\$ 50,000	\$ -	\$ -
Maple Lane Stormwater Improvements (Construction)	\$ -	\$ -	\$ 250,000	\$ -	\$ -
Smith's Fork Park Complex (Construction)	\$ -	\$ -	\$ 2,240,000	\$ -	\$ -
Grand Total (Net Cost)	\$ 1,717,000	\$ 445,000	\$ 2,540,000	\$ -	\$ -

Rick noted that the proposed 5 year CIP (FY2026-2030) will be funding by COP bond issuance.

#### Proposed FY2026 Budget Vehicle & Equipment Replacement Fund

The City of Smithville is currently leasing 38 vehicles from Enterprise.

The general fund and utilities fund will be transferring more financial resources into the VERF in the next five years to offset costs associated with rising vehicle lease expenses.

On July 15, 2025 staff presented an update to the VERF. Staff explained that the fund has been closely monitored, with vehicle upgrades occurring less frequently and existing vehicles being redistributed to meet departmental needs.

#### Summary of the Sanitation Fund

- As of July 2025, the City of Smithville contracts with GFL to service just over 3,228 regular trash accounts and service just over 573 senior rate trash accounts (available for account holders ages 65 and older). Senior rate trash accounts make up nearly 15% of total accounts.
- GFL will be increasing the regular (non-senior) City contracted trash rates by 1.7%.
- Monthly trash rate to increase by 1.7% from \$21.07 per month to \$21.43 per month.
- The senior trash rate will have a discount of 15% of regular monthly trash rate (\$18.21).
- Additional events starting in FY2027.

Rick noted that the Sanitation Fund is basically a pass through fund.

Alderman Russell asked if the Household Hazardous Waste and e-waste would be increased.

Rick explained that the Mid-America Regional Council (MARC) bases the charge off the city's population.

## FY2026 Comprehensive Budget

	2026 Projected Beginning Balance	2026 Proposed Revenues	2026 Proposed Expenditures	2026 Projected Ending Balance
General Fund	3,652,824	7,146,409	7,922,536	2,876,697
Capital Improvement Sales Tax Fund	246,847	1,886,626	2,042,920	90,553
Capital Projects Fund	165,755	11,000	-	176,755
Combined Water/Wastewater Fund	16,378,986	7,454,901	16,466,155	7,367,732
Debt Service Fund	274,113	367,920	367,920	274,113
Park and Stormwater Sales Tax Fund	2,243,422	988,733	1,901,000	1,331,155
Sanitation Fund	70,155	1,000,715	987,117	83,753
Special Allocation Fund	2,318,511	905,625	792,862	2,431,274
Commons CID Fund	465,689	438,655	381,502	522,842
Transportation Sales Tax Fund	169,999	1,591,271	2,000,000	(238,730)
Vehicle and Equipment Replacement Fund	85,390	433,000	428,497	89,893
Donation Fund	42,280	15,100	-	57,380
Judicial Education Fund	2,532	-	1,100	1,432
DWI Recovery Fund	13,762	3,425	2,975	14,212
Police Training Fund	12,312	1,450	4,280	9,482
<b>Grand Total</b>	<b>\$ 26,142,576</b>	<b>\$ 22,244,830</b>	<b>\$ 33,298,864</b>	<b>\$ 15,088,542</b>

Total Revenues: \$22,244,830

Total Expenditures: \$33,298,864

COP Issuance: \$8,500,000

Rick asked that Board if there were any changes they would like staff to make with the FY2026 proposed budget. The Board all noted that they agreed with the budget as presented and just requested that the duplicate \$25,000 Financial Support on the general fund be corrected. They directed staff to bring the proposed FY2026 budget forward for approval for the first reading at the October 7 Board of Aldermen meeting.

#### 4. Adjourn

Alderman Hartman moved to adjourn. Alderman Kobylski seconded the motion.

Ayes – 6, Noes – 0, motion carries. The Mayor declared the meeting adjourned at 7:14 p.m.

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Linda Drummond, City Clerk

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Damien Boley, Mayor