

# **Prop PD**

# **Quarterly Report**



**Information for July 1, 2024 – June 30, 2025**  
**And July 1, 2025 – August 30, 2025**

## **Background Information**

On August 6, 2024, voters in Independence, MO passed Proposition PD, a one-quarter of one cent sales tax that would go directly to fund the Independence Police Department. This was the result of needing to increase starting wages for Police Officers and negotiate a new wage scale with the FOP to not only keep the department's current sworn officers but also attract new police officers to Independence.

Kansas City PD had just announced a new wage scale that was increasing their number of certified police officer applicants, while the number of certified applicants for Independence had stalled. Prop PD was introduced to be a funding mechanism that would allow Independence PD to create a new wage scale for Police Officers and be more competitive in the hiring market.

Independence voters showed their support of the department and this measure by passing Prop PD with over 60% in favor. This tax went into effect on January 1, 2025.

## 24/25 FISCAL YEAR - Revenue

<b>Beginning 2024/25 FY Unassigned Fund Balance:</b>	<b>\$ 0</b>
*Sales Tax Collected through 6/30/25:	\$ 2,619,213
Investments & Other Income:	7,513
Use Tax Waterfall:	569,046
<b>Total Revenue for FY 24/25:</b>	<b>\$ 3,195,772</b>
<b>Total FY 24/25 Overall Revenue:</b>	<b>\$ 3,195,772</b>

## Expenditures for January 2025 – June 2025

FUND	ORG	OBJE	ACCOUNT DESCRIPTION	Sum of ORIGINAL APPROP	Sum of REVISED BUDGET	Sum of YTD EXPENDED	Sum of ENCUMB	Sum of AVAILABLE BUDGET
067	4511	5100	Salaries	\$ -	\$ -	\$ 73,625.00	\$ -	\$ (73,625.00)
067	4511	5130	Personnel Serv			\$ 34,764.98		
	4513	5130	Personnel Serv			\$ 22,267.97		
	4532	5130	Personnel Serv			\$ 624,494.44		
	4532	5130	Personnel Serv			\$ 271,462.00		
	4534	5130	Personnel Serv			\$ 441,799.72		
	4535	5130	Personnel Serv			\$ 109,153.90		
	4536	5130	Personnel Serv			\$ 149,361.57		
	4538	5130	Personnel Serv			\$ 21,674.22		
	4539	5130	Personnel Serv			\$ 169,016.02		
	4542	5130	Personnel Serv			\$ 29,331.70		
	4543	5130	Personnel Serv			\$ 76,762.03		
	4544	5130	Personnel Serv			\$ 12,335.05		
			<b>Subtotal:</b>	\$ -	\$ -	\$ 1,962,423.60	\$ -	\$ (1,962,423.60)
067	4511	5240	Other Services	\$ -	\$ -	\$ 64.62	\$ -	\$ (64.62)
			<b>TOTAL:</b>	\$ -	\$ -	\$ 2,036,113.22	\$ -	\$ (2,036,113.22)

**Additional Details on Expenses:**

- Object 5100: Personnel expenses – Police Hiring Incentive payments
  
- Object 5130: Personnel Services Charged to Projects (Additional revenue received from Prop PD tax was used to cover FOP contract salary increases in these Orgs)
  
- Object 5240: Investment Advisor Fees

**FY 2024-25 Fund Balance**

FY 24/25 Revenue Total:	\$ 3,195,772
FY 24/25 Expenditures Total:	\$ 2,036,113
FY 24/25 Year-end Market Adjustment:	\$ <u>416</u>
<b>FY 24/25 Unassigned Fund Balance:</b>	<b>\$ 1,160,075</b>

**2025 – 2026 FISCAL YEAR**

**25/26 FISCAL YEAR - Revenue**

<b>Beginning 2025/26 FY Fund Balance:</b>	<b>\$ 1,160,075</b>
*Sales Tax Collected through 8/31/25:	\$ 962,936
Investments & Other Income:	3,797
Use Tax Waterfall:	<u>0</u>
Total Revenue to date:	\$ 966,733
<b>Transfers in from General Fund:</b> <i>(thru 8/31/25)</i>	<b>\$ 6,005,060</b>
<b>Total Revenues &amp; Financing Sources:</b>	<b>\$ 8,131,868</b>

## Expenditures for July 2025 – August 2025

Org Description	ORG	ORIGINAL APPROP	REVISED BUDGET	Sum of YTD EXPENDED	ENCUMB. / REQ	AVAILABLE BUDGET	% Spent
Chief of Police	0674511	\$10,343,338	\$10,343,338	\$2,442,514	\$36,913	\$7,863,910	24.0%
Training	0674513	\$1,810,747	\$1,810,747	\$204,500	\$47,772	\$1,558,475	13.9%
Patrol	0674532	\$9,329,643	\$9,329,643	\$1,592,647	\$0	\$7,736,996	17.1%
Investigations	0674534	\$6,781,647	\$6,781,647	\$1,189,685	\$0	\$5,591,962	17.5%
Special Ops	0674535	\$2,318,955	\$2,318,955	\$352,133	\$12,435	\$1,954,388	15.7%
Special Enforce	0674536	\$2,100,925	\$2,100,925	\$406,423	\$25,688	\$1,668,813	20.6%
STEP Program	0674538	\$328,203	\$328,203	\$53,532	\$0	\$274,671	16.3%
Comm. Services	0674539	\$2,615,874	\$2,615,874	\$401,201	\$0	\$2,214,673	15.3%
Crime Scene	0674542	\$697,585	\$697,585	\$78,493	\$0	\$619,093	11.3%
Detention	0674543	\$1,934,632	\$1,934,632	\$199,943	\$0	\$1,734,689	10.3%
Records	0674544	\$1,388,322	\$1,388,322	\$222,235	\$0	\$1,166,087	16.0%
Communications	0674545	\$2,333,820	\$2,333,820	\$346,703	\$0	\$1,987,116	14.9%
<b>Grand Total</b>		<b>\$41,983,692</b>	<b>\$41,983,692</b>	<b>\$7,490,011</b>	<b>\$122,808</b>	<b>\$34,370,873</b>	<b>18.1%</b>
<b>Total Expenditures:</b>				<b>\$7,612,819</b>			

### OVERALL FUND BALANCE:

Unassigned Beginning Fund Balance	\$ 1,160,075
Revenue Added to date:	\$ 966,733
Other Financing Source - General Fund:	\$ 6,005,060
<b>Total Revenues/Finance Sources:</b>	<b>\$ 8,131,868</b>
<b>TOTAL EXPENSES/ENCUMBRANCES:</b>	<b>\$ 7,612,819</b>
Transfers Out:	\$ -
Cancellation of Prior Year Encumbrances:	\$ -
<b>UNASSIGNED FUND BALANCE</b>	<b>\$ 519,049</b>

Starting this fiscal year, the Police Department's budget has been shifted from the General Fund to the Prop PD Tax Fund, with monthly appropriations being transferred in from the General Fund to the Prop PD Fund (067). Therefore, the "Revenue Added to date" shown above is the actual tax revenue collected plus any investment income related to this fund. The "Other Financing Source – General Fund" is the amount that has been transferred into Prop PD from the General Fund.

Expenditures under Prop PD now reflect all Orgs (or Divisions) within the Police Department, except for Grants, Forfeitures and the other Tax Funds. For the purposes of this report, a summary is being provided based on each Org, however, if additional details are needed, there are larger, more detailed reports available upon request.

As of August 31<sup>st</sup>, we are 16.7% through the fiscal year and we've spent 18.1% of our budget in this fund. In most cases, this is primarily due to blanket purchase orders being opened at the beginning of the year that encumber most if not all the funds budgeted for those line items.

The two Orgs/Divisions with the highest overages are the Chief's 4511 Org (at 24.0%) and Special Enforcement's 4536 Org (at 20.6%). The explanations are as follows:

**0674511**

- 1) Work Comp - this is budgeted at \$918,000 and has been paid up front for the full year. This large payment occurring early in the fiscal year tends to make it appear as though we will be significantly over budget here, but this is an annual, one-time payment.
- 2) Liability / Damage Claims - this was budgeted at \$80,000 and we have already been charged for a total of \$92,543 in claims.

**0674536**

- 1) Blanket Purchase Orders have been issued to Childrens Mercy & AMR for blood draws and testing related to DWI's. A little over half the amount budgeted for these items has been encumbered, making the percentage spent higher than the percent of time that has passed in the fiscal year.
- 2) Overtime is running high in this Org, with 30% of their OT budget being spent through August. Highest usage appears to be OT for Special Detail & OT for Administrative Duties/Hearings.

**CITY OF INDEPENDENCE, MISSOURI**  
**Budgetary Comparison Schedule**  
**Proposition PD Sales Tax Fund**  
**For the period ended June 30, 2025**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>	<u>Percent Actual 100% of Year</u>	<u>Percent From Budget</u>
	<u>Original</u>	<u>Amended</u>				
<b>Revenues:</b>						
Sales Taxes	\$ --	--	2,619,213	2,619,213	0.00%	-100.00%
Use Tax	--	--	569,046	569,046	0.00%	-100.00%
Investment Income (Loss)	--	--	7,513	7,513	0.00%	-100.00%
Other Revenue	--	--	--	--	0.00%	-100.00%
<b>Total Revenues</b>	<u>--</u>	<u>--</u>	<u>3,195,772</u>	<u>3,195,772</u>	<u>0.00%</u>	<u>-100.00%</u>
<b>Expenditures:</b>						
Public Safety	--	--	2,036,113	(2,036,113)	0.00%	-100.00%
Community Development	--	--	--	--	0.00%	-100.00%
Capital outlay	--	--	--	--	0.00%	-100.00%
Debt Service	--	--	--	--	0.00%	-100.00%
<b>Total Expenditures</b>	<u>--</u>	<u>--</u>	<u>2,036,113</u>	<u>(2,036,113)</u>	<u>0.00%</u>	<u>-100.00%</u>
<b>Other Financing Uses:</b>						
Transfers out	--	--	--	--	0.00%	-100.00%
<b>Total Other Financing Uses</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>0.00%</u>	<u>-100.00%</u>
<b>Total Expenditures and Other Financing Uses</b>	<u>--</u>	<u>--</u>	<u>2,036,113</u>	<u>(2,036,113)</u>	<u>0.00%</u>	<u>-100.00%</u>
<b>Excess of Revenues Over (Under) Expenditures and Other Financing Uses</b>	<u>\$ --</u>	<u>--</u>	<u>1,159,659</u>	<u>1,159,659</u>		
<b>Unassigned Fund Balance at Beginning of Year</b>			--			
<b>Cancellation of Prior Year Encumbrances</b>			--			
<b>Change in Other Fund Balance Components During the Year</b>			--			
<b>Year-end investment market value adjustment</b>			416			
<b>Ending Unassigned Fund Balance</b>			<u>1,160,075</u>			
<b>Other Fund Balance Components:</b>						
Restricted - Current Year Encumbrances			--			
Restricted - Prior Year Encumbrances			--			
<b>Total Fund Balance</b>			<u>\$ 1,160,075</u>			

**CITY OF INDEPENDENCE, MISSOURI**  
**Budgetary Comparison Schedule**  
**Proposition PD Sales Tax Fund**  
**For the period ended July 31, 2025**

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>	<u>Percent Actual 8.33% of Year</u>	<u>Percent From Budget</u>	<u>Prior Year 7/31/2024 Actual Amounts</u>
	<u>Original</u>	<u>Amended</u>					
<b>Revenues:</b>							
Sales Taxes	\$ 5,500,000	5,500,000	502,996	(4,997,004)	9.15%	0.82%	--
Use Tax	506,000	506,000	--	(506,000)	0.00%	-8.33%	--
Investment Income (Loss)	--	--	1,733	1,733	0.00%	-8.33%	--
Other Revenue	--	--	--	--	0.00%	-8.33%	--
<b>Total Revenues</b>	<u>6,006,000</u>	<u>6,006,000</u>	<u>504,729</u>	<u>(5,501,271)</u>	<u>8.40%</u>	<u>0.07%</u>	<u>--</u>
<b>Other financing sources:</b>							
Transfers in - General Fund	--	--	3,002,530	3,002,530	0.00%	-8.33%	--
Capital lease proceeds	--	--	--	--	0.00%	-8.33%	--
<b>Total other financing sources</b>	<u>--</u>	<u>--</u>	<u>3,002,530</u>	<u>3,002,530</u>	<u>0.00%</u>	<u>-8.33%</u>	<u>--</u>
<b>Total revenues and other financing sources</b>	<u>6,006,000</u>	<u>6,006,000</u>	<u>3,507,259</u>	<u>(2,498,741)</u>	<u>58.40%</u>	<u>50.07%</u>	<u>--</u>
<b>Expenditures:</b>							
Public Safety	41,983,692	41,983,692	3,317,495	38,666,197	7.90%	-0.43%	--
Community Development	--	--	--	--	0.00%	-8.33%	--
Capital outlay	--	--	--	--	0.00%	-8.33%	--
Debt Service	--	--	--	--	0.00%	-8.33%	--
<b>Total Expenditures</b>	<u>41,983,692</u>	<u>41,983,692</u>	<u>3,317,495</u>	<u>38,666,197</u>	<u>7.90%</u>	<u>-0.43%</u>	<u>--</u>
<b>Other Financing Uses:</b>							
Transfers out	--	--	--	--	0.00%	-8.33%	--
<b>Total Other Financing Uses</b>	<u>--</u>	<u>--</u>	<u>--</u>	<u>--</u>	<u>0.00%</u>	<u>-8.33%</u>	<u>--</u>
<b>Total Expenditures and Other Financing Uses</b>	<u>41,983,692</u>	<u>41,983,692</u>	<u>3,317,495</u>	<u>38,666,197</u>	<u>7.90%</u>	<u>-0.43%</u>	<u>--</u>
<b>Excess of Revenues Over (Under) Expenditures and Other Financing Uses</b>	<u>\$ (35,977,692)</u>	<u>(35,977,692)</u>	<u>189,764</u>	<u>36,167,456</u>			<u>--</u>
<b>Unassigned Fund Balance at Beginning of Year</b>			<u>1,160,075</u>				<u>--</u>
<b>Cancellation of Prior Year Encumbrances</b>			<u>--</u>				<u>--</u>
<b>Change in Other Fund Balance Components During the Year</b>			<u>--</u>				<u>--</u>
<b>Year-end investment market value adjustment</b>			<u>--</u>				<u>--</u>
<b>Ending Unassigned Fund Balance</b>			<u>1,349,839</u>				<u>--</u>
<b>Other Fund Balance Components:</b>							
Restricted - Current Year Encumbrances			<u>88,401</u>				<u>--</u>
Restricted - Prior Year Encumbrances			<u>--</u>				<u>--</u>
<b>Total Fund Balance</b>			<u>\$ 1,438,240</u>				<u>--</u>

**CITY OF INDEPENDENCE, MISSOURI**  
**Budgetary Comparison Schedule**  
**Proposition PD Sales Tax Fund**  
**For the period ended August 31, 2025**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget	Percent Actual 16.67% of Year	Percent From Budget	Prior Year 8/31/2024 Actual Amounts
	Original	Amended					
<b>Revenues:</b>							
Sales Taxes	\$ 5,500,000	5,500,000	962,936	(4,537,064)	17.51%	0.84%	—
Use Tax	506,000	506,000	—	(506,000)	0.00%	-16.67%	—
Investment Income (Loss)	—	—	3,797	3,797	0.00%	-16.67%	—
Other Revenue	—	—	—	—	0.00%	-16.67%	—
<b>Total Revenues</b>	<b>6,006,000</b>	<b>6,006,000</b>	<b>966,733</b>	<b>(5,039,267)</b>	<b>16.10%</b>	<b>-0.57%</b>	<b>—</b>
<b>Other financing sources:</b>							
Transfers in - General Fund	—	—	6,005,060	6,005,060	0.00%	-16.67%	—
Capital lease proceeds	—	—	—	—	0.00%	-16.67%	—
<b>Total other financing sources</b>	<b>—</b>	<b>—</b>	<b>6,005,060</b>	<b>6,005,060</b>	<b>0.00%</b>	<b>-16.67%</b>	<b>—</b>
<b>Total revenues and other financing sources</b>	<b>6,006,000</b>	<b>6,006,000</b>	<b>6,971,793</b>	<b>965,793</b>	<b>116.08%</b>	<b>99.41%</b>	<b>—</b>
<b>Expenditures:</b>							
Public Safety	41,983,692	41,983,692	7,612,819	34,370,873	18.13%	1.46%	—
Community Development	—	—	—	—	0.00%	-16.67%	—
Capital outlay	—	—	—	—	0.00%	-16.67%	—
Debt Service	—	—	—	—	0.00%	-16.67%	—
<b>Total Expenditures</b>	<b>41,983,692</b>	<b>41,983,692</b>	<b>7,612,819</b>	<b>34,370,873</b>	<b>18.13%</b>	<b>1.46%</b>	<b>—</b>
<b>Other Financing Uses:</b>							
Transfers out	—	—	—	—	0.00%	-16.67%	—
<b>Total Other Financing Uses</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>0.00%</b>	<b>-16.67%</b>	<b>—</b>
<b>Total Expenditures and Other Financing Uses</b>	<b>41,983,692</b>	<b>41,983,692</b>	<b>7,612,819</b>	<b>34,370,873</b>	<b>18.13%</b>	<b>1.46%</b>	<b>—</b>
<b>Excess of Revenues Over (Under) Expenditures and Other Financing Uses</b>	<b>\$ (35,977,692)</b>	<b>(35,977,692)</b>	<b>(641,026)</b>	<b>35,336,666</b>			<b>—</b>
<b>Unassigned Fund Balance at Beginning of Year</b>			1,160,075				—
Cancellation of Prior Year Encumbrances			—				—
Change in Other Fund Balance Components During the Year			—				—
Year-end investment market value adjustment			—				—
<b>Ending Unassigned Fund Balance</b>			<b>519,049</b>				<b>—</b>
<b>Other Fund Balance Components:</b>							
Restricted - Current Year Encumbrances			122,808				—
Restricted - Prior Year Encumbrances			—				—
<b>Total Fund Balance</b>			<b>\$ 641,857</b>				<b>—</b>