Independence Police

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Prop PD Quarterly Report

2025 – 2026 FISCAL YEAR

July 1, 2025 through May 31, 2026

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.

25/26 FISCAL YEAR - Revenue

Beginning 2025/26 FY Fund Balance:	**$ 1,160,075**	
*Sales Tax Collected through 5/31/26:	$ 5,209,757	(FY projection was $5.5M)
Investments & Other Income:	46,041	
Use Tax Waterfall:	465,130	(FY projection was $506,000)
Total Revenue to date:	$ 5,720,928	
Transfers in from General Fund: *(thru 5/31/26)*	**$ 33,027,832**	
Total Revenues & Financing Sources:	**$ 38,748,760**	

Expenditures for July 2025 – May 2026

CATEGORY	OBJECT	ACCOUNT DESCRIPTIO	Sum of ORIGINAL APPROP	Sum of REVISED BUDGET	Sum of YTD EXPENDED	Sum of ENCUMBRANCES	Sum of AVAILABLE BUDGET
Salaries & Benefits	5100	Salaries	$1,724,434.97	$1,724,434.97	$1,384,669.23	$0.00	$339,765.74
		Salaries -	$16,367,919.18	$21,257,666.07	$16,271,562.81	$0.00	$4,986,103.26
	5101	Salaries	$4,889,746.89	$0.00	$11,968.68	$0.00	($11,968.68)
		Salaries -	$22,985.00	$22,985.00	$57,747.38	$0.00	($34,762.38)
	5102	Overtime	$1,278,000.00	$1,278,000.00	$2,344,954.22	$0.00	($1,066,954.22)
	5103	Other Pay	$0.00	$0.00	$394,614.49	$0.00	($394,614.49)
	5106	Retiree He	$2,300,000.00	$2,300,000.00	$1,959,072.14	$0.00	$340,927.86
	5107	Worker Com	$918,000.00	$918,000.00	$1,202,030.25	$0.00	($284,030.25)
	5110	FICA	$1,840,709.15	$1,840,709.15	$1,518,899.83	$0.00	$321,809.32
	5111	LAGERS	$5,433,132.05	$5,433,132.05	$5,016,659.85	$0.00	$416,472.20
	5112	Health Ins	$4,661,967.16	$4,661,967.16	$3,102,813.93	$0.00	$1,559,153.23
	5113	Dental Ins	$115,430.26	$115,430.26	$79,205.90	$0.00	$36,224.36
	5114	Life Insur	$21,545.69	$21,545.69	$15,376.24	$0.00	$6,169.45
	5115	Long Term	$22,418.63	$22,418.63	$16,706.43	$0.00	$5,712.20
	5116	Other Empl	$0.00	$0.00	($1,537.08)	$0.00	$1,537.08
	5118	401aDeferr	$0.00	$0.00	$23,830.00	$0.00	($23,830.00)
	5121	Clothing/U	$219,735.00	$219,735.00	$117,949.19	$0.00	$101,785.81
	5123	Meal Allow	$0.00	$0.00	$52.00	$0.00	($52.00)
	5124	Other Allo	$294.00	$294.00	$0.00	$0.00	$294.00
	5130	Pers Ser	($236,011.00)	($236,011.00)	($216,343.38)	$0.00	($19,667.62)
	5140	Grant Expe	$0.00	$0.00	($36,413.02)	$0.00	$36,413.02
	5199	VacncyFact	($4,413,851.00)	($4,413,851.00)	$0.00	$0.00	($4,413,851.00)
Salaries & Benefits Total			**$35,166,455.98**	**$35,166,455.98**	**$33,263,819.09**	**$0.00**	**$1,902,636.89**

Category	OBJECT	ACCOUNT DESCRIPTION	Sum of ORIGINAL APPROP	Sum of REVISED BUDGET	Sum of YTD EXPENDED	Sum of ENCUMBRANCES	Sum of AVAILABLE BUDGET
Services	5201	Mailing an	$1,800.00	$1,800.00	$1,373.78	$0.00	$426.22
	5203	Overnight	$44,000.00	$44,000.00	$32,530.57	$0.00	$11,469.43
	5204	Events and	$7,200.00	$7,200.00	$3,277.74	$546.50	$3,375.76
	5205	Advertisin	$400.00	$400.00	$31.25	$0.00	$368.75
	5206	Printing a	$3,500.00	$3,500.00	$2,491.09	$0.00	$1,008.91
	5207	Insurance	$890,000.00	$890,000.00	$815,833.37	$0.00	$74,166.63
	5208	Fees and P	$700.00	$700.00	$314.92	$0.00	$385.08
	5209	Maint M	$0.00	$0.00	$88.45	$0.00	($88.45)
		Maint. - M	$362,286.00	$362,286.00	$343,147.53	$0.00	$19,138.47
	5210	Maint. - M	$120,000.00	$120,000.00	$90,694.71	$52,772.06	($23,466.77)
	5211	Maintenanc	$300.00	$300.00	$0.00	$0.00	$300.00
	5212	Maintenanc	$60,200.00	$60,200.00	$58,865.25	$6,078.86	($4,744.11)
	5213	Dues and M	$7,800.00	$7,800.00	$4,073.14	$100.00	$3,626.86
	5214	Training a	$42,000.00	$42,000.00	$33,790.14	$0.00	$8,209.86
	5218	Mileage &	$0.00	$0.00	$551.00	$0.00	($551.00)
	5222	LegalServ	$51,000.00	$51,000.00	$138,001.78	$0.00	($87,001.78)
	5223	Interfund	$3,714,650.00	$3,714,650.00	$3,405,095.98	$0.00	$309,554.02
	5224	SwCpMaint	$50,100.00	$43,395.00	$29,628.85	$2,365.00	$11,401.15
	5226	Other Prof	$693,500.00	$693,500.00	$635,084.26	$322,899.97	($264,484.23)
	5229	Electricit	$9,000.00	$9,000.00	$5,690.56	$0.00	$3,309.44
	5230	Gas	$10,000.00	$10,000.00	$3,278.02	$0.00	$6,721.98
	5231	Water	$500.00	$500.00	$638.67	$0.00	($138.67)
	5232	Sewer	$2,200.00	$2,200.00	$1,960.23	$0.00	$239.77
	5233	TrashWaste	$1,200.00	$1,200.00	$450.00	$0.00	$750.00
	5234	Other Util	$0.00	$0.00	$903.87	$0.00	($903.87)
	5235	Comm Serv	$72,700.00	$72,700.00	$58,352.38	$1,798.00	$12,549.62
	5236	Rent Lease	$8,900.00	$8,900.00	$9,921.53	$0.00	($1,021.53)
	5240	Other Serv	$130,900.00	$130,900.00	$195,657.11	$6,017.87	($70,774.98)
Services Total			**$6,284,836.00**	**$6,278,131.00**	**$5,871,726.18**	**$392,578.26**	**$13,826.56**
Supplies	5300	Office Sup	$35,200.00	$35,200.00	$15,578.23	$0.00	$19,621.77
	5302	Comp E	$6,700.00	$6,700.00	$2,286.13	$93.60	$4,320.27
		Computer E	$0.00	$20,062.00	$1,549.55	$0.00	$18,512.45
	5309	Other Oper	$121,800.00	$121,800.00	$65,428.98	$5,079.47	$51,291.55
	5313	Small Tool	$12,200.00	$18,905.00	$11,074.02	$0.00	$7,830.98
	5315	Motor Vehi	$350,000.00	$350,000.00	$314,406.47	$0.00	$35,593.53
	5316	Motor Vehi	$6,500.00	$6,500.00	$5,387.15	$0.00	$1,112.85
Supplies Total			**$532,400.00**	**$559,167.00**	**$415,710.53**	**$5,173.07**	**$138,283.40**
Other Equipment	5405	Other Mach	$0.00	$150,270.00	$168,901.00	$0.00	($18,631.00)
Other Equipment Total			**$0.00**	**$150,270.00**	**$168,901.00**	**$0.00**	**($18,631.00)**
Grand Total			**$41,983,691.98**	**$42,154,023.98**	**$39,720,156.80**	**$397,751.33**	**$2,036,115.85**

Total Expenditures: $40,117,908

OVERALL FUND BALANCE:	
Unassigned Beginning Fund Balance	**$ 1,160,075**
Revenue Added to date:	**$ 5,720,928**
Other Financing Source - General Fund:	**$ 33,027,832**
Total Revenues/Finance Sources:	**$ 39,908,835**
TOTAL EXPENSES/ENCUMBRANCES:	**$ 40,117,908**
Transfers Out:	$ -
Cancellation of Prior Year Encumbrances:	$ -
UNASSIGNED FUND BALANCE	**$ (209,073)**
Restricted - Current Year Encumbrances:	$ -
Restricted -Prior Year Encumbrances:	$ -
Total Fund Balance:	**$ (209,073)**

As mentioned on the previous reports, starting in Fiscal Year 2025/26, the Police Department's budget was 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 to date.

As of May 31, 2026, we were 91.7% through the fiscal year and had spent 95.2% of our budget. No significant changes from the previous report. Increased costs continue to be seen in these areas:

1) Overtime (5102) – as expected, we are running over budget on overtime costs department-wide. We are still anticipating an overage here of approximately $1.3 million. This is due to the significant increase in officer salaries without an increase to the overtime budget this year, plus the OT being worked to cover vacancies throughout the department.

2) Legal Services (5222) – Expenses for outside legal counsel have increased significantly this year.

3) Professional Services (5226) – We are currently over budget here due to a contract for Interim Chief and Permanent Chief selection services, which was not originally budgeted.

4) Other Services (5240) - This account is over budget due to a high number of damage and liability claims that have to be paid by the department.

5) Equipment (5405) – This account was used to purchase (57) new AEDs for the department as well as (4) Rifle Rated Shields. An appropriation was made for the AEDs but has not been made yet for the Shields.

For Fiscal Year 2026/27, we will be going back to having the Prop PD tax funds separate from the General Fund accounts. This will make it easier to track just the tax funds and the expenses for which they're being used.

CITY OF INDEPENDENCE, MISSOURI
Budgetary Comparison Schedule
Proposition PD Sales Tax Fund
For the period ended May 31, 2026

	Budgeted Amounts Original	Budgeted Amounts Amended	Actual Amounts	Variance with Final Budget	Percent Actual 91.67% of Year	Percent From Budget	Prior Year 5/31/2025 Actual Amounts
Revenues:							
Sales Taxes	$ 5,500,000	5,500,000	5,209,757	(290,243)	94.72%	3.05%	1,408,646
Use Tax	506,000	506,000	465,130	(40,870)	91.92%	0.25%	394,143
Charges for Services	—	—	38,333	38,333	0.00%	-91.67%	—
Investment Income (Loss)	—	—	5,313	5,313	0.00%	-91.67%	7,330
Other Revenue	—	—	2,395	2,395	0.00%	-91.67%	—
Total Revenues	6,006,000	6,006,000	5,720,928	(285,072)	95.25%	3.58%	1,810,119
Other financing sources:							
Transfers in - General Fund	—	36,030,362	33,027,832	(3,002,530)	91.67%	0.00%	—
Capital lease proceeds	—	—	—	—	0.00%	-91.67%	—
Total other financing sources	—	36,030,362	33,027,832	(3,002,530)	91.67%	0.00%	—
Total revenues and other financing sources	6,006,000	42,036,362	38,748,760	(3,287,602)	92.18%	0.51%	1,810,119
Expenditures:							
Public Safety	41,983,692	42,154,024	40,117,908	2,036,116	95.17%	3.50%	54,689
Community Development	—	—	—	—	0.00%	-91.67%	—
Capital outlay	—	—	—	—	0.00%	-91.67%	—
Debt Service	—	—	—	—	0.00%	-91.67%	—
Total Expenditures	41,983,692	42,154,024	40,117,908	2,036,116	95.17%	3.50%	54,689
Other Financing Uses:							
Transfers out	—	—	—	—	0.00%	-91.67%	—
Total Other Financing Uses	—	—	—	—	0.00%	-91.67%	—
Total Expenditures and Other Financing Uses	41,983,692	42,154,024	40,117,908	2,036,116	95.17%	3.50%	54,689
Excess of Revenues Over (Under) Expenditures and Other Financing Uses	$ (35,977,692)	(117,662)	(1,369,148)	(1,251,486)			1,755,430
Unassigned Fund Balance at Beginning of Year			1,160,075				—
Cancellation of Prior Year Encumbrances			—				—
Change in Other Fund Balance Components During the Year			—				—
Year-end investment market value adjustment			—				—
Ending Unassigned Fund Balance			(209,073)				1,755,430
Other Fund Balance Components:							
Restricted - Current Year Encumbrances			397,751				—
Restricted - Prior Year Encumbrances			—				—
Total Fund Balance			$ 188,678				1,755,430