

Fiscal Year 2026: Mill Rate Determination

July 10, 2025



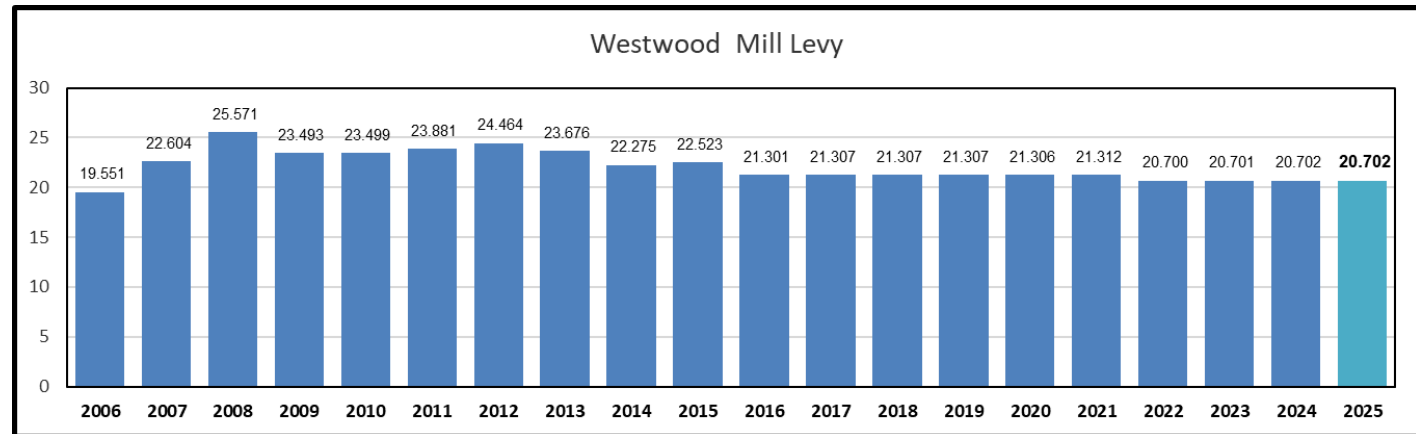
Contextual Background

Currently, **one (1) mill in Westwood generates approximately \$50,000**. Any increase in the mill levy would provide additional revenue for personnel and capital projects. **The City last raised the mill levy for FY 2012.**

Currently, the City's **½ cent sales tax funding the CIP generates approximately \$375,000 annually**. This local sales tax is set to expire in 2028, and should be renewed for at least the remaining half of the 2020 GO Bond. This provides an opportunity to consider a sales tax increase.

Each street/streetlight project segment ranges in cost from **2 mill to 15 mill**.

Currently, the equivalent of **4+ mill (\$200K) is transferred annually from the General Fund to the CIP Fund**. This rate of \$575K annual revenue to the CIP maintains a **current pace of two – three + years behind** the aspirational plan created from the independent condition studies conducted over the past several years.



2024 Community Survey Findings (Priorities)

Ranked Priorities

Top Three Priorities by Age Cohort

					>30%	20-29%	10-19%	<10%
Priority area	All residents	18-34	35-44	45-54	55-64	65+		
Street maintenance	67%	55%	55%	78%	73%	70%		
Tree care and planting	36%	38%	40%	47%	35%	29%		
Streetlights	32%	23%	21%	31%	31%	43%		
Environmentally sustainable practices	27%	38%	28%	29%	27%	22%		
Rebate program for City property taxes	26%	15%	9%	18%	26%	44%		
Bicycle/pedestrian facilities	18%	25%	36%	18%	11%	10%		
Recreation programs and community events	18%	38%	28%	22%	8%	9%		
Grants for resident housing improvements	18%	28%	21%	20%	16%	13%		
City building improvements	15%	5%	19%	10%	18%	19%		
Public art	12%	18%	17%	14%	11%	7%		
Community room	6%	5%	4%	4%	6%	7%		
Organized volunteer program	4%	5%	2%	4%	6%	4%		
Bike share program	2%	3%	9%	0%	2%	0%		

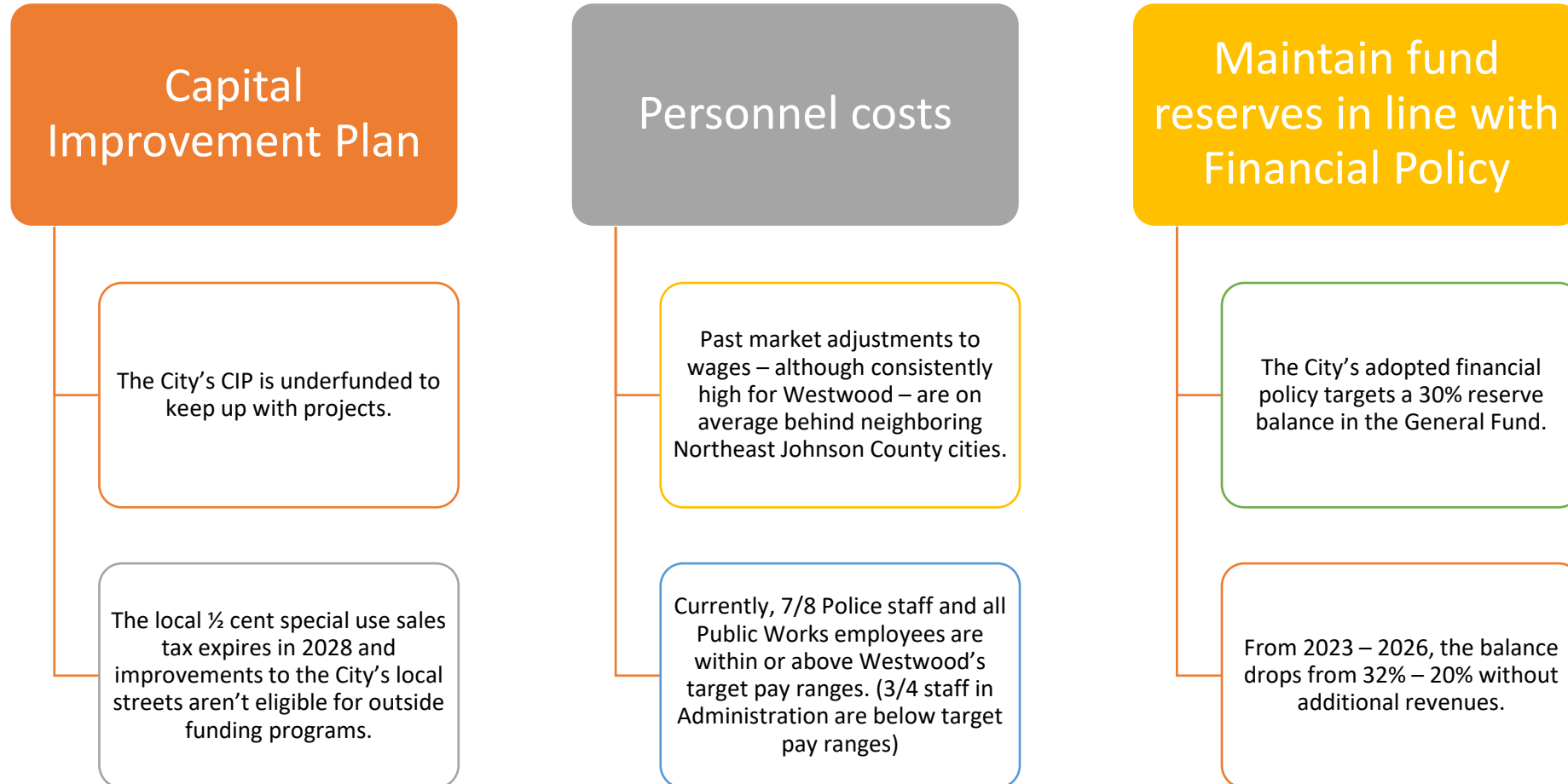
Funding Approach Preferences

Willingness To Pay Additional Taxes for Capital Improvements (Very + Somewhat Willing) by Income Group and Housing Type

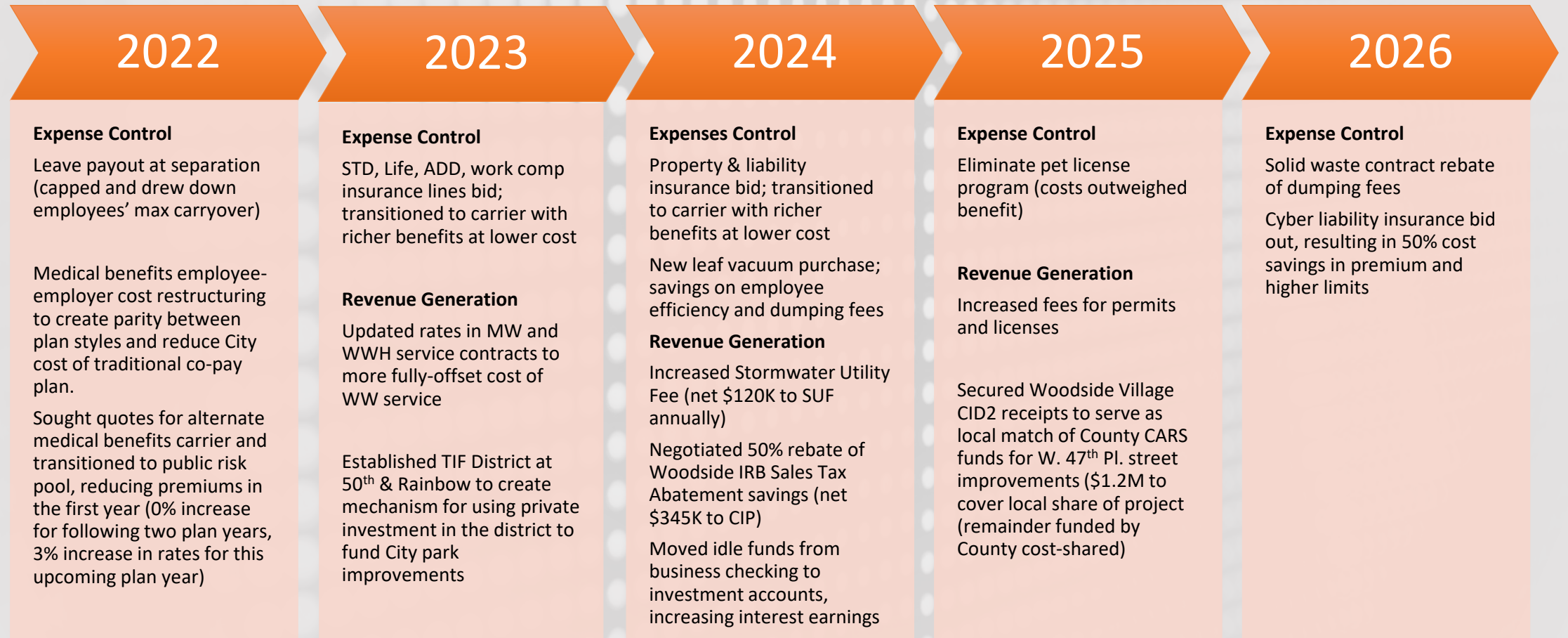
						>60%	50-59%	40-49%	<40%
Priority area	All residents	<\$60K	\$60-\$120K	\$120-\$200K	>\$200K	Owners	Renters		
0.5 mill in property taxes	82%	69%	84%	84%	90%	82%	87%		
1 mill in property taxes	70%	45%	70%	80%	80%	69%	80%		
1.5 mill in property taxes	57%	39%	54%	67%	70%	57%	56%		
2 mill in property taxes	49%	34%	46%	53%	65%	49%	53%		
.5% in sales tax	64%	54%	62%	71%	67%	65%	53%		
.75% in sales tax	49%	33%	49%	52%	61%	50%	38%		
1% in sales tax	42%	23%	41%	48%	56%	44%	24%		
1.25% in sales tax	34%	15%	28%	37%	52%	35%	19%		
1.5% in sales tax	30%	22%	23%	31%	48%	31%	18%		



Long-range Operating Financial Factors



Five-year review of select actions taken to address fiscal sustainability (administrative and legislative)



City Facilities: Deferred Maintenance Needs

City Hall

Priority	Description	Estimated Cost (2024)	Remaining Useful Life	Estimated Years to Failure
1.	Replace & Upgrade HVAC	\$190,500	0 years	< 2 years
2.	Replace Metal Roof	\$165,000	0 years	Failed
3.	Resurface Parking Lot	\$25,500	0 years	Failed
4.	Replace Windows/Glazing	\$288,750	0 years	Failed
5.	Rebuild Bay Window (Chief's Office)	\$7,500	0 years	Failed
6.	Replace EIFS Facade	\$83,600	0 years	Failed
7.	Replace Flat Roof	\$90,000	0 years	< 2 years

TOTAL Immediate Need: \$850,850

Public Works

Priority	Description	Estimated Cost (2024)	Remaining Useful Life	Estimated Years to Failure
1.	Add Exhaust to All Areas of Building	\$362,180	0 years	Existing Health Risk
2.	Add Drainage in Truck Bay		0 years	Existing Safety Risk
3.	Replace Exterior Metal Facade		0 years	Failed
4.	Coat Roof & Add Snow Guards		0 years	Failed
5.	Repair Concrete Foundation		0 years	Unknown
6.	Expand Yard	\$500,913	0 years	Inadequate
7.	Rebuild Salt Shed		0 years	Inadequate

TOTAL Immediate Need: \$863,093



	Year Ending 12/31/2023	Year Ending 12/31/2024	Year To Date 6/30/2025	Current Year Budget 12/31/2025	Next Year's Budget 2026	Future Year 2027	Future Year 2028
	Actual	Actual	Actual	Forecast	Adopted	Proposed	Forecast
Beginning Fund Balance	\$ (313,412)	\$ 306,230	\$ 958,899	\$ 958,899	\$ 958,899	\$ 802,381	\$ (277,938)
Taxes							
4030 - City Sales & Use Tax - Special	\$ 353,625	\$ 385,198	\$ 186,601	\$ 360,000	\$ 353,625	\$ 375,000	\$ 375,000
Total Taxes	\$ 353,625	\$ 385,198	\$ 186,601	\$ 360,000	\$ 353,625	\$ 375,000	\$ 375,000
Restricted Fees							
JoCo SMAC Program							\$ 169,704
4440 - JoCo CARS Program	\$ 259,000	\$ -	\$ -	\$ 341,384	\$ 453,000	\$ -	\$ -
Total Restricted Use	\$ 259,000	\$ -	\$ -	\$ 341,384	\$ 453,000	\$ -	\$ 169,704
Miscellaneous							
4720 - Other Income	\$ 28,484	\$ -	\$ -	\$ -			
4750 - Reimbursements	\$ 95,627	\$ -	\$ -	\$ -		\$ -	\$ -
Total Miscellaneous	\$ 124,111	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interfund Transfers							
4810 - Transfer from General Fund	\$ 100,000	\$ 545,242	\$ -	\$ 350,000	\$ 350,000	\$ 274,771	\$ 200,000
Mission Rd. Complete Street				\$ 50,904	\$ 100,000		
50th Street, Mission Rd. to Belinder						\$ 135,573	
50th Street, Belinder to Rainbow							\$ 136,543
51st Terrace, Mission to Belinder						\$ 200	
51st Terrace, Belinder to Rainbow						\$ 81,172	
51st Street, 51st Ter to Rainbow						\$ 7,828	
W. 50th Place - W.51st St. (Horseshoe) + W. 50th Ter. (Cul De Sac); W. 50thTerrace and 51st St. Mission to Belinder							\$ 158,936
47th Terrace, Mission to Belinder							\$ 17,660
47th Terrace, Belinder to Rainbow							\$ 20,069
48th Ter. Cul De Sacs (off Mission and off Belinder)							\$ 24,460
49th Street Cul De Sac							\$ 815
4840 - Transfer from Stormwater Fund	\$ -	\$ 25,000	\$ -	\$ 50,904	\$ 100,000	\$ 224,771	\$ 295,479
Expensed to Special Highway Fund	\$ -	\$ -	\$ -	\$ 50,000	\$ -	\$ 50,000	\$ 50,000
Total Interfund Transfers	\$ 100,000	\$ 570,242	\$ -	\$ 450,904	\$ 450,000	\$ 549,541	\$ 545,479
	\$ 523,324	\$ 1,261,671	\$ 1,145,499	\$ 2,111,186	\$ 2,215,524	\$ 1,726,922	\$ 642,541
Professional Fees							
5290 - Engineering/Design Services					\$ 491,288		
Streets & Streetlights							
Mission Rd. Complete Street		\$ 38,982		\$ 85,610			
50th Street, Mission Rd. to Belinder				\$ 58,665		\$ 39,110	
50th Street, Belinder to Rainbow						\$ 58,142	\$ 38,762
51st Terrace, Mission to Belinder				\$ 23,780		\$ 15,900	
51st Terrace, Belinder to Rainbow				\$ 52,025		\$ 34,681	
51st Street, 51st Ter to Rainbow				\$ 23,690		\$ 15,786	
W. 50th Place - W.51st St. (Horseshoe) + W. 50th Ter. (Cul De Sac); W. 50thTerrace and 51st St. Mission to Belinder						\$ 60,000	\$ 39,000
47th Terrace, Mission to Belinder							\$ 89,215
47th Terrace, Belinder to Rainbow							\$ 38,214
48th Ter. Cul De Sacs (off Mission and off Belinder)							\$ 19,368
49th Street Cul De Sac							\$ 20,633
Facilities							
Park Improvements Planning		\$ 70,050		\$ 2,000			
5295 - Professional Services - Other	\$ 406	\$ -	\$ -	\$ -			
Total Professional Fees	\$ 406	\$ 109,032	\$ -	\$ 245,760	\$ 491,288	\$ 223,619	\$ 245,192
Equipment and Maintenance							
5545 - Stone Wall Repairs	\$ 15,929	\$ 18,740	\$ -	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
5575 - Street Lights	\$ -	\$ -	\$ -	\$ 5,000	\$ 5,000	\$ 5,000	\$ 5,000
Total Equipment and Maintenance	\$ 15,929	\$ 18,740	\$ -	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
Street and Stormwater							
5610 - Capital Improvement Expense					\$ 42,094		
Streets & Streetlights							
Belinder Cl. & Booth St. Streetlights				\$ 145,000			
47th Street, Complete Street	\$ 25,759	\$ -	\$ -	\$ -			
Mission Rd. Complete Street	\$ -	\$ -		\$ 628,046			
50th Street, Mission Rd. to Belinder						\$ 635,400	
50th Street, Belinder to Rainbow							\$ 484,520
51st Terrace, Mission to Belinder						\$ 200,000	
51st Terrace, Belinder to Rainbow						\$ 433,516	
51st Street, 51st Ter to Rainbow						\$ 197,325	
W. 50th Place - W.51st St. (Horseshoe) + W. 50th Ter. (Cul De Sac); W. 50thTerrace and 51st St. Mission to Belinder							\$ 500,000
47th Terrace, Mission to Belinder							\$ 743,460
47th Terrace, Belinder to Rainbow							\$ 318,452
48th Ter. Cul De Sacs (off Mission and off Belinder)							\$ 161,401
49th Street Cul De Sac							\$ 171,944
Total Streets & Streetlights	\$ 25,759	\$ -	\$ -	\$ 773,046	\$ -	\$ 1,466,241	\$ 984,520
Facilities							
Public Works Building Repairs				\$ 100,000		\$ 100,000	\$ 100,000
Park Improvements						\$ 50,000	\$ 50,000
Total Facilities	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ 100,000	\$ 150,000
Tree Canopy							
Tree Canopy Maintenance						\$ 25,000	\$ 25,000
Interfund Transfers						\$ 25,000	\$ 25,000
5960 - Debt Service Transfer	\$ 175,000	\$ 175,000	\$ -	\$ 175,000	\$ 175,000	\$ 175,000	\$ 175,000
Total Interfund Transfers	\$ 175,000	\$ 175,000	\$ -	\$ 175,000	\$ 175,000	\$ 175,000	\$ 175,000
	\$ 217,094	\$ 302,772	\$ -	\$ 1,308,806	\$ 681,288	\$ 2,004,860	\$ 1,594,712
TOTAL	\$ 306,230	\$ 958,899	\$ 1,145,499	\$ 802,381	\$ 1,534,236	\$ (277,938)	\$ (1,966,342)

						-5.56	-19.04	-39.33
--	--	--	--	--	--	-------	--------	--------

Capital Improvement Fund

Unbudgeted on State Forms, multi-year capital fund

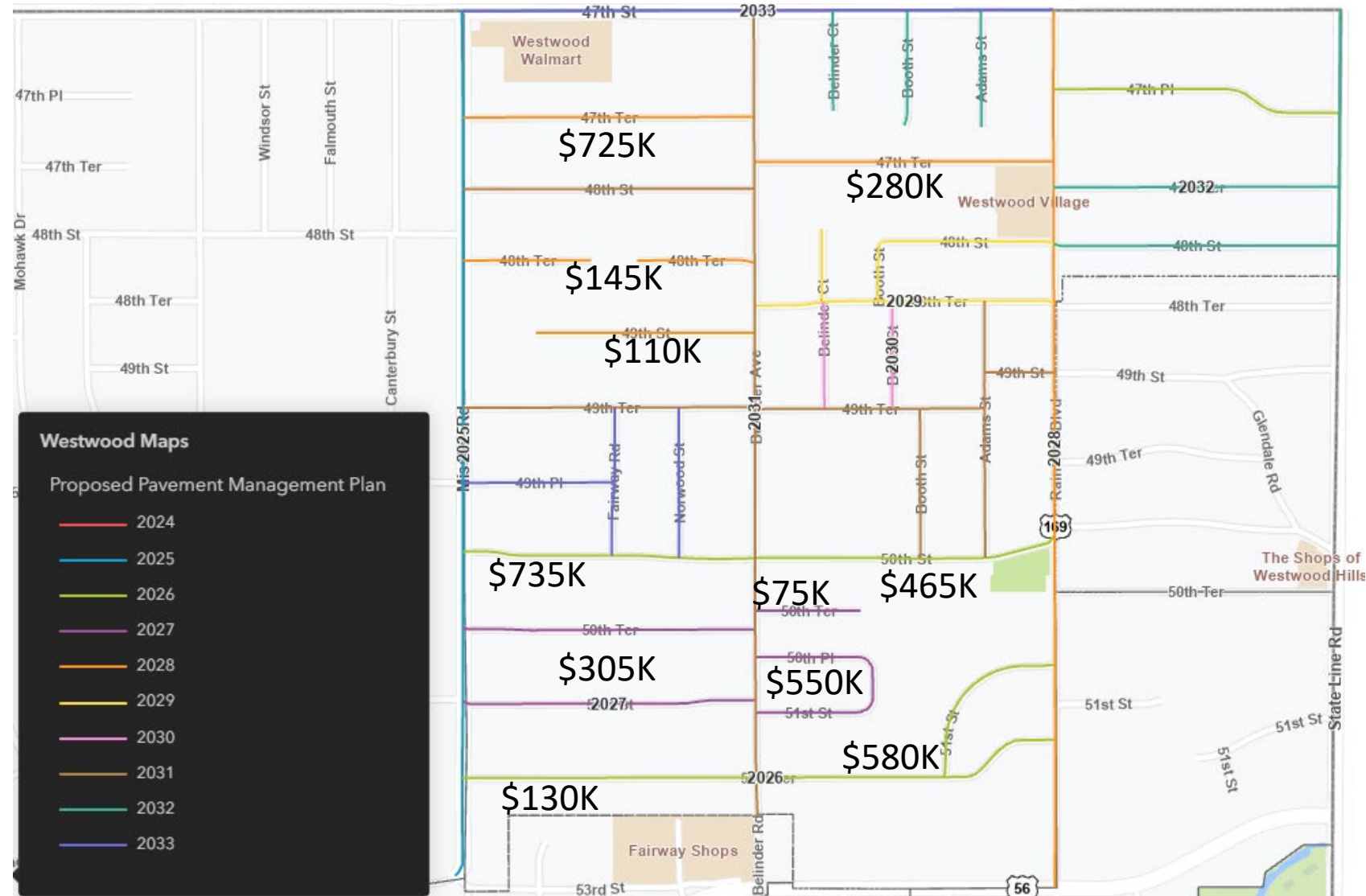
- Reflects expenses outpacing revenues if no additional revenue streams
- Reflects tree canopy maintenance funding
- Reflects incremental capital investment in existing Public Works facility
- Funding for park improvements and City Hall replacement pursued through private-public-non-profit partnerships



Street Improvements & Streetlight Installation

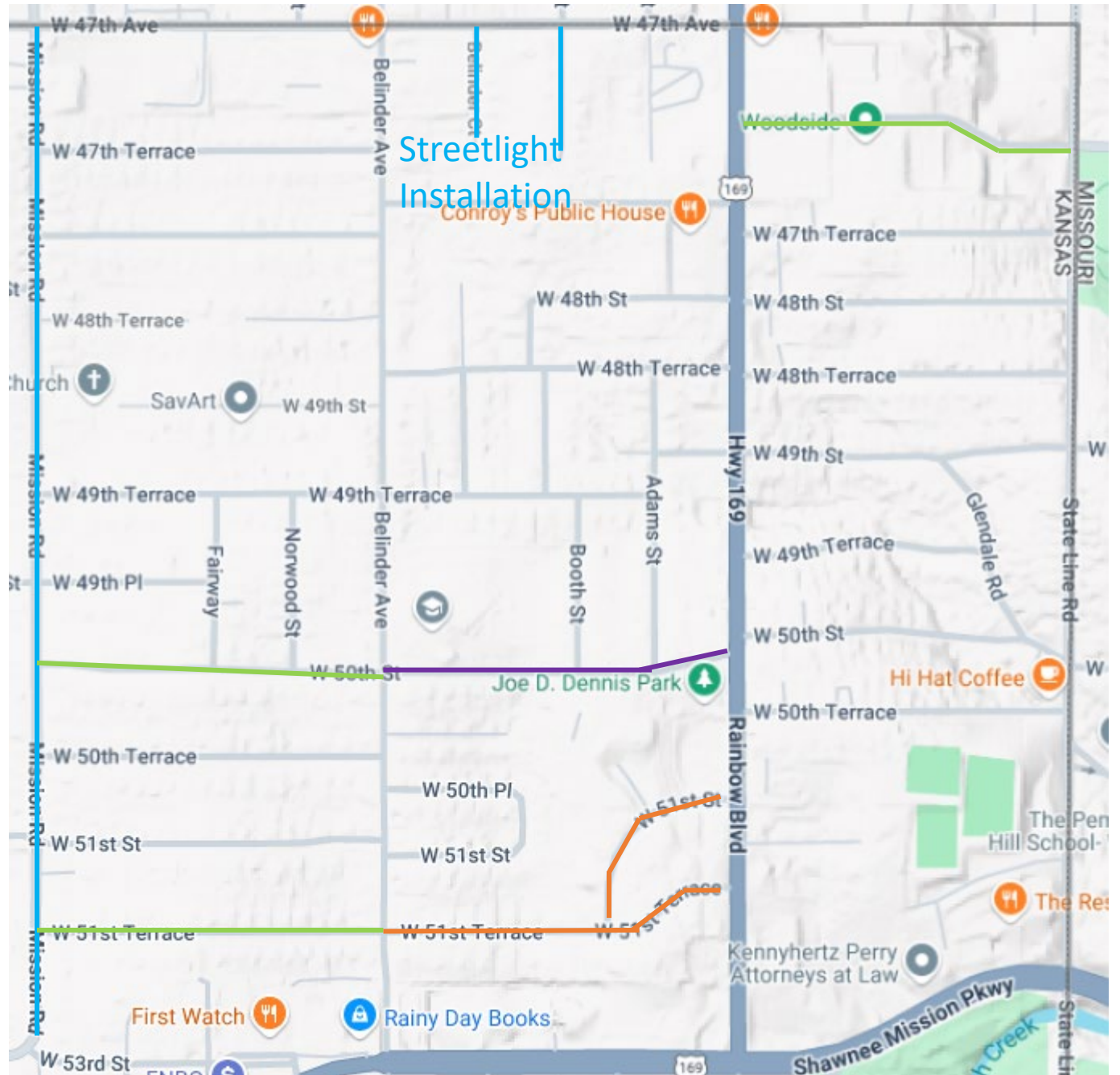
Aspirational

- The map reflects a ten-year program recommended for maintenance of streets, sidewalks, stormwater, and streetlight replacement
- The CIP currently is underfunded to implement this plan within a 10-year time horizon; est. projects costs for 2026 – 2028 projects shown
- 47th Pl. funded using entirely outside dollars
- Deficits (annual) =
 - FY 2026: \$275K (5.5 mills)
 - FY 2027: \$950,000 (19 mills)
 - FY 2028 \$2,000,000 (40 mills)



Street Improvements & Streetlight Installation Flat Mill Rate

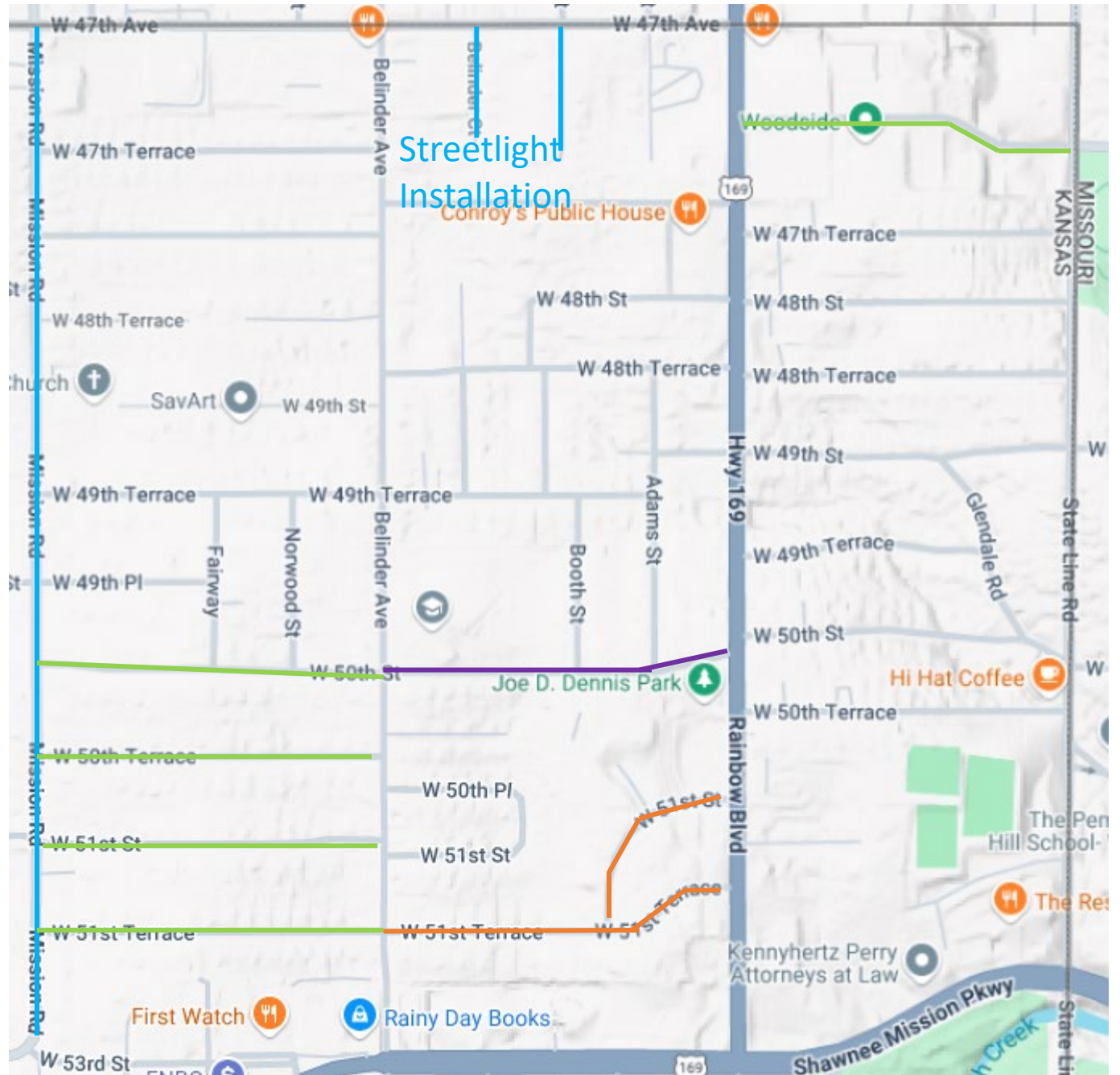
- General Fund Reserves maintained around 20% of fund balance after transfer to CIP
- 2025 (on target)
- 2026 (1/2 target streets)
- 2027 (no target streets; one 2026 target street)
- 2028 (no target streets; remaining 2026 streets)
- 2029 (no target streets; allow fund balance to rebuild)



Street Improvements & Streetlight Installation

2 Mill Rate Increase

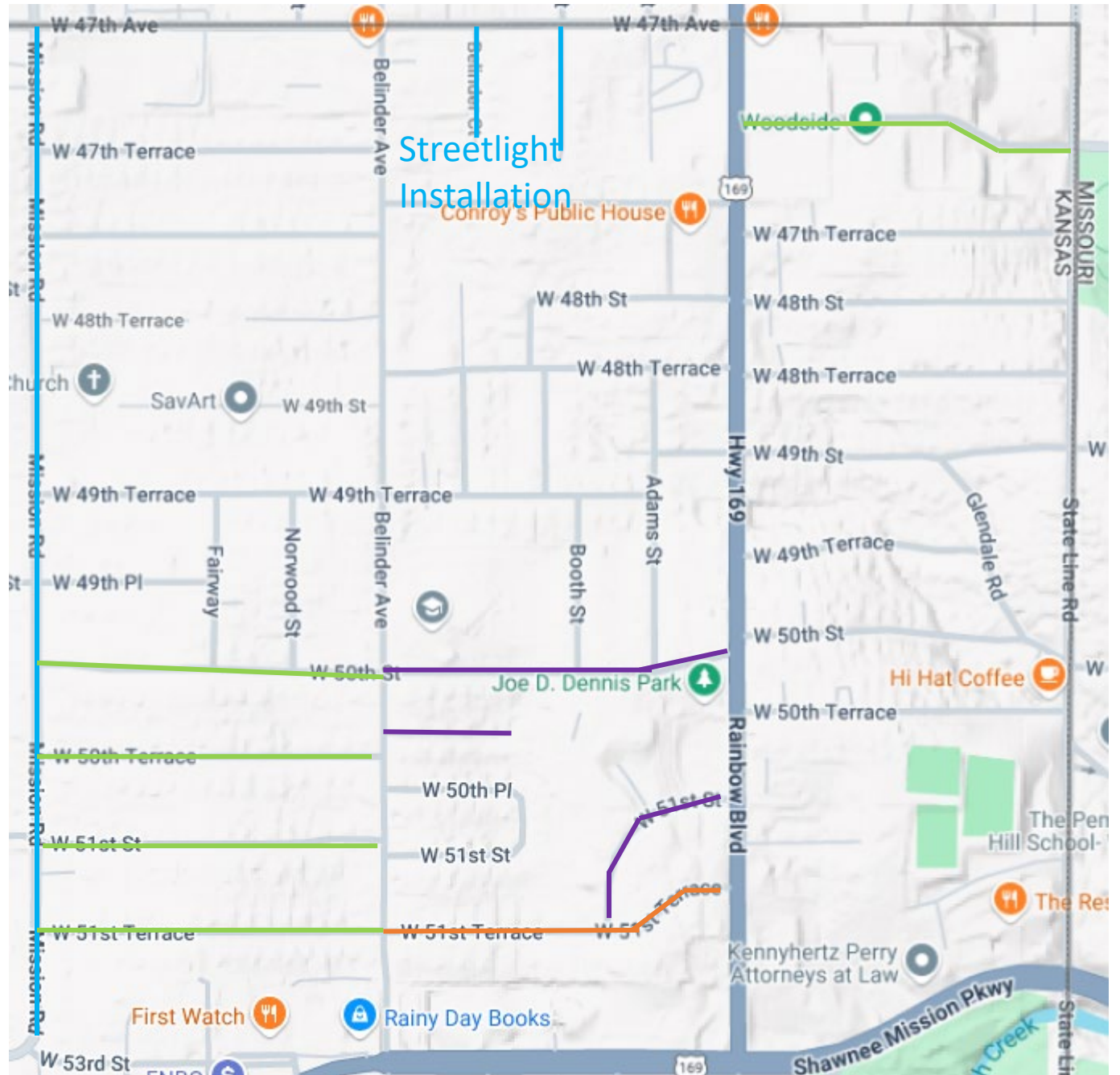
- General Fund Reserves maintained around 20% of fund balance after transfer to CIP
- 2025 (on target)
- 2026 (1/2 target streets + 1/2 2027 target streets)
- 2027 (one 2026 target street)
- 2028 (no target streets; remaining 2026 streets)
- 2029 (no target streets; allow fund balance to rebuild)



Street Improvements & Streetlight Installation

4 Mill Rate Increase

- General Fund Reserves maintained around 20% of fund balance after transfer to CIP
- 2025 (on target)
- 2026 (2/5 target streets + ½ 2027 target streets)
- 2027 (2/5 2026 target streets)
- 2028 (no target streets; remaining 2026 streets + 2027 cul de sac (50th Ter.))
- 2029 (no target streets; allow fund balance to rebuild)



Mill Rate Increase Impact to Westwood Homeowners

2025 Typical Home Value	\$ 400,000.00
Assessment Rate	11.5%
Assessed Value	\$ 52,511,041.00
Value of One Mill in FY2026	\$ 52,511.04

		Annual Cost	Monthly Cost
\$400,000.00	21.199	\$ 975.15	\$ 81.26

		Revenue Increase Forecasted in FY2026			
		\$52,511.04	\$105,022.08	\$157,533.12	\$210,044.16
	Mill Levy Increase (monthly cost to resident in med. value home)				
	0	1	2	3	4
Rate	21.199	22.199	23.199	24.199	25.199
	81.26	85.10	88.93	92.76	96.60
	Change in Resident Cost (monthly based on typical value home)				
	\$ -	\$ 3.83	\$ 7.67	\$ 11.50	\$ 15.33

Select Options for City Council Consideration

Reduce	Do Nothing	Increase by 2	Increase by 4	Increase by 5+
<p>Reduce the mill levy or pass a revenue neutral budget</p> <p>City operational expenses, capital improvement costs, and maintaining satisfactory reserves outpace the previous year's ad valorem revenue every year; reducing the amount of ad valorem tax received would result in greater delays in funding streets and streetlight projects</p>	<p>Do nothing (leave the mill levy flat)</p> <p>Although property valuations are increasing and the City has taken steps to diversify revenues and control costs, the amount of ad valorem tax created by incremental increase in property valuations does not generate enough to tackle streets projects, which range in estimated cost from the equivalent of 2 to 15+ mill each.</p>	<p>Increase the mill levy by 2 mills</p> <p>Increasing the mill levy by 2 mills would generate approximately \$100,000 more in annual revenue for the CIP. This minor amount would aid in funding the CIP but would not generate enough to keep pace with the recommended Capital Improvement Plan.</p>	<p>Increase the mill levy by 4 mills</p> <p>Increasing the mill levy by 4 mills would generate approximately \$200,000 more in annual revenue for the CIP. This amount would aid in modestly increasing funding to the CIP but would still not generate enough to keep pace with the recommended Capital Improvement Plan.</p>	<p>Increase the mill levy by 5+ mills</p> <p>Increasing the mill levy by 5 or more mills would generate over \$250,000 more in annual revenue for the CIP and would create an increased pace in keeping up with the recommended Capital Improvement Plan. An increase of 5 or 5.5 mills, would set Westwood's mill rate in line with Merriam and Lenexa; however, this may be too large of a change in one year for Westwood homeowners.</p>

Budget Calendar

