CONSENT AGENDA ITEM NO. ____

STATE OF KANSAS)
WYANDOTTE COUNTY)) SS **SPECIAL MEETING, WEDNESDAY, OCTOBER 23, 2024**
CITY OF KANSAS CITY, KS)

The Unified Government Commission of Wyandotte County/Kansas City, Kansas, met in Special Meeting, Wednesday, October 23, 2024, with nine members present: Bynum, Commissioner At-Large First District; Burroughs, Commissioner At-Large Second District; Townsend, Commissioner First District; Ramirez, Commissioner Third District; Hill, Commissioner Fourth District; Kane, Commissioner Fifth District; Lopez, Commissioner Sixth District; Stites, Commissioner Seventh District; and Garner, Mayor/CEO; presiding. Burns, Commissioner Second District; and Davis, Commissioner Eighth District; were absent. The following officials were also in attendance: David Johnston, County Administrator (arrived at 5:20 p.m.); Bridgette Cobbins and Alan Howze, Assistant County Administrators; Wendy Green, Deputy Chief Counsel; Shelley Kneuvean, Chief Financial Officer; Reginald Lindsey, Budget Director; Pamela Kahao, Accounting Manager; Andrea Vinyard, Treasurer; and Monica L. Sparks, Unified Government Clerk.

Mayor Garner said before I call the meeting to order I want to announce that some commissioners, staff, and the public are attending remotely via Zoom, by phone, or on-site. All participants joining by phone, please mute their phones at this time when not speaking to avoid background noise. During the meeting, please make sure you announce yourself by name and title every time you speak so the public that is observing knows exactly who is speaking and please be sure to speak directly into the microphone so the public can hear your comments and an accurate record can be made of this meeting. This is critical given the number of remote participants and is also current guidance from the Kansas Attorney General's Office.

Mayor Garner called the meeting to order.

NOTICE OF SPECIAL MEETING of the Unified Government of Wyandotte County/Kansas City, Kansas, to be conducted in a hybrid format on Wednesday, October 23, 2024, at 5:00 p.m. in the fifth floor conference room of the Municipal Office Building for a discussion regarding the introduction of monthly budget meetings. Roll call was taken and there were nine "Ayes," Burroughs, Townsend, Ramirez, Hill, Kane, Lopez, Stites, Bynum, Garner.

CONSENT TO MEETING of the governing body of Wyandotte County/Kansas City, Kansas, accepting service of the foregoing notice, waiving all and any irregularities in such service and in such notice, and consent and agree that we, the governing body, shall meet at the time and place therein specified and for the purpose therein stated.

Mayor Garner said I would just like to give recognition and acknowledgement where it's due. These meetings, we're going to get started earlier this year, and actually this idea was the request of Commissioner Bynum last year, and was kind of hit and miss, and our At-Large Commissioner Tom Burroughs reinforced the necessity for us to really get started early on these monthly budget meetings with staff to allow the Commission to be better prepared to make informed decisions when we actually get into those critical moments of where the Commission is going to have to make some hard choices and decisions on priorities as it pertains to our budget. So, thank you to Commissioner Bynum for initiating the recommendation and the support of Commissioner Burroughs as well and all of our commissioners for these meetings. We'll be having these meetings monthly as we move forward in the months ahead.

At this time I'm going to turn it over to our Chief Financial Officer, Dr. Kneuvean and she will take the meeting from here.

Financial Information and Budget Workshops

Proposed Schedule

Wednesday, October 23, 2024 @ 5:00 p.m.	Goal of Monthly Discussions Overview of Q3 FY2024 Financial Overview and Budget to Actuals Report – July to September 2024
Wednesday, November 13, 2024 @ 5:00 p.m.	Presentation of the FY2023 Annual Comprehensive Financial Report (ACFR) ~ Presentation by Jacob Hollman, ForvisMazars LLC
Wednesday, December 4, 2024 @ 5:00 p.m.	Priority Based Budgeting Overview and Update
Tuesday, December 10, 2024	Mayor State of the Government Address
Saturday, January 11, 2025 9:00 a.m. – 2:00 p.m.	Mayor, Commission, & Administrator's Office Strategic Retreat
February 2025	Present Q4 FY2025 FY2024 Financial Overview and Budget to Actuals Report – October to December FY2024 Overview of Budget, Fund Structure, & Background • Public Input Process • Public Hearing Schedule • Inflation compared to budget growth • Assessed value as compared to mill rate Discussion of Debt Strategy #1
March 2025	Overview of Capital Improvements Plan FY2026 Update of Previously Approved Projects Discussion of Debt Strategy & Cash Projects #2

April 2025	Present Q1 FY2025 Financial Overview and Budget to Actuals Report – January to March 2025 Update of 5 Year Budget Forecast
May 2025	Revenue Projections for FY2026
June 2025 Approximately 3 Budget Workshops throughout month (dates-TBD)	Budget Workshop: Revenue to Expenditure Plan for FY2026 Budget Workshop: Review the Updated Assessed Values for 2025 distributed June 15 Budget Workshop: Fund Balance Update for Major Funds
July 2025: Approximately 3 Budget Workshops throughout month (dates-TBD)	Discuss Revenue Neutral Options for Property Tax - Last day to certify NOT GOING REVENUE NEUTRAL is July 20 (although the tax levy is not yet set until budget adoption, this just preserves the option) - Schedule Hearing to Consider RNR (schedule between August 20 and September 20) - County Clerk will send notices to taxpayers of the intent to exceed RNR if certified by the Governing Body and date of public hearing Present Q2 FY2025 Financial Overview and Budget to Actuals Report – April to June 2025
August 15, 2025 Approximately 2 Budget Workshops after COE presents budget (dates-TBD)	**County Administrator Present's Budget (TBD)** IF GOING REVENUE NEUTRAL Hold RNR Hearing Prior to Budget Hearing Hold FY2025 Budget Hearing
August 15 – 25, 2025 Approximately 2 Budget Workshops after COE presents budget (dates-TBD)	IF GOING REVENUE NEUTRAL - Governing Body Adopts the FY2026 Budget prior to August25, 2025

2

	- Governing Body Submits Budget to County Clerk no later than August 25, 2025
August 20 – September 20, 2025 Approximately 4 Budget Workshops (dates-TBD) August (2Budget Workshops) September (2Budget Workshops)	IF NOT GOING REVENUE NEUTRAL - Hold RNR Hearing Prior to Budget Hearing prior to September 20, 2025 - Hold Budget Hearing prior to September 20, 2025
August 20 – October 1 Approximately 4 Budget Workshops (dates-TBD) August (2Budget Workshops) September (2Budget Workshops)	IF NOT GOING REVENUE NEUTRAL - Governing Body must pass resolution to exceed RNR and set estimated tax levy no later than October 1, 2025 - Governing Body Adopts the FY2026 Budget no later than October 1, 2025 - Governing Body certifies Budget to County Clerk no later than October 1, 2025
October 2025	Present Q4 FY2025 Financial Overview and Budget to Actuals Report – July to September 2025
February 2026	Present Q4 FY2025 Financial Overview and Budget to Actuals Report – October to December 2025
June 2026	Completion of the FY2024 Annual Comprehensive Financial Report (ACFR)
August 2026	Presentation of FY2024 Annual Comprehensive Financial Report (ACFR) – ForvisMazars
September 2026	Completion and Presentation of FY2024 Single Audit Report (Federal Grants)

3

Shelley Kneuvean, Chief Financial Officer, said we're going to talk real quickly about this document, the proposed schedule. As the Mayor introduced, we took a look at the months and the dates and we've got some of those dates kind of blocked out working with the Mayor's Office and then we'll have to work on the dates through 2025. What we put together based on the budget workshops that were done this last year as well as just kind of reformatting, rethinking a little bit and working in some of the topics that we really need to spend time on with the Commission such as debt strategy. So, those are things that I've built into the schedule and so you'll see here what we're proposing in terms of what topics we would discuss each time. This is just a draft, just a proposal. If you have other things you want, you want to go in a different order, we can certainly do that, but I thought it would be a good starting place for us to think through from now until the time that we actually have a budget that you all ultimately adopt that we have the schedule in front of us.

You'll see that tonight I'm going to walk you through our first Financial Report that we've had in a while and it's newly formatted, so we'll go through that in very detail here in a minute. Then, the next meeting is November 13th. You will receive the written document in advance for the '23 Fiscal Year Annual Comprehensive Financial Report, which is the ACFR. You will have that in advance so that you can look through it and digest it. We should get that actual copy next week. We have a few—we have our exit interviews that are scheduled actually tomorrow and then we have the management comments that they'll give us that we respond to. Once those are all done that gets incorporated, we'll print the document and we'll distribute it.

We've blocked November 13th for a presentation. We originally had planned to bring it to the November 4th ED&F, but when the idea of these meetings was put together, we thought it might be better because that particular agenda for the committee is getting really full. To be able to have a meeting just focused on the ACFR because there's been a lot of questions, a lot of desire to get that document done and so we would have the Auditors here. They'd be presenting the information, answering questions because it's a technical document really in terms of some of the charts and exhibits that are in the document and it's done to different accounting standards, but it's incredibly helpful and good information. It's at your pleasure. If you'd rather have it at the ED&F and then the full commission or go that following week and use a Special Session to have that.

Then, December 4th we plan to bring back an update on how the priority based budgeting effort is going and that would be a discussion about the progress that we've made, getting some input from you all on what are the priorities for these different departments and having some discussion. The Mayor's State of the Government would be on December 10th and then at this time, I believe, we've tentatively scheduled a retreat with the Mayor's Office and the Commission for January 11th. That would be on a Saturday and that's an important part of our discussion because what we've talked about is as you all frame out the strategic priorities, that is something that we will use as the guiding document for our budget preparation that we want to align with those priorities and be able to articulate what we are doing in the budget to achieve those goals that you all set forth as strategic priorities.

Then, in February we would have an overview of the budget, the fund structure, and some background data. The Budget Office, under Reggie's leadership, does a great job talking about the public input process that would be being used, the public hearing schedule as well as like background data in terms of inflation compared to budget growth looking at budget growth by department, assessed value as compared to the mill rate and seeing how those are adjusting and so there would be a good amount of data being shared at meeting, as well in our first discussion in February about our debt strategy. Again, in that first discussion there would be a lot of information that we're presenting. Actually tonight with the Financial Report I'm going to present some initial information for you to start thinking around our debt and then this would be that next step of that process to start talking about strategically how do we balance controlling our debt with achieving our priorities and our goals and addressing our needs. There's going to be some difficult decisions because those don't necessarily go hand in hand.

In March we would have the Overview of the Capital Improvements Plan as is always the case as part of the process. In particular though, we would really want to refocus this discussion to be less about departments highlighting here are some of the things we proposed and getting more feedback from you all on are these the things that you want to see done, giving you an update on previously approved projects. One of the things that the Mayor, Commissioner Burroughs and Commissioner Bynum, different ones of us have talked about is the need to understand the status of things from previous projects and where are we financially on those projects, where are we just on getting the project done, so that will be part of that presentation to dive into great detail in terms of the projects. Then, continuing the debt strategy discussion because you've got your Capital Improvements Plan, which has all your needs and then you have to financially constrain it. So, you have to prioritize then what is it that we're going to do with debt and cash based on what's available. That will be part of this discussion. It'll continue evolving as we go through the budget process, but that will be a more in-depth discussion, robust discussion, about Capital Improvements.

In April you would be getting the Quarter 1 FY '25. You'll see I put on here so you can have as a set expectation that you will be getting Budget to Actuals Financial Reports on a quarterly basis. We'll likely be preparing those honestly on a monthly basis so if it was something you wanted to see monthly, we would be able to provide it, but at least on a quarterly basis taking time in a public meeting to go through those. Then, we would—the Budget Office does that excellent job with the budget forecast, the Five-Year Forecast, and kind of setting the stage for if these are the assumptions that we use, what does the next five years look like in terms of revenue growth as well as expenditure growth. We would also want to spend time talking about the assessed values. We get those from the Assessor's Office final June 15th, so that would be happening—oh, I'm sorry, I skipped a month.

In May we would be talking about Revenue Projections, so we would spend a session on how it is that we estimate revenues and how well have we done and where have we done well, where have we been off, and why do we think we were off. I will tell you, particularly post-COVID, it was very challenging in terms of Sales and Use Tax to be able to forecast that. We've got some information to show you, but we can look at the historical trends and also just share information of how is it that we come to those estimates and what we project for the '26 Budget.

Then, in June we would have several different workshops. It would be the Revenue to Expenditure Proposed Plan, just discussions about here are some of the expenditures we'd be looking at and getting feedback and input on that process. We would have an update of the assessed values that would be coming. That comes in June, so when we do revenue projections we do off of our estimated, but we'll be able to lock in for property tax what the assessed value is by June. So, then it's just a matter of policy discussions about what our mill levy does because then the assessed value set and then you make your decisions about the mill levy. We would also be spending time then to talk about the fund balances in each of our funds, how does that relate to our policies, how are we doing, so we would be sharing updates on that.

The next few boxes here get a little complicated and I apologize for that, but there's two different paths as you all know. If you decide to go revenue neutral, there's a path with deadlines set by state statute. If you decide to exceed revenue neutral or at least preserve the option, there's a different timeline that's involved. You have both of those here because it would depend on what you all decide to do.

So, in July you would need to make the decision of at least if you're going to preserve the option to not go revenue neutral, so you have time, but that would be happening in July and then there's a public hearing and then if we decided that we didn't plan to go revenue neutral, there's a notice that goes out to taxpayers, as you all know, that states that, it tells when our public hearing is so that people are aware of that. That would be sent out.

You'll see again you're getting another quarterly financial report because that's on the schedule. We're going to be doing that consistently. It is a commitment that we have now that we have the first one and I look forward to hearing your feedback if it's getting to what you want, but it'll be a work in progress and it'll evolve based on the discussions that we have.

In August the County Administrator would present the proposed budget and if we're going revenue neutral, you have your hearing before the budget hearing and that has to occur, I believe, by August 15th, the hearings do. So, then, and again it's like these two parallel tracks, I probably should have put them in like different little boxes, then if you're to go revenue neutral, you have to adopt your budget by August 25th and that was that expedited process we just had.

On the next page you'll see if you decide not to go revenue neutral, then you have until September 20th to adopt the budget. It's almost contrary kind of to logic because going revenue neutral, as you all know, that's a very challenging budget to put together, but you're given a shorter amount of time to do it versus the opposite, which is you decide not to go revenue neutral and you have a longer time to put the budget together and discuss and adopt. It's something we should look at talking with our state legislators about either making them the same timeline or something along those lines to give you all adequate time to make informed decisions.

If we're not going revenue neutral, then you have—setting the tax levy has to occur by October 1st so you have to adopt the budget so you have this extra time, so revenue neutral by August, not revenue neutral September.

Then, I've just charted out the rest of the year just again to emphasize the commitment to the quarterly reports that you're going to be getting. We will be back on track with getting our ACFR, our Annual Comprehensive Financial Report done on time. On time in the accounting world for municipalities and local governments is by June. Our fiscal year technically ends in December, but you have things that you're still paying in January and February for expenses you incurred in the prior year, so you don't really close out your books until about February, but by February through June is when you're doing your audit and we would have an audit to present to you by the end of June with presentation in August.

Then, following that is the single audit, which is the audit of our federal grants and getting that back on track. We will have that—I should have put that on here, we'll have the '23 single audit done by the end of November, but again, we really need to be by the end of September be on track with what the best practices are. So, just kind of laying that out there. You look at it and if you've got different ideas about the topics or other things you want to make sure we schedule time to discuss, we can certainly work with the Mayor's Office and the Commission on dates that would work for you because we do want to make sure you are getting the information you need and we're spending the time together in order for you to make an informed decision.

That is the summary of kind of the work plan for all of us for the coming months and if there's no questions about that right now, and again, this can be a work in progress, but if you've got any questions, I'll just pause.

Now we're going to switch to the other document, so two things that I was asked for, well there's lots of things I've been asked for, but two things in particular that I was asked for is that we need to start getting Budget to Actuals Reports and we need our ACFR for '23 done and those have been top priorities for me and the staff in order to get those things done and to be able to bring them forward and present information to you.

Tonight is the first time you're seeing this. It's going to be a lot of information I'm going to talk you through, so if you later have questions, comments, and thoughts, want different information, this is missing, it will probably prompt—if you spend time looking at it, it'll probably prompt some questions for you. It does for me and so if it does for me, it probably will for you and I'm still learning and so when I see this kind of a report it does spur questions like why does this happen and why does that happen. So, I may not have all the answers tonight, but as you look at it and you have questions, please feel free to talk to David, to send me a note, to call me, stop by, whatever works so that we can make sure that we're getting the details that you need.

Real quick I want to introduce a few folks that have been instrumental in putting this together. First, of course, you guys know Reggie, Reginald Lindsey as our Budget Office Director. This is a Budget to Actuals Report, so it's kind of funny like they're like my bookends here, so Budget is right here and then the Actuals is the Accounting Department, so we have Pam Kahao who is our Accounting Manager, and she's the Actuals part, so they're tracking the expenditures and she's been instrumental in helping to pull this information together from our system. Then, we have Andrea Vinyard, our Treasurer, and in this report there are three components. We're going to talk Budget to Actuals, we're going to talk about our investments, and then we're going to talk about our debt. So, we've got three topics we're going to hit in-depth on Budgets to Actuals and a little bit in terms of investment and debt, but really we wanted to give you a full financial report. There's other things that in time I'll add into here, but this is the baseline, if you will, of getting started. I don't know that he's here, but Michael Peterson I also just want to give a shoutout to. He's the Assistant Budget Director and he is so knowledgeable and instrumental as well, so everybody's been a part of this and helping with this.

EXHIBIT A, SHEET 1
STATEMENT OF REVENUES AND EXPENSES
CITY GENERAL FUND
YTD SEPTEMBER 30, 2024

	ADOPTED BUDGET FY 2023	YEAR END ESTIMATED FY 2023*	YEAR END AUDITED FY 2023	ADOPTED BUDGET FY 2024	AMENDED FISCAL YEAR FY 2024	YTD ACTUAL 9/30/2024	YTD ENCUMBERED 9/30/2024	YTD ACTUAL & ENC 9/30/2024	AMOUNT REMAINING	PERCENT USED ACTUAL TO AMENDED
Operating Revenues:										
Property Taxes								-		
Real Property	$ 32,960,380	$ 32,462,709	$ 32,462,709	$ 37,225,741	$ 37,192,835	$ 36,349,233		$ 36,349,233	843,602	98%
Motor Vehicle	2,536,155	3,164,192	3,164,192	3,143,605	3,207,097	1,686,829		1,686,829	1,520,268	53%
Sales & Use Taxes	54,451,535	56,782,596	53,927,653	57,078,624	58,621,084	41,473,959	-	41,473,959	17,147,125	71%
Other Taxes				-	-					
BPU Pilot	34,787,580	38,419,429	38,419,429	39,150,000	37,200,000	27,336,228		27,336,228	9,863,772	73%
Franchise Taxes	9,692,429	12,630,331	12,630,331	10,672,000	9,886,190	6,194,713		6,194,713	3,691,477	63%
Miscellaneous Taxes	14,639,745	6,049,212	6,049,212	16,229,746	15,957,968	3,479,487		3,479,487	12,478,481	22%
Licenses, Permits and Fees	1,398,950	1,140,395	1,141,096	1,264,229	1,239,778	1,064,962	-	1,064,962	174,816	86%
Ingovernmental	825,000	851,890	851,890	840,800	835,000	752,807	-	752,807	82,193	90%
Charges for Services	3,724,482	3,946,497	3,847,539	3,623,630	4,974,600	3,917,696	-	3,917,696	1,056,904	79%
Fines, Forfeitures and Pentalties	2,684,250	2,567,830	2,567,998	1,958,200	2,611,900	1,551,252	-	1,551,252	1,060,648	59%
Interest Income	800,000	2,908,191	2,594,652	800,000	2,000,000	1,552,292	-	1,552,292	447,708	78%
Transfers In	-	-	5,626,028	3,280,000	3,280,000	1,795,032	-	1,795,032	1,484,968	55%
Miscellaneous	1,608,491	6,616,483	3,852,443	3,929,053	4,232,562	1,622,147	-	1,622,147	2,610,415	38%
Reimbursements	1,817,970	-	-	-	-	35	-	35	(35)	0%
Other Financing Sources	3,136,000	-	-	-	-	-	-	-	-	
Total Operating Revenues	**165,062,967**	**167,539,755**	**167,135,172**	**179,195,628**	**181,239,014**	**128,776,672**	**-**	**128,776,672**	**$ 52,462,342**	71%
Operating Expenses:										
Salaries & Benefits	$ 124,431,653	$ 127,967,357	$ 127,564,013	$ 133,020,000	$ 135,300,000	$ 108,937,522	-	$ 108,937,522	$ 26,362,478	81%
Contractual Services	19,459,620	17,269,013	18,949,762	19,924,745	20,323,355	15,901,360	1,960,485	17,861,845.25	2,461,510	88%
Commodities	3,889,572	4,997,495	5,027,584	3,630,653	3,952,086	2,833,146	33,236	2,866,382.00	1,085,704	73%
Capital Outlay	5,341,932	3,304,747	3,920,555	3,287,950	3,828,532	1,842,884	76,913	1,919,797.00	1,908,735	50%
Grants and Claims	5,762,336	437,770	6,946,615	6,984,836	7,534,836	4,238,272	-	4,238,272.00	3,296,564	56%
Debt Service	10,479,824	9,841,598	638,227	10,723,433	10,723,433	-	-	-	10,723,433	0%
Transfers Out		-	250,000	2,492,050	2,146,050	41,026	-	41,026.00	2,105,024	2%
Miscellaneous /Other	514,480	-	-	2,495	2,495	594	-	594.00	1,901	24%
Contingency	350,000	-	-	611,985	611,985	-	-	-	611,985	0%
Total Operating Expenses	**170,229,417**	**163,817,980**	**163,296,756**	**180,678,147**	**184,422,772**	**133,794,804**	**2,070,634**	**135,865,438**	**48,557,334**	74%
Increase/(Decrease) in Net Revenue	**$ (5,166,450)**	**$ 3,721,775**	**$ 3,838,416**	**$ (1,482,519)**	**$ (3,183,758)**					
ACFR FUND BALANCE		**$ 48,122,983**	**$ 51,153,345**	**$ 49,670,826**	**$ 46,487,068**					
DIFFERENCE			**$ 3,030,362**							

* Note: 2023 Year End Estimated Revenues and Expenses from 2025 Budget Book — 10/22/2024

Page 1 of 4

So, how this report, like I said, is laid out and because I also am a believer that people communicate different ways and so there's narrative that's in here that describes the State of Affairs financially, but then there's also detailed charts. Some people like to look at the charts, some people like to just read the summary, so you have both and you can follow along, whichever way is easier for you. For purposes of this discussion I'm going to move to, and we'll come back to some of these, but I'm going to talk through these and you have them here because I know it's hard to see up on the screen. I hope for Commissioner Townsend or others that might be online that they can see that okay, but you have the paper in front of you. It's these longer sheets that are like this, the 8x14.

In this report what we've done is we have taken our major funds, which is the City General Fund, the County General Fund, the Parks Consolidated Fund, and then we also added in the Dedicated Sales Tax because it funds a big part of our operation. As you all know in our budget book we have many other funds, so these kinds of reports tend to focus on the primary funds. The funds that are funding our operations and we can certainly look at adding other funds that might be of interest to you into the report, but for tonight that's what you have. These are the ones that fund the majority of our operation.

The organization of this is that you have your Adopted Budget and it starts with FY '23. This is a Budget to Actuals for the third quarter of '24, fiscal year '24. You have your Adopted Budget, you have your Year-
end Estimate, which if you pulled out your budget book from the budget you just adopted for '25, you're going to see these numbers that are the year-end estimated. That's kind of what we knew when we were presenting the budget and that all rolls forward from '23 to '24 to '25. Then, we have our year-end, I say audited, in that it's essentially audited, it's technically draft until you all accept the audit from the Auditor, but these are the final numbers based on accounting adjustments, based on final numbers, based on accrued revenues, lots of stuff goes into this and we're going to talk through some of these details here in a moment, but I'm just talking you through the format.

Then, you've got the Adopted Budget for '24 and then the Amended Budget. When you adopted the '25 Budget, you also adopted an Amended Budget for '24, so that's represented here for you. If you were to pull out your budget book for '25, you're going to see the year-end estimate for '23, you're going to see the Adopted Budget for '24, and Amended Budget for '24. Those all tie to documents that you've seen before and then we have the Year-to-Date Actuals.

What we've done is we've broken out the revenues a little differently than what we do in the budget and I feel like that's very important and probably something I hope we'll be able to carry forward through the budgeting process. In the budget books what you will see is a category for Revenue of Taxes. It doesn't break down the taxes between real estate, property tax, motor vehicle, which is really motor vehicles, boats, trailers, all kinds of stuff. The Sales & Use Tax is included in that number, Other Taxes, which we've broken out so that you can see how much is the BPU PILOT, how much are other Franchise Taxes and then Miscellaneous Taxes, which I'm going to talk about here in a moment. So, you'll see those breakouts a little differently, more detailed. The numbers total up to the same, but this is the breakdown of the information in particular because with revenue neutral the property taxes becomes important for real estate. That's what the mill levies is used for is for real estate.

For Motor Vehicles we simply get a number from the State Department of Revenue. They send us the number because it's based on vehicles, it's based on age, it's based on values, they send us the estimated numbers and that's what we use. Sales & Use Tax, like I said, is something that we do, some pretty good trend information to set those budgets and then the BPU PILOT we work closely with the CFO over at BPU to make sure we have good numbers for that. Franchise Taxes, we're looking at trends and we'll talk a little more about that and some differences that you see. Then, the Miscellaneous Taxes.

The Other Categories that are there, the transfers in, for example, you'll see some numbers that show up in the Adopted '24 that are different in the '23. Some different in terms of categories and sometimes the Budget Office has just recategorized things or grouped things together a little differently, so I went ahead and used what was in the printed document, so you compare it if you want to just see what was it before. It's not really different, it's just grouped differently, but I again wanted to use the numbers that you've seen before that are printed.

A couple things that I want to talk through on revenues before we talk about expenditures. On page 1, City General Fund, one thing that you'll see is that from the Adopted Budget to the year-end estimate to the year-end audited, you'll see those numbers are all over kind of the place. You'll see 54.4, you'll see 56.7 and 53.9. What that is, and I could add footnotes if you guys want or whatever is going to be helpful to you, but the details on that is that when we did the year-end estimated we had not included, or excluded actually, $2.8M that has to be taken from the Sales Tax and put towards development agreements that relate to a whole host of projects that the—in those Sales Tax dollars go over into these other accounts. We picked it up at the year-end audit and it was just a timing thing because they had not posted a journal entry basically as a transfer. We knew about it when the budget was adopted. When it was estimated, so what you saw in the document did not have that already moved. By the time it's audited, then it's moved like it should have been, so you'll see that those numbers are a little bit kind of up and down, but it has to do with a known amount of money that I can provide and I can provide the development agreements, a list of those, all of that, the amount per development agreement, but that's what it is in terms of the accounting of it. Any questions about that?

Okay, so then nothing else—I was going to mention about the Sales Tax. That's something as I look at this data, these are things that jump out to me, probably things that will jump out to you.

Then, you look at the BPU PILOT and that particular one we had budgeted low based on what information we had at the time. It was revised as we're seeing the receipts and were talking more. I believe what we hadn't included is that in '23 BPU did a rate adjustment on both water as well as electric and we hadn't built that into our forecast so we picked that up on the estimated and it's the same as the audited budget.

The next one, the Franchise Taxes, has been a little unpredictable and you can see that here. It really is more around $10M a year and what that is the sewer—for our wastewater we pay like a PILOT, we pay a franchise tax, payable companies pay a franchise tax. These are the things that they pay and that's where these are captured and if you look at '24, the budgeted amounts went down because natural gas went down in prices and so then the natural calculation is that then the dollars to us go down based on a percentage. It's done very much in the same way, different percentages, but the same way that it's done for BPU with the exception of wastewater in that at some point there was a previous decision by the Commission to freeze their amount at $5.8M and I think that in large part had to do with the consent decree and trying to use as much of the rates that people pay to address the projects that are required for the consent decree as opposed to just normal operations. But that's a policy discussion that you may want to revisit at some point, but that's just how the numbers are built.

So, Miscellaneous Taxes, this is one in the narrative there's a detailed description of this because it's a bit confusing. I understand why we're required to do it, but it really skews the picture but it is required. In that adopted budget for '23 of 14.6M there's $10M there that relates to the Speedway bonds that we issued that get retired in '27 and we issued them with a general appropriation backing. So, it's a different kind of structure. When they wrote us the bond they said you'll guarantee at least $10M if there's not enough money in there to do this. Why we book a revenue, so we have to book also an expense, so down below under Debt Service you'll see an expense of 10.4 of which 10 of that is related to what I'm talking about, so it offsets 10M revenue, 10M expenses, zero to the bottom line, but you have to put it in here because of those bond covenants. Now, why we book it as a revenue when it's not technically a revenue, is because if we didn't, then we would have to set-aside our own money in order to cover that expense we are required to say yep if we have to, we'll cover it. We don't have to because in the State Fund, which is 100% state sales tax, there is adequate money to make the debt principal and interest payments for '23, '24, all the way through retirement, through '27. That's when it retires and that's when it'll go away off of here.

I feel like it's important though that you know that is put into the documents because it's a $10M a net zero, but here in a couple of years we are going to be paying that debt off with this fund. That's another fund, it's actually held by the state, the state sends the money to the trustees who pay the bonds and then we get to take it off our books, but we have to have it on our books because of how the bond documents were written. We probably wouldn't want to do it that way again, but these are bonds that were done 20 years ago. It was our very first STAR Bonds and a TIF Bond, so I wanted to spend a minute talking about that. Any questions about that because it is complicated? Okay, you just chew on it and read the narrative. If you have other questions, let us know.

Down on the Expenses, and I'm spending a lot of time on the City General Fund because it does pay for a bulk of our operations, so I'm spending a little more time here and then I'll speed it up.

For the Parks Transfer that we move money out of this General Fund over to the Parks Fund, that's under Grants and Claims, so you'll see 5.7. Again, I wanted to use things that were printed you saw before, but it was an error in the estimated expenses of 437, that was an error corrected and in the audited number it's picked back up. So, the transfer really happened—some of this is literally working through how things are tagged. They're called work tags in our system, new system and whether or not it gets picked up or not. That's why an audit becomes particularly important also, so corrected, but it was a low number, but not because it should have been.

So, then, big picture is that when the budget was adopted for '23, you had 165M expected in revenue, 170M in expenses, so you had an out of balance budget, which meant you were using 5M in fund balance to pay for the expected planned expenses. By the time things got estimated, you though it was going to be a lot better picture, you had more revenue than anticipated and less expenses, always a good thing when you're a CFO, more revenue, less expenses, so the picture improved and that held out through the audit, the audited numbers. That's a good thing. We did have between estimate to audit, a slightly less number for the revenue, but it's literally one quarter of 1% if you do the math, so it's pretty darn good, the estimate to the actuals. Then, on the expenses, it was 521,000 less, which is .32 of a percent. So, again, out of the whole budget of 160 some million dollars, that's pretty close and goes the direction that as a CFO I like.

Adopted Budget, again, when the budget was adopted we were still in a deficit position, 179M that we expected in revenue, 180M in terms of expenses. We used a 1.4M fund balance. Quick reminder, for '25 Budget, which is not on here because this is for budget actuals for '24, but we didn't do that, so we kind of started down that path of getting more sustainable, but we were still in a position to have—using our fund balance to pay for our planned expenses. When things were amended in the Amended Budget that was adopted by you all, when you adopted the '25 Budget, we expected revenues to go up and that was based on actual receipts, so we adjusted our estimates.

The categories you can see the estimates that were adjusted were in the charges for services. That went up and it was just based on actuals. The fines, forfeitures and penalties also were coming in higher than expected and then our interest income we had continued to budget conservatively because the market and when rates are going to reset and the Federal Reserve and when are they going to change the rates have been in flux for a long time, so we did not want to be overly optimistic in a budget. Here in a few minutes I'll get through the investment summary and report out on what we've actually seen, but those rates and returns are starting to come down. But when we budget, and I'd recommend we continue to do that, be conservative on your investment income because it's so unpredictable with what the Feds are going to do. We believe though that based on actuals it's going to come in higher, 2M, but you'll see that's still less than the prior year audited. That's why I just caution that. We're going to see that go down and that's a nature of the market. That's nothing that we can control.

On the expense side, we did have the expenses that went up as well in the adjusted budget and the area of primary area to talk about is on salaries and benefits and we've talked a lot about the personnel trend and how we don't budget 100% of salaries for positions that are approved and authorized. We do track what the expenses are and we're exceeding those in this case by a couple of million from adopted to amended. As you guys might recall, in the upcoming '25 Budget, we reduced overtime a lot in order to balance the budget and we are going to have to manage within this trend and the Budget Office does a good job of looking at every single payroll period to see are we going up, are we going down because we're going to have to be more aggressive in managing that number particularly with the revenue neutral. We won't be able to afford a $2M overage in ‘25. We’re going to have to try to live within our means as best as possible because there’s some areas that it’s not—there’s not a lot you can do and we’ve talked a lot about the Sheriff’s Office, which is in a different fund, but with the jail for example.

Other things that you’ll see in terms of increases, Capital Outlay went up. That had to do with a City Hall waterline break, some equipment for IT, a project that should have been rolled forward for some jail management software that should have been rolled forward and then some radio money also. So, some of this relates to in the new system making sure our projects are tagged. I’ll use that word a lot, but it’s like they’re connected to a specific project and in some cases those weren’t tagged so they’re not getting picked up. They’ve got to be tagged so that we pick those up and so those get caught and corrected. It won’t be an issue as we work those things out in our budget—or in our system.

In terms of the Grants & Claims, you’ll see that also went up from 6.9 up to 7.5. Some of that relates to actual claims that have come in and based on settlements, so that’s why that was adjusted on expenses and then the rest of it’s pretty straightforward. Unfortunately, Adopted Budget to Amended Budget’s a worse picture. We thought we were using 1.4M of our fund balance based on the amended. If it happens like it says it will, then it’ll be 3.1, almost 3.2M. So, that’s why we’re already putting in place monitoring controls on the salaries and benefits. I’ll give you a quick example. We saw a spike with the Fire Department and so we reached out and talked to them and the spike made sense. It had to do with new training cadets coming onboard that have to do kind of on-the-job clinicals, but they can’t be by themselves, so you do have to double up, but that’s like for a month or two. They were like that will not continue, don’t build that into your trend and so we did see in the following payrolls it came right back down. Just having that discussion and monitoring it really closely and having the partnership of our departments to really control their cost is critical and will be even so much more important going into ‘25. It’s always important, but particularly important.

Then you have your year-to-date actuals, which are—the actuals column are things that we’ve paid or we’ve received. So, revenue we receive it and on expenses you have the actuals are what we’ve spent. The encumbered are what we plan to spend, so we’ve got a contract or we’ve got a purchase order that has encumbered, set those funds aside to be planned to be spent, so then you have your total of your year-to-date actuals plus incumbrances. That just gives you a picture of how we’re doing, big picture, high level, we’re at 71% of our revenues. Our expenses overall, even though personnel is high, overall we're at 74% and remember this is a nine-month report, so you should be roughly 75%. It doesn't work that way really because you have peaks and valleys on expenses, but that's a good indicator in terms of the overall expenses.

A couple other things I just want to highlight because it'll carry forward on to the other reports. The things that are highlighted in blue are numbers that do not agree with what was in your written…

Mayor Garner said Commissioner Bynum has a question.

Commissioner Bynum said if you finish the page, and then I've got a couple questions on this page.

Ms. Kneuvean said the blue boxes are numbers that we're working with the Budget team on reconciling these numbers, so in the printed budget book, and this in large part has to do with our ACFR being behind, truthfully, so this is more of an issue of that, so those numbers don't necessarily agree with what you have in printed previous documents, but they're the correct numbers. Our ACFR shows for Year-end Audited 51M, okay, and then you have 51M, the math is very straightforward, so that's like as of June 30, then July 1, the next day, we have a budget that goes into effect and we're using 1.4M of that, so your 49M is 51.1 minus 1.4. I mean it's really straightforward math. There's other numbers that we have to work on understanding what was backed into it.

Now, I am going to share that our budget team looks at encumbrances, which is why I have included them on here. So, there's information we know when they build a budget because it's encumbered but it might not actually be paid yet that they build into their assumptions when they're putting together a budget proposal for you to consider. More information about that will be coming forward. We will be doing reconciliations of what those numbers meant, but when you look at your budget books, you're going to see a Cash End Year and you're going to see an ACFR fund balance. One of them does not include—essentially one of them doesn't include encumbered funds because they're planned to be used for something else. An ACFR fund balance is what's really available, not paid, because if you have an emergency, technically in most cases, you could cancel your encumbrance. So, we're going through a process because again remember we implemented a new system and we're making sure that all those prior year encumbrances are closed out if they should have been or if not, when are they going to be done and so we're doing that reconciliation process now. So, next time when you see one of these budget reports, there's going to be more information about that in terms of the cash balance and how that affected the future budget proposals that were brought before you or didn't affect it. Just sharing that information because there's more to do on the report, more information to add. So, with that, Commissioner Bynum.

Commissioner Bynum said I'll start with the very last thing you said, the blue highlighted numbers you made reference to the calendar turning to July 1 and you lost me because we're on a calendar year, so I didn't know what the July 1 referenced. **Ms. Kneuvean** said I'm sorry. That's just legacy, brain cells. A lot of budgets are on July, places I've worked previously, so I apologize. I should have said December 31 it was 51.1M, then January 1st minus 1.4M, so now it's 49.

Commissioner Bynum said okay. So, just to back up, when we look at fiscal '23, and these are the certified audit report numbers in the third column, correct? **Ms. Kneuvean** said yes. **Commissioner Bynum** said we see that we thought we were going to use 5.1M to balance; however, after the audit was conducted we actually realized 3.8—making sure I'm reading this correctly. **Ms. Kneuvean** said yes. **Commissioner Bynum** said so we came out considerably better than we planned for or thought for fiscal '23. Is that correct? **Ms. Kneuvean** said that's right. The thing I will point out though is that number is very close to the year-end estimate, so when you all were putting together a '25 Budget, we already knew that negative number wasn't right and I've not—honestly, I just decided to work forward. I've not tried to unravel where that number came from and just work forward. But what the budget was based on for '24, '25, we knew based on the estimate and then the audited number came in really close. It's not like for the '25 Budget we've realized a bunch more money. We already knew that was not going to—that wasn't accurate. That wasn't how it was going to play out.

Commissioner Bynum said then if you move to the '24 Year-to-Date Actuals, the only question I have here is the first orange column is Year-to-Date Actuals through September 30, Year-to-Date Actual and Encumbered on the third column, but there's no budget column and it would be helpful for me—**Ms. Kneuvean** said it's two to the left. So, Adopted Budget is not in orange, it's white and—**Commissioner Bynum** said on the left, I got you. So, I have to read backwards, okay. So, for example, Year-end-to-Date Actuals and encumbered at 128M against

Adopted 179 and that is showing me that three-quarters of the way through the year we're at 71% of anticipated revenues, so we're close to being on target. **Ms. Kneuvean** said we're on track. Revenues, you know, they don't really happen month-to-month the same. Even property taxes are distributed five times a year, so you get big infusions and then other months you don't have anything and that's why a monthly report might not be as useful as a quarterly report. Sales Tax you get every month and so it just varies for all the different revenue sources.

Commissioner Bynum said regarding the Sales Tax, is there a lag between when the state receives it and when they send it back? **Ms. Kneuvean** said there is and it varies. What the lag is, it's a month to two months, which is why—and you'll actually—if you notice on the schedule, so when we do the year-end, which we haven't because we were in a new system we haven't done like a real hard close, we will do a hard close this year. You kind of close the soft close, the books, December 31st. You do a hard close in February, not in January whereas every other month you should do a hard close within 10 days of the prior month because you can do that. Now, the year-end you've got stuff that was expensed, the work was really done, but we don't have the final invoice, so you get some of that and that's a process we go through every year having departments look at open purchase orders, make sure you get your invoices, having the Accounting Department be able to have enough time, so it's really in February that you do a close for year-end. But you're only capturing the expenses that's related to the prior year, so they're able to distinguish those, but it gives a little bit of time because you're doing year-end close. **Commissioner Bynum** said okay, thanks.

Commissioner Ramirez said can you again explain the difference between the cash balance and the ACFR balance. What's the difference, because I've always wondered that looking at the different reports and I have a follow-up question. **Ms. Kneuvean** said yeah. I can tell you the numbers and what they should represent. Cash balance should be basically your ACFR balance minus encumbrances, so kind of think of it as unrestricted revenue. It's truly our savings account. That's what it is and it's a lower number than your ACFR. Your ACFR is what you actually use to calculate your fund balance because in the case of an emergency, which a fund balance is supposed to be if there's something catastrophic, you hypothetically could pull everything you have with cash that's not obligated in some way, cancel encumbrances and make that money available for an emergency. So that's the essence of the difference. There's some also accrued revenues. I had this conversation earlier, which has to do with year-end and making sure that you account for some things like sales tax that will come in delayed, but it really was from the prior year. They do some adjustments like that for the ACFR.

Now, cash in essence is—basically think of it as the unrestricted which is very important in terms of budgeting, but not necessarily what you use for fund balance, but they are different and we haven't—I don't get the sense that we've spent a lot of time as a group discussing that. That's why there will be more discussions coming on cash balances and we'll be looking at how did we come up with those numbers, what did those represent, were they right, were they wrong and part of that—why we can't do that quite yet is because we're going through a process of looking at purchase orders in the system that are open, but not paid and that is an encumbrance. That money is set-aside, but when we move from an old system to a new system we are certain that some of those old legacy PO's came over that should have been closed, so we're reconciling that. We had one, if you can believe it, from 1997, which is crazy. Most of them were not like that, but we are going through that process and we'll close out the ones that should be closed. That will give us a better number, but that's honestly probably going to change from what was printed because the data wasn't completely clean in the new system because of the migration of the data. But it's not going to change the picture very much at all. Unfortunately, in some of these other funds it might change it to be a little less favorable, but it's not really going to change the picture for '25. **Commissioner Ramirez** said thank you, I appreciate that.

For my follow-up question, I think within your explanation of the first one you started to answer it and my next question was what instances do we use either and what decision-making do we use the cash balance or look at the cash balance to have a better idea to make a decision and when do we look at the ACFR balance to make a better decision? I don't know if we need to look at both at the same time or if one is there's a situation that you need to look at for just one. I think I would for future workshops if we have that information as well just so that we know we're looking at this situation the cash balance is going to give you a better picture rather than the ACFR balance. **Ms. Kneuvean** said absolutely. It's a very important part of the conversation and in particular how does that play into the five-year forecast that Budget puts together and which number do they use, and how do we tie those numbers out. So, the ACFR numbers, we've tied out because we're done with the ACFR now and then it's pretty straightforward math in terms of what happens for adopted amended.

For cash we've got to tie those out and make sure that we've got good information as to how that needed to be and then make sure our system says that. So, our budgeting is done and Reggie could certainly talk to this, but we do budgeting in a system called Questica and so there's a lot of data that's in that system and we have to make sure that no matter what we use for a financial management system that it comes across correctly. When you go to a new financial management system, you know, I do think that there were some things there like that sales tax 2.8M. Budget was totally on top of it, they knew, but the system hadn't caught up, but they knew in terms of what was needed to be built in for budgeting purposes. They knew that 2.8M in sales tax wasn't going to be available, so we will spend more time talking about that. We need to and then to share how does the cash balance factor into future predictions basically, but it becomes important and then why do we care about the ACFR because that truly is your fund balance. I mean it's your emergency fund. If everything blows up and we need to do something, then that's the money that we have not already paid somebody and that's an important number for our government to know as is the cash, which the cash is basically the money that we haven't already—it's not spoken for. It's not obligated, it's unrestricted, but yeah, we'll be talking a lot more about that.

Ms. Kneuvean said I promise the next ones won't be so long because the first one first of all is the biggest, but it's also now that you've got kind of an idea of the format, it goes a little easier. So, the County General Fund is the next sheet that's on the list, so what you'll see there it's laid out the exact same way.

EXHIBIT A, SHEET 2
STATEMENT OF REVENUES AND EXPENSES
COUNTY GENERAL FUND
YTD SEPTEMBER 30, 2024

	ADOPTED BUDGET FY 2023	YEAREND ESTIMATED FY 2023*	YEAREND AUDITED FY 2023	ADOPTED BUDGET FY 2024	AMENDED FISCAL YEAR FY 2024	YTD ACTUAL 9/30/2024	YTD ENCUMBERED 9/30/2024	YTD ACTUAL & ENC 9/30/2024	AMOUNT REMAINING	PERCENT USED ACTUAL TO AMENDED
Operating Revenues:										
Property Taxes										
Real Property Taxes	$ 49,258,353	$ 48,913,366	$ 48,913,366	$ 55,479,087	$ 54,248,860	$ 52,304,726	$ -	$ 52,304,726	$ 1,944,134	96%
Motor Vehicle	4,925,635	5,138,419	5,138,419	4,557,327	4,903,565	2,534,883	-	2,534,883	2,368,682	52%
Sales & Use Taxes	9,061,864	9,020,138	8,417,142	9,217,864	9,170,568	6,422,469	-	6,422,469	2,748,099	70%
Other Taxes	2,479,000	2,384,148	2,384,148	2,528,000	2,456,631	2,241,104	-	2,241,104	215,527	91%
Licenses, Permits and Fees	1,190,500	979,304	979,304	1,190,500	1,006,000	764,727	-	764,727	241,273	76%
Ingovernmental	60,650	61,330	61,330	60,650	62,150	105,833	-	105,833	(43,683)	170%
Charges for Services	1,734,400	2,392,298	2,392,298	1,835,500	2,366,153	788,131	-	788,131	1,578,022	33%
Fines, Forfeitures and Pentalties	3,544,400	2,749,726	2,749,656	2,327,586	2,985,150	1,394,003	-	1,394,003	1,591,147	47%
Interest Income	4,300,000	3,501,960	3,334,113	3,600,000	2,400,000	2,945,653	-	2,945,653	(545,653)	123%
Transfers In	-	84,000	401,920	-	-	-	-	-	-	
Miscellaneous	159,500	1,029,217	1,029,646	1,178,515	1,348,450	862,783	-	862,783	485,667	64%
Reimbursements	1,112,280	-	-	-	-	-	-	-	-	
Other Financing Sources	85,200	-	-	-	-	-	-	-	-	
Total Operating Revenues	**77,911,782**	**76,253,906**	**75,801,342**	**81,975,029**	**80,947,527**	**70,364,312**	**-**	**70,364,312**	$ 10,583,215	87%
Operating Expenses:										
Salaries & Benefits	$ 53,250,000	$ 55,516,118	$ 55,516,118	$ 56,500,000	$ 58,600,000	$ 43,012,744	$ -	$ 43,012,744	$ 15,587,256	73%
Contractual Services	18,769,252	17,582,040	18,091,499	19,527,612	20,757,393	16,148,257	2,456,676	18,604,933	2,152,460	90%
Commodities	2,485,751	1,932,168	2,080,687	2,481,166	2,792,006	1,361,966	22,006	1,383,972	1,408,034	50%
Capital Outlay	2,612,540	1,283,767	1,287,912	2,095,000	2,629,500	1,110,934	165,314	1,276,248	1,353,252	49%
Grants and Claims	1,162,827	1,145,371	1,171,924	1,185,785	1,243,185	898,743	-	898,743	344,442	72%
Transfers Out		1,601,715	1,601,715	1,853,000	1,853,000	750,000	-	750,000	1,103,000	40%
Miscellaneous/ Other	1,708,018	(22)	(22)	1,218	1,218	(16)	-	(16)	1,234	-1%
Contingency	275,051	-		365,051	365,051	-	-	-	365,051	0%
Total Operating Expenses	**$ 80,263,439**	**79,061,157**	**79,749,833**	**84,008,832**	**88,241,353**	**63,282,628**	**2,643,996**	**65,926,624**	$ 22,314,729	75%
Increase/(Decrease) in Net Revenue	**$ (2,351,657)**	**$ (2,807,251)**	**$ (3,948,491)**	**$ (2,033,803)**	**$ (7,293,826)**					
ACFR FUND BALANCE		**$ 15,590,026**	**$ 14,325,356**	**$ 12,291,553**	**$ 7,031,530**					
DIFFERENCE			**$ (1,264,670)**							
* Note: 2023 Year End Revenues and Expenses not updated; used figures from 2025 Budget Book									10/22/2024	

Page 2 of 4

You'll see Adopted Budget. We thought we'd have 77.9M, Year-end Estimate was lower 76.2, final audited number 75.8, it was lower, but again, keep it in context. Yes, it's lower, but that's .59%, that's not even a 1% variance. In the grander scheme of things, that to you and I sounds like a lot of money, but you know overall it's not in the context of the fund.

On the expense side for '23 we budgeted, planned again, we planned to use the fund balance, so we had less revenue expected than what was authorized to spend by 2.3M and then the Year-end Estimate, because our revenue went down, our expenses went down, but our revenue went down more, so that picture was 2.8M. Now that we've got the '23 ACFR, now we know that the revenue 75.8 it's down lower and then our expenses ended up coming in a little bit higher. So, the bottom line was it used more of the fund balance as a way to think of that.

This is a little more straightforward. A couple things, again, I'm fairly certain I left it as it was printed, but because I think it's important, if you pull out a document you've received before, I want it to look like the document that you're seeing today for that column. The 1.7 that's listed under Miscellaneous on expenses, that is the debt that is transferred to pay for the Juvenile Detention Center and then the very estimated where it really should have been was under Transfers Out, so it was fixed in the system, stayed at the 1.6 and then Adopted Budget, so it's just a line that's moving, just putting it in the right place. The numbers aren't changing substantially.

For the Adopted Budget, this is an area that Budget and I are spending some time talking about, so for FY 24 our estimated revenue is 81.9 and we believe that's going to be about a million dollars less and most of that has to do with property taxes. I don't have all the answers for you today, but these are the things that will jump out at you. More answers will come. Why is that down, did we have more delinquent taxes, did people not pay. You know what's really happening to make us adjust by that amount, did more people appeal. You know just the timing of all those things, but that's the biggest change between '24 Adopted and Amended on revenue.

On expenses also concerning is that the Adopted Budget was 84M in expenses and the Amended, which was approved by you all, was 88M and so, obviously, that's a big jump. The areas where that's happening again is salaries and benefits. That has to do with that employee trend, which I explained on the last one that we're managing much more closely now than we have before. I will say on that one, the Year-to-Date Actuals are really trending where you would expect them to and so that's an area that Michael and I were going to dive into like really with our amended number, did we just overestimate and if so, we'll bring that back. That's one of the biggest differences.

Commissioner Ramirez said with the '24 Adopted and '24 Amended, you mentioned about the increase in the salaries and the benefits. Does that—did that also—because I remember we did the pay parity with the Sheriff Deputies, is that part of it? **Ms. Kneuvean** said yes it is.

Ms. Kneuvean said the next line down, this is something that we've highlighted and the Sheriff highlighted the contractual services, so you'll see that the current budget adopted 19.5 went up to 20.7. The great majority of that difference, that jump is the actual expenses we're incurring with jail off-site housing, jail medical, jail food and that's all driven by population, how many people are you holding. So that's why that was adjusted and to the Sheriff's credit, he's been raising his hand saying these numbers keep going up, but honestly, to the whole Unified Government's credit, there's only so much you can afford when it comes to jailing because hypothetically you could spend as much as you want to on jailing.

Mayor Garner said that's a good analogy. The question is, have we had a conversation with the Sheriff at all about what's—I get costs keep going up. We farmout. I know that at least the past three Sheriff's that I'm aware of, I mean they had the same exact issue. Nothing against our current Sheriff. I just haven't heard what is a recommendation to fix this problem. Is it more staffing, is it—I mean it's really trying to get a handle on it because costs are going to continue to go up and at some point farming out and the cost of commodities and all those things are going to outpace our ability to pay. That's not sustainable, so I don't know if we're having a conversation about what are some options to find real solutions to mitigate or at least keep those costs at a level that's manageable. **Ms. Kneuvean** said absolutely Mayor. Yes, those conversations have started and there used to be a committee that met and it included the courts, it included the Sheriff, but the answer to the question is you manage population. How do you do that? Well, there's alternative detention, so homebased detentions is an alternative, you're not paying medical, you're not paying food, when it's appropriate or disposing of cases quicker. That's where the court, the District Attorney, the Public Defender, those are key players and this is an issue every single county deals with in terms of jailing cost. If your population continues to go up and we've got only so much capacity here and so we have bought some space, other places, but our resources aren't endless, so you have to manage how long are you holding people and how can you do that. Well, you dispose of cases quicker, you get timely trials, you look at who is in jail, is there a way to not have them in jail. But, you know, it is an art. It is definitely an art, it's not a science, but those need to be active ongoing conversations.

We did this in Jackson County across the river and it was incredibly successful because every decision maker was at the table and they were committed to look. Every dollar that goes to this purpose is a dollar to other things that are funded from this fund are the courts, the District Attorney, the Sheriff, the Jail; those are all the other things that are funded from here. So every dollar that gets pulled over to do jailing is dollars that aren't available to do the other things and so it's really trying to manage population. That's the key. Now, over time, depending on crime, I mean there's some stuff that you can't necessarily control. It depends on how much crime there is, how many cases get filed, are they felony charges, are they municipal charges, the whole host of things, but it needs to be an active conversation and it takes a huge commitment and it gets down to not just at a high 10,000 foot level, but a case-by-case level discussion. It's that level of attention and discussion. I think there's 254 people, I could be saying that wrong, but I'm pretty—that was a number I seem to recall in our jail. Okay, how long have they been there, how long have we had that—did we look at that, how long have they been there, why have they been there that long. I will tell you that—I mean the court system is no different than anywhere else and our court system may not have these issues, but I can speak to past experience and there were cases that just fell between the cracks. They were a public defender, they were low priority and so people were sitting there that needed their case disposed of, which is a timely trial issue, but it's also a financial one because you're paying for each person every single day.

So, yes, I hope that we'll be able to engage around that. I've also talked with the Sheriff about doing—some of our contracts are coming up, they're expiring this next year and doing a bid. Sometimes you don't want to compromise on quality and we have some great providers, but sometimes a little competition does get the bidders and vendors to sharpen their pencils. We need to do that process and get those rebid. Again, not to compromise on quality because we do have some really good vendors and you don't want to just hire the cheapest person if they're not going to provide a quality service. Say, for example, for medical and then you end up with lawsuits and you've done nothing to help yourself. We're having the conversation absolutely, but it's not a quick fix either.

Ms. Kneuvean said so big picture on all of this was that Amended FY 24 looks worse than the Adopted. How that factors into the '25 Budget, I haven't made it that far in the analysis and the cash, this comes down to the cash, not the ACFR and figuring that picture out. As we close out some of these old purchase orders that will give us kind of a reset of what our cash position really is and so that's something that Budget will be instrumental with trying to get those numbers updated, but here's where it is and where we stand.

EXHIBIT A, SHEET 3
STATEMENT OF REVENUES AND EXPENSES
CONSOLIDATED PARKS FUND
YTD SEPTEMBER 30, 2024

	ADOPTED FISCAL YEAR FY 2023	YEAR END ESTIMATED FY 2023 *	YEAR END AUDITED FY 2023	ADOPTED FISCAL YEAR FY 2024	AMENDED FISCAL YEAR FY 2024	YTD ACTUAL 9/30/2024	YTD ENCUMBERED 9/30/2024	YTD ACTUAL & ENC 9/30/2024	AMOUNT REMAINING	PERCENT USED ACTUAL TO BUDGET
Operating Revenues:										
Property Taxes										
Real Property Taxes	$ 2,720,033	$ 2,764,811	$ 2,764,811	$ 3,181,744	$ 3,173,347	$ 3,066,867		$ 3,066,867	$ 106,480	97%
Motor Vehicle	298,004	229,191	229,191	266,787	286,968	143,355		143,355	143,613	50%
Sales & Use Taxes		(310)	(310)			-		-	-	
Transfer from City General Fund (Parks Fund)	4,460,000	4,460,000	4,460,000	4,900,000	4,900,000	2,450,000	-	2,450,000	2,450,000	50%
Charges for Services	858,200	924,693	894,508	872,400	850,100	749,548	-	749,548	100,552	88%
Miscellaneous	112,000	120,505	150,690	113,350	123,550	111,338	-	111,338	12,212	90%
Reimbursements	1,350	(80)	(80)	-		-	-	-	-	
Project Fund					-	-	-	-	-	
Total Operating Revenues	**8,449,587**	**8,498,810**	**8,498,810**	**9,334,281**	**9,333,965**	**6,521,108**	-	**6,521,108**	**2,812,857**	70%
			$ -							
Operating Expenses:										
Salaries & Benefits	$ 4,750,000	$ 4,594,295	$ 4,594,295	$ 5,960,102	$ 5,323,503	$ 3,811,482	-	3,811,482	$ 1,512,021	72%
Contractual Services	1,968,466	1,829,156	1,953,091	2,179,823	2,223,681	1,192,654	173,840	1,366,494	857,187	61%
Commodities	665,150	656,630	701,798	732,250	790,967	540,074	5,456	545,530	245,437	69%
Capital Outlay	1,156,491	306,388	823,112	190,000	1,172,000	-	-	-	1,172,000	0%
Grants and Claims	10,005	6,565	6,565	10,005	10,005	3,445	-	3,445	6,560	34%
Transfers Out	-	15,000	15,000	295,000	195,000	7,500	-	7,500	187,500	4%
Miscellaneous / Other	16,110		-	1,110	1,110	-	-	-	1,110	0%
Contingency	150,000	-	-	150,000	150,000	-	-	-	150,000	0%
Total Operating Expenses	**8,716,222**	**7,408,034**	**8,093,861**	**9,518,290**	**9,866,266**	**5,555,155**	**179,296**	**5,734,451**	**4,131,815**	58%
Increase/(Decrease) in Net Revenue	**$ (266,635)**	**$ 1,090,776**	**$ 404,949**	**$ (184,009)**	**$ (532,301)**					
ACFR FUND BALANCE		**$ 3,821,927**	**$ 3,199,855**	**$ 3,015,846**	**$ 2,667,554**					
DIFFERENCE			**$ (622,072)**							

* Note: 2023 Year End Revenues and Expenses not updated; used figures from 2025 Budget Book — 10/22/2024

Page 3 of 4

The next two exhibits are pretty straightforward. They're smaller funds, but they're considered major funds by the accountants in the world. The Consolidated Park Fund is one of our major funds. It funds the majority of our parks operations and you can see just quickly FY 23 Adopted Revenues were 8.4, expenses 8.7, so we were still in our bad habit of using our fund balance when a budget was adopted. Then, you move forward, you look at our Year-end Estimate was a tiny bit better on our revenues, but our expenses were down significantly and so that ended up giving us a positive number. Again, that would have been information Budget would have had when they were doing these other budgets and then the Year-end Audited, it went down a little bit more, 685 was the difference between the two numbers. The biggest part of that, and again, this is truly a transition from old system to new system, some of the prior year projects were not rolled forward like they needed to be, so hypothetically, they're like temporarily in the fund balance, but they really were like dedicated for a project and in this case it's the rock wall at Wyandotte County.

That was a commitment, it had some funding with it, but it didn't get rolled forward quite in the right way when we transitioned to the new system so it's catching up on all of that.

On the Park side, our salaries were actually able—it's not great for Parks because they have a lot of vacancies, but they're actually going below the trend, so we were able to adjust that based on their actuals and feel confident particularly based on the prior year salaries and benefit numbers. That's not great for an operation. That means that they don't—they have a lot of vacancies, but on the flip side we do not budget 100% of salaries for all authorized positions. We budget 93% or you know mathematically we need to calculate the updated percent, but we don't do 100% budgeting, so when that gets off of the budget and it goes up like it has on the other two big funds, that's when you get into a problem. Here, financially, it's a good thing, not operationally, but financially.

Commissioner Kane said so when we don't fund some of these positions so the people that are—who's picking up the load for the empty jobs? **Ms. Kneuvean** said in some cases—I mean there's going to be a thousand answers to that. It depends on the job, it depends on how long it's been vacant, and it depends on some things are just not getting done, some things are getting done less frequently. Let's say you're somebody in Parks that does recreation, and that's an area they have a hard time hiring people and keeping people and so they've had to adjust their hours of operation down because they don't have staff to actually cover it, so nobody's picking it up. It's that we're providing less service in that case. That's a thousand answers, so sometimes people are—**Commissioner Kane** said and some of the answers are the people that are there have to carry the load. **Ms. Kneuvean** said that's very true. **Commissioner Kane** said I guess that's my frustration with not filling some of these jobs. If you're the guy there, there's a guy between me and Reggie and he's no longer there, then you get some of his job and I get some of his job and that leads for piss poor attitudes at work. So, those are things that we need to think about that we're having our employees pick up the slack in certain areas or we're providing less services.

Ms. Kneuvean said one of the things that we're doing to start addressing this, how we budget personnel, is David as the County Administrator, looked at all positions that have been vacant three years or more. If you haven't needed it in three years, it needs to go away, come off the list and if you do need it, then you reapply for it, so that was done a couple years ago. This last year we did a similar thing. We looked at everything that was two years or more vacant positions and we cut over 100 of those across funds. Again, it was they haven't been filled, so we're either not providing the service, and you're 100% right. You know I can say—I mean, gosh, Pam could account for a great example of paperwork. When you have so many bills to pay and you have vacancies in Accounting, you don't get to say I'm not going to pay the bills. You just have to get them paid. You have to get the work done, so you are 100% right.

One of the discussions we've been having is how do we dig out of this. Let's look at the list of here's all the positions that we have authorized and let's look at the ones that we really can eliminate so that we can get closer to 100%. We need to budget because we don't have the money, we don't have extra resources, we have a lot of needs, competing needs, so we've got to right size our authorized strength. Right size from a revenue perspective. That doesn't necessarily mean that's right size from operational and that's where these detailed discussions are happening with the County Administrator's Office on literally—and HR budget position by position. Trying to get to it is a goal, but it will take time. It'll take years, several years, to what I say dig out of to get closer to 100%. We need to have less authorized, more filled, and we need to have the budget appropriate and so those compete with everything else we're doing.

I've said this before and, you know, we don't have to get to 100%, but the positive thing of budgeting 100% of your budgeted authorized positions is that we do know that there is turnover. We know that happens and so you know you will have soft savings every year, but you're never going to overspend. You're not going to have this problem because you've already budgeted for in case you got to 100%, but then at the end of the year you have soft savings. Soft savings you track it, you account for it, it goes to fund balance. That money is then available for one-time expenses. It can either be if we aren't to where we need to be for our fund balance or once you get there, and we're there in a lot of places, not in some, but that's money you can use for a capital project. You can use it for CIFI, you can use it for whatever a need is because you have soft savings. You know you're going to have soft savings, you just don't know how much and so how we're budgeting is kind of betting on the cup. We've already given it away before it happened and then it didn't happen and we're overspending, so it's compounding our budget problems. If we can dig out of that over a few years and just go through the hard process of vacant positions, not talking about any filled positions, of figuring out what we can live without and try to get closer to 100%, that's going to provide so much more—well, first of all, it's better financial stewards and we will be so much more sustainable, but it's so much more opportunity for the Commission. It's just a matter of it takes time to get there.

EXHIBIT A, SHEET 4
STATEMENT OF REVENUES AND EXPENSES
DEDICATED SALES TAX
YTD SEPTEMBER 30, 2024

	ADOPTED FISCAL YEAR FY 2023	YEAR END ESTIMATED FY 2023*	YEAR END AUDITED FY 2023	ADOPTED FISCAL YEAR FY 2024	AMENDED FISCAL YEAR FY 2024	YTD ACTUAL 9/30/2024	YTD ENCUMBERED 9/30/2024	YTD ACTUAL & ENC 9/30/2024	AMOUNT REMAINING	PERCENT USED ACTUAL TO BUDGET
Operating Revenues:										
Taxes										
Sales & Use taxes	$ 12,596,918	$ 13,361,990	$ 13,361,990	$ 13,787,000	$ 14,366,000	$ 9,937,797	-	$ 9,937,797	4,428,203	69%
Intergovernmental			-	-	-	-	-	-		
Fines Forfeitures and Penalties			-	-	-		-	-	-	
Miscellaneous	10,500	2,508	2,508	10,500	10,500	179,748	-	179,748	(169,248)	
Total Operating Revenues	**12,607,418**	**13,364,498**	**13,364,498**	**13,797,500**	**14,376,500**	**10,117,545**	**-**	**10,117,545**	4,258,955	70%
Operating Expenses:										
Salaries & Benefits	$ 5,439,279	$ 5,352,042	$ 5,352,042	$ 5,984,813	$ 5,954,510	3,956,508	-	3,956,508	$ 1,998,002	66%
Contractual Services	1,262,028	982,483	1,116,817	1,304,383	1,308,653	865,826	78,653	944,479	364,174	72%
Commodities	356,329	533,665	463,702	1,162,974	1,158,704	765,521	92,227	857,748	300,956	74%
Capital Outlay	6,280,900	2,448,025	2,552,894	7,541,900	7,571,900	5,401,441	448,052	5,849,493	1,722,407	77%
Transfers Out		-	-	1,014,000	1,014,000	-	-	-	1,014,000	0%
Total Operating Expenses	**13,338,536**	**9,316,215**	**9,485,455**	**17,008,070**	**17,007,767**	**10,989,296**	**618,932**	**11,608,228**	5,399,539	68%
Increase/(Decrease) in Net Revenue	**$ (731,118)**	**$ 4,048,283**	**$ 3,879,043**	**$ (3,210,570)**	**$ (2,631,267)**					
ACFR FUND BALANCE		**$ 17,105,656**	**$ 14,325,356**	**$ 11,114,786**	**$ 11,694,089**					
DIFFERENCE			**$ (2,780,300)**						10/23/2024	

Page 4 of 4

I know we've gone over an hour and I still have two other quick sections of this report, so the last one is a Dedicated Sales Tax. We chose to highlight this one. It's technically not considered a major fund, but because it funds big parts of our operations this is used for Public Safety and also Infrastructure. It was a Dedicated Sales Tax. There's narrative that describes that and how those monies are shared between those areas, but just big picture on this '23 you had—again, I have not tried to try to figure out the '23, before '23. But when the budget was adopted we thought we were dipping into our fund balance. When we estimated and in updates we saw we were getting a little tiny bit more on revenue, but we were going to spend a whole bunch less and it's capital and that's a big part of what comes out of here is infrastructure for Public Works. So, we were going to spend less and then Year-end Audited was close to what we thought, so again, that is what we would have been building future budgets on.

Then, for the Adopted, we were—now, we had too big of a fund balance because we didn't do those capital projects, so now we had this big fund balance and so you'll see in '24 then we're trying to catch up. We're going to do some capital projects and you'll see that the Capital Outlay goes from 2.5M in '23 Year-end up to 7.5. That's because we're like turning on the gas. We're putting our foot on the pedal to get some stuff done and essentially that hasn't changed except for the revenues coming in better, which is a good thing. This is sales tax and so that's coming in better and so that changes the bottom line to the positive, but again, we were funding stuff from you know using some of our fund balance appropriately because we didn't need a fund balance there as big as we had.

Commissioner Bynum said on this one, Dr. Kneuvean, can you tell us this is the Dedicated Sales Tax for Police, Fire and Infrastructure. Is that right? **Ms. Kneuvean** said yes. **Commissioner Bynum** said is it basically a third, a third, a third, I can't remember. **Reginald Lindsey, Budget Director,** said that is correct. **Commissioner Bynum** said what's the percentage of the sales tax. **Mr. Lindsey** said three-eighths cents. **Commissioner Bynum** said it's a three-eights cent comes to the city side of the budget. **Mr. Lindsey** said it's a city fund. **Commissioner Bynum** said and we've got a fund balance of $14M in it. **Ms. Kneuvean** said not now. Look at '24 because now we start using some of that fund balance. It was too much and so then in '24 we have a big jump in Capital Outlay Infrastructure, so we're—there were some projects that were planned that weren't done and so now they're picking that up and it's how the projects are tracking forward. **Commissioner Bynum** said so I guess I'm just trying to understand the philosophy of having very much fund balance at all in a fund like this. Am I reading it correctly in looking at '24 that we're looking at 11M? **Ms. Kneuvean** said yes and for the Infrastructure part, that's capital, but I will say for the Public Safety part a lot of that is people if I'm correct. I'm 99% sure I'm right. **Commissioner Bynum** said okay. **Ms. Kneuvean** said and so with that it's kind of this hybrid fund. It's kind of—because over in the City and the County General Funds, that funds a bunch of personnel, two-thirds of this is funding personnel. Again, it's no different in terms of managing that personnel cost, so it's a good discussion to have and we should have it as part of the budget process, what should that fund balance be because it doesn't necessarily need to be the same as the County, City General Funds.

Commissioner Ramirez said that was going to be my question, what's the percentage of the fund balance because I know we in our reports we have what's the percentage, what is the Dedicated Sales Tax at? **Ms. Kneuvean** said oh goodness, you know that's a hard question because of how we've spiked up on the expenses for '24. **Commissioner Ramirez** said if you don't have that information right now, that is fine. **Ms. Kneuvean** said it's really high. **Commissioner Ramirez** said I would like to know just for my brain what's that percentage of the fund balance. **Ms. Kneuvean** said right, yep and some of this also—I mean it really does relate to how we've tracked projects and how we roll forward funds and we don't have a really clean process for that quite yet through the two different systems. We have an accounting of everything, but whether or not we're picking it all up in the budget document like we should, we just got to tighten that up, especially Infrastructure. Infrastructure is not going to ever be one and done in a year. It takes a couple years. You got to design it, you got to build it and so how we roll forward those funds because they're previously approved for that project and we need to come up with a good clean consistent methodology for projects and that was really challenging because I will tell you in the new system we're still cleaning up and tagging projects so that it's in the new system we can compare it. We've got a list that keeps track of all of it in the budget, Questica, that other system, but getting the Workday system clean, if you will, so it gets picked up in this stuff is part of our task that's underway, but there's still work to do.

Mayor Garner said just in line with Commissioner Ramirez and Commissioner Bynum, I apologize, we have a fund balance in that police infrastructure, correct? **Ms. Kneuvean** said yes. **Mayor Garner** said how much is that going looking forward. **Ms. Kneuvean** said for Amended Budget we're showing 11.7M for '24. **Mayor Garner** said the only clarity I need, has that money been dedicated or targeted? No, so it's a fund balance, but it's coming from a sales tax that's supposed to be used for those three specific purposes and as we budget I guess clarity for me, hopefully for the Commission, is why not especially when we have shortfalls in other areas of our budget. When you talk about those needs from Public Safety and our Infrastructure, you would think that would be a net neutral balance because we would spend it all because it would already be allocated to projects or personnel or whatever the case may be so it would be balanced as opposed to not a net balance of a budget. Does that make sense? **Ms. Kneuvean** said yes. **Mayor Garner** said I guess I'm looking for—the question is, what do we need to do as—or what does the Commission need to do to help you better allocate these dollars to areas to where they can be better utilized to shore up our budget in a way that doesn't cost or cause as much of the red that we've seen or the challenges that we're seeing in our budgets moving forward, if that makes sense. **Ms. Kneuvean** said what you're not seeing here is '25 Budget because this is a financial report for '24, so part of what we need to do and we will do, this is this whole cash versus ACFR reconciliation. I honestly didn't pull it because we were trying to triple check these numbers, but we need to see did we use some of it for '25 in the fund balance. That's starting point number one. Starting point number two is what's encumbered from prior years versus—remember my CAFR, my ACFR number is not including encumbrances. So, that's why I'm saying the whole project reconciliation is so critical and we have to do that regardless. I mean people need to know and so that will tell you how much really is unrestricted, but this is telling you this is what's not yet spent and we need to say okay, well—and have dialogue. There's some projects that nothing's happened on. Do you still want that project to happen. I mean that's part of the—we need to give you more information so you can make an informed decision, but more to come on that. It is excellent discussion, thank you.

Mayor Garner said I hope—and then Commissioner Kane and Commissioner Ramirez and I think maybe Burroughs have a question in that order, but hopefully in these conversations moving forward, that will come out because I really would like for this Commission to be able to have all the information to make an informed decision. If there's opportunities with that, be it with what we're talking about now with projects that maybe aren't necessary or CMIP projects that we could scrap and maybe use those funds somewhere else or better prioritize with remaining funds that can be used to shore up other areas. I think those options would really need to be brought forward in these meetings with a little more clarity so the Commission can have the information and make an informed decision.

Commissioner Kane said on that sales tax, that can only be used for the three things, right? **Ms. Kneuvean** said correct. **Commissioner Kane** said so we can't take any of that money and move it anywhere else but right there. I want to make sure everyone understood that. Just because like they're flesh right now, they're really not and that's something else because on paper it looks like we're doing good and in reality we're struggling. I just want to remind everybody we cannot take that money for anything else other than what it's designated for. **Ms. Kneuvean** said correct. You can't use it for anything other than it's designated for.

Another point, particularly for this fund, look at the revenues. So from a go forward perspective, we need to clean up our fund balance, so everything that you just said is right on point, but for the ongoing cost, what's our annual plan. It's a third, a third, a third. It's a third for Fire, a third for Police, and it's a third for Infrastructure, so that part is set. We have to do a bit of untangling of the fund balance of where was the underspending, in which one of those categories, not to over complicate it because by and large it's going to be capital, but we have to be able to—we have to tie it out. We've got to tie it out to projects and real numbers for projects that nothing's been done. That does not just apply to this fund.

When I was talking about the schedule and approaching the CMIP discussion differently, part of that is for the whole, looking at all of the projects, all of the funding that's been previously approved and reassessing is that the direction that we still want to go, how far into it are we. You know, just getting that discussion and having that dialogue and so that's a different kind of conversation though than we've had—than we were able to have this last year, which is all I can speak to. I was here, but frankly, because the way the statute reads, we got into this really compressed timeframe and we were very focused on balancing the budget for '25 because of revenue neutral, which is perfectly fine. It just is a compressed timeframe, so some of these other more fruitful, not fruitful, but more robust discussions, we didn't have time, so we need to have those discussions.

Mayor Garner said well, I say that, and I agree with Mike, just what he's saying, but when our Fire Department comes and says they have all these needs, it'd be good to know how much residual may or may not be there so we can shore up some of their fire stations. When our Police Chief tells us that he needs equipment, resources, and stations for our police officers to better function and keep our community safe, it'd be great, the same thing. We've got a plethora of infrastructure projects that really coincide with the CMIP projects. It would be good to know if we have some residual income there. This Commission could then start doing exactly what you said, start highlighting and identifying and prioritizing what those projects can look like or what new projects we could work on with any residual funds that may be there.

Commissioner Burroughs said, Shelley, I'm looking at the budget that you put together for this and it's coming in, roughly I'm going to say you've got it projected 14.1M this year, three-eighths cent sales tax. You divide that by three, basically it's about 4.5M. So, you have 9M goes to Public Safety because there's Police and Fire, 4.5M goes to Infrastructure, 4.5M a year identified specifically for infrastructure, could pay cash for infrastructure that we don't have to bond some of the projects that are out there. And as you stated, commit those funds for projects that may have already been committed, but we need to know that so that 4.5—if we have idle funds setting, we're not providing service, we're taking on additional debt—I know when the Administrator was hired, one of the concerns I had was we put our Public Safety on notice that if this three-eights cent sales tax goes down, we're going to have to layoff personnel because that three-eights cent sales tax covers some of the wages and salaries and benefits of the Public Safety. Those should be in the General Fund so that we can then earmark those three-eight cent sales tax dollars. That $9M that is out there, that we can do just what the Mayor stated, build the police stations, build the fire stations, purchase the equipment that they need to provide the services for the community that they have dedicated themselves to doing.

I think this has really gotten quite complicated, but it's very simple. You divide it three ways. This is the money you have for Infrastructure, identify what you want to spend that 4.5M on and I'm kind of conservative in this approach, but I'm looking at—it was 13.3, then 13.7, and then 14.3, so it's roughly about a half million dollar increase that we've seen every year. So, if we just back that down to 13.5 or 13.750 and give us an opportunity to look at those projects that we could pay cash for on infrastructure and how we can start moving that personnel costs over into the General Fund and those three-eight cent sales tax dollars could go to pay for the things that we've just discussed. I appreciate the update, but I think it's a simplified math is what it is, but I appreciate your patience with me.

Commissioner Ramirez said kind of going off what Commissioner Burroughs said and a side conversation with Commissioner Stites, this sales tax should have just been used for capital purposes. That may have been the original intent, but I think as we go through these the next couple years and trying to rectify a lot of this, I'm sure we can get to the point where the sales tax can just be for capital purposes, for Fire, Police and Infrastructure.

In the narrative it says the sales tax is up in 2030. There's only a few more years left till we have this or unless we put it back to the ballot for the electorate to continue the sales tax or not. I would rather behoove us to figure it out and get it fixed before that deadline comes so that we can show that it is being used for good purposes and what it should—its original intent.

Commissioner Burroughs said and that's the concern I have is that sales tax is not guaranteed. That three-eight cent, if the public chooses not to support it, it would be respectful for us to ensure that we have the money in the General Fund for those salaries. By putting that money in the General Fund for salaries, we start pulling that—it's just a money shift even though it is—we put it in one fund and back it out of another. We don't pull money out of our Capital Fund to fund a fire station because now we have the 4.5M that is supposed to go to Public Safety out and use that money. I know that you, CFO, and the Administrator, this was one of the things that concerned me greatly when the previous administration wanted to put that back on the ballot that if it went down, then we were really cheating ourselves. It should be funded as much as we possibly can through General Fund, plus it stabilizes the workforce.

Mayor Garner said with the sales tax initiative, I know it was for those three areas, was there anything in the particulars of that that the voters passed that was specific that those funds could only be used for within the guidelines of each, you know, Fire, Police, Infrastructure. I mean was there something that boxes us in? I'm not really sure. **Mr. Lindsey** said some of the things that the voters were told is that it would pay for 25 police and 25 firemen that would be paid for from and then infrastructure for like Public Works. Also, when it was passed, the Machinery Tax was being phased out, so we were losing that revenue and then also we were coming out of the great recession.

Ms. Kneuvean said the one thing I would add to the conversation is we've got the goal on the personnel trend to start kind of making progress there. Another goal could be looking at and looking back at the ballot language and communicating clearly with people if this was to transition to be more of all capital or police or fire and for infrastructure, that could be a goal for us to then look at how long would it take us to do that. We don't have the room in the General Fund to just do that. We don't spend enough of capital out of the General Fund, honestly, cash capital to just do a swap. You can see it on the other page. We bond everything, so that's part of we have to have the conversation about our debt strategy because we've used that. It all starts interrelating. We've used that to address our capital instead of cash and meanwhile our cash isn't growing in the way that it needs to keep up with the capital and so it's just all these kind of competing goals, but it's a great conversation to have and figuring out, okay, the voters were told 25 police, 25 fire, and the rest of it would be infrastructure or whatever the equivalency of 25 and 25 amount would be. We absolutely have to spend it on Public Safety, I think is how the ballot reads, and Infrastructure.

You have then what other narrative went to the voters and how do we then manage that and it might be part of a strategy frankly as we move forward it's, again, not a quick conversation and I'm not even suggesting this is the right direction. But if we want to take it forward sooner than 2030, that might be an opportunity to look at—we've talked about Fire Department needs, capital needs, $100M more is what they presented to you. We don't have a funding mechanism for that and so that might be part of a bigger strategy. Should it be three-eight cent sales tax, what would it be if we bumped it to a half cent sales tax and we reconstituted it that it would be for all infrastructure and we went back to the voters.

I mean these are the kinds of discussions—they're not quick. We can't just do it on the budget, but it is part of what the kind of discussions we need to be having and so I greatly appreciate it. It could be a goal if there ends up being consensus that we really would like to figure out what would it take to turn this fund into being all capital, which might be part of going back to the voters. It might be part of how do we and we're going to be—our capital needs exceed available revenue and we have a competing goal. We want to have less debt. If you have too many needs and you want to reduce your debt, and you have not enough cash, you have to find a new funding source. A way to do that is to tell the voters—almost borrow the Missouri model, every time they issue a bond on the Missouri side, it goes to the public for a vote.

All the General Obligation Bonds we do here through the Commission, that is all public vote, so you can use that model to say, hey, we're going to bump it to a half cent sales tax and here's what you will get for it and you commit to here's what this money goes for and that's what it really goes for, not people. It goes for infrastructure, it goes for this master plan, it goes for the police, the extra patrol. You know all of those things that have been talked about, so it's just trying to strategically align competing goals.

Commissioner Burroughs said I might ask, Mayor and Administrator, that we have Legal look at the language that ballot initiative had in it to ensure—I think you understood my synopsis that if it's Police and Fire designated, does it have to pay salaries and wages or can it be associated. I mean it gives us some leeway in which to then craft it if we choose to advance it a different way. It may be that we're allowed to do that now, it depends on the ballot. It's been on the ballot twice, so I would ask that the original ballot language be reviewed. The second initiative that went on the ballot, did they just carry it over or was there a change in any kind of verbiage that put it back on the ballot for reupping or reapproving the ballot initiative.

Wendy Green, Deputy Chief Financial Officer, said I'm ahead of you. I already wrote it down, so I will look at it and I will let you all know.

Alan Howze, Assistant County Administrator, said the language was the same from carryover to carryover and part of it says shall be used for the purposes of financing Public Safety operations, Neighborhood Infrastructure Improvements including the construction, repair and maintenance of roads, curbs and sidewalks. That's the sentence. **Commissioner Burroughs** said so it doesn't say like 25 police or 25 fire will be paid out of that. It just says Public Safety. **Mr. Howze** said correct. How it was communicated to the public had 25 and 25 in terms of the people and it's 35% for Police, 35% for Fire, and 30% for Public Works. The language is sort of vague in terms of the ballot. It says Public Safety Operations and Neighborhood Infrastructure Improvements. That's the language, but then in terms of how it was communicated to the voters during that renewal was more specific to the combination of people, Capital and Neighborhood Improvements.

Commissioner Burroughs said so that was just public discussion. That wasn't written within statute. **Mr. Howze** said correct. **Commissioner Burroughs** said got it, thank you.

Commissioner Hill said thank you Shelley for the report and on the first Exhibit A, sheet one, under BPU PILOT, the very last set of taxes says Miscellaneous Taxes. If you go all the way over to the Year-to-Date Actual, well, 9/30/24 was like 3.5, almost 3.5M and then the Actual and Encumbered pretty much the same, but then it has amount remaining almost 12.5M. Could you explain to me what does the remaining mean, where does that go, is it not paid yet? **Ms. Kneuvean** said right, yes. That column for all the revenues are what we haven't collected yet. The odd thing about the Miscellaneous Taxes, and in the narrative I tried to explain this, I hope I did a good job, but this $10M, that's really required for us to budget and we offset it with an expense, so you're not going to ever see it show up in Actuals, but we have to do a Budget-to-Actuals. Now, if our state fund that pays those two bonds for the Speedway was in a different financial condition, it would be real and we wouldn't be able to put the $10M as a revenue. The only reason we do that, to count it as a revenue, is because it's not really because we offset it as an expense so it's net zero, is that the bond documents, how they were written, is we have to show that we have an appropriation for up to $10M. So, what we've done is then looked at the real fund that pays those bonds, okay, there's actually a '99 and 2024 Speedway Bond and then there's a TIF Bond for the Speedway. So, there's these bonds and we've looked at how much money is in there.

It's state sales tax. It's not even our local sales tax. It's 100% state and we have enough money coming in to pay those bonds, so it's not going to happen—it's not going to be triggered because we have adequate revenue, but we have to illustrate it and why we do it this way is because otherwise if we didn't put an offsetting revenue and we just showed the expense, then we'd be like really funding it when we don't need to if that makes sense. You'd have an expenditure with no offsetting revenue. In a way think about it like the offsetting revenue is off in the fund, it's off in this other fund. It's not at all how I'd like for it to be done, but it was what was required by the bond documents and, fortunately, it's very well performing, so it's not going to come into play. But it makes for kind of a strange Budget-to-Actuals because of that $10M variable. You're not going to see it ever in actual revenue or offsetting an actual expense. We're never going to pay that out because we already have enough money sitting in the fund to pay for the rest of the bonds through the end of the term, which is 2027.

In some ways think about it like it's an accounting treatment. It's not—like everything else here is like real revenues, real expenses. This is the one thing that's different and the reason why I felt like it was important to kind of call it out is because it's going to go away and to me I feel like we should be making sure that's in there and what it is because then it all of a sudden is going to go away and you're going to see, well, why's our revenues go down $10M. Well, so did our expenses because it's this thing, it's not really down $10M. We didn't have like a big fall off a cliff on sales tax or something. It's just how we're required to document it, and again, I know it’s confusing. It’s the only thing, by the way, out of all the STAR Bond districts, all the bonds that we have, it’s the only one that was done this way, so it’ll go away here soon.

Commissioner Kane said, Commissioner Burroughs, you were at the Capital when all this stuff went down. When we put that out there we weren’t really thinking about manpower, we were thinking about equipment and stuff like that and fixing the roads. The problem is when we lost all that money, which is a significant amount of money, right away—I mean it just—when it got cutoff, here we are, so the adjustment had to be made to account for some of those expenses. Right, wrong or indifferent Kathleen Sebelius stuck it to us and it’s the gift that keeps on giving and that’s why it's frustrating because we tried to block it and we couldn’t and General Motors George Turner is the one that led the charge to do that, but that’s why that happened. That wasn’t the original goal. All this stuff happened, we had to make some adjustments. In fact, Mayor Reardon and I had to go talk to the Police Department union and ask them not to get a raise for a year so we could keep the people that were in the cadet training.

Mayor Garner said real quick along with that, I hate to get off too quick off the sales tax and I don’t mean this in any kind of way, so don’t take it that way, but I know my first year as Mayor I brought up a sales tax initiative. The Police, Fire, Public Works, Parks, they brought up these ideas to use sales tax at the time and at the time the Commission just didn’t have the energy for it, which is okay, but now here we are and I believe that at least this Commission is open to the conversation with the reality of our financials. I guess for clarity, and maybe this goes to our Budget Director, when we talk sales tax is there a cap or limit by state law how much we can—where are we at in that scale when you talk about our limitations on—I know you said okay, we can take it up to a half cent sales tax, but where are we at on that scale. I mean are we near as far as maxing out our ability to take a sales tax initiative to the public and then if they were to pass it, how much of that capacity for sales tax initiatives do we have left. That’s just the question I have.

Ms. Kneuvean said an excellent question. I don’t know the answer. Do you know, Reggie, off hand? **Mr. Lindsey** said I don’t know the specifics. I know there is a threshold. I don’t know how much—what the gap is that we have where we could get to. **Ms. Kneuvean** said what I was going to say is that we’re taking down some notes and rather than try to answer questions on the fly, to bring this topic back sooner than later including the 11M that’s sitting in the ACFR fund balance because remember some of that's encumbered and we need to look at that and I've got to look at what we end up doing in '25. So at our next conversation that we have depending on how much time we have when we do the next meeting, the ACFR presentation for '23, we could probably by then, it's November 13th, have some of these answers put together in a complete answer. Here's the final, here was the ballot language and Alan's read it, Legal has looked at it and they feel confident, what's the maximum the state allows.

I will say, at least on the property tax side, there's specific language for the Unified Government and how the caps are calculated, so we'll want to just make sure that we take our time and get a good solid answer. This 11.6, how much of it is really unrestricted and what is it restricted for, for the portion that is restricted and is that what we want to do with it or what flexibility do we have. So, we can bring back a whole sales tax discussion, which will be I think timely because right now you've had a piece of our infrastructure needs with the Fire Master Plan, so we have this huge need. You've had other presentations for the needs that we have for the Police Department.

Then, we've got roads and putting our arms around what are our road needs and really thinking about those capital projects from a broad perspective and what are all of our funding options and is there opportunity to reallocate or not. Another goal is how do we move more of our Capital Maintenance Projects to cash, not bonding and that's something that's just not built into the budget very much, so it takes time. So, our revenue is our revenue and then we've got a few things we got to untangle. We've got to dig out of our personnel trend to get closer to 100%, that's an expense, a big one. It's the biggest expense we have. We want to have more capital projects that are funded with cash and we want to look at how do we fund all of these capital needs, so a lot of things and, by the way, how do we reduce debt. It's a challenge and it's going to take time.

Commissioner Bynum said I have looked up Kansas Revenue and it says a city sales tax may be imposed not to exceed 2% for general purposes and not to exceed 1% for special purposes and then a county sales tax may be imposed not to exceed 1% and I thought we might want to look further because I think the real question is what's left of the amount. Like what is our city sales tax and what is our county tax and what's left within the lid. **Mr. Lindsey** said a few people around the room have been saying 10%. **Ms. Kneuvean** said we'll bring back the background, I mean the breakdown.

David Johnston, County Administrator, said I'm going to add another level of discussion. We also use sales tax as an economic development incentive. Now, it probably is divorced from our limitations, but there is an ancillary thing, if you keep using sales tax upon sales tax, could we be having a higher priced environment than our neighbors and, therefore, it's another reason why we have to have these intense discussions because we can't make decisions in a vacuum based on solely one issue. I think that's one of the rich things I'm hearing coming from this discussion is having before you these issues and the complexities and the overlaps and interrelatedness. As Dr. Kneuvean said, this is complicated and on top of that we are public servants and the discussion about what did the ballot say, how did we market the ballot, what's more important to the public, what was on the ballot, what you said you were going to use it for. We have to be very careful about messaging and we have to bring all that in whenever we discuss things like this. I know we love to have flexibility, but we got to be honest and truthful to our public first and foremost.

Commissioner Lopez said I was looking at your—I've been doing my homework here. I was looking at our portfolio, Argentine Federal, Argentine Federal, Security Bank, Federal, Agency, UMB, such like that. Are these Money Market investments, what are we investing in here? **Ms. Kneuvean** said if we're done with the Budget to Actuals, let's go right to the Cash and Investment section.

EXHIBIT B							
UNIFIED GOVERNMENT OF WYANDOTTE COUNTY AND KANSAS CITY, KANSAS							
BANK BALANCES & INVESTMENTS PER GENERAL LEDGER							
YTD SEPTEMBER 30, 2024							
			Date	**Date**			**Interest**
FINANCIAL INSTITUTION	**FUND NO.**	**FUND**	**Purchased**	**Maturity**	**CHECKING**	**INVESTMENTS**	**Rate**
UMB Operating Cash	2561	Cash	n/a	n/a	$ 122,676,830	$ -	3.520%
UMB Operating Employee Health Ins	9193	Cash	n/a	n/a	$ 17,138,653	$ -	3.520%
Commerce Bank	n/a	Investment Certificate of Deposit	9/17/2018	12/3/2024		$ 5,000,000	0.935%
Commerce Bank	n/a	Investment Certificate of Deposit	9/17/2018	12/3/2024		$ 5,000,000	0.935%
Commerce Bank	n/a	Investment Certificate of Deposit	9/17/2018	12/3/2024		$ 5,000,000	0.935%
UMB Bank	n/a	Investment Certificate of Deposit	3/22/2023	3/22/2025		$ 5,000,000	4.110%
UMB Bank	n/a	Investment Certificate of Deposit	3/22/2023	3/22/2025		$ 5,000,000	4.110%
Argentine Federal Savings	n/a	Investment Certificate of Deposit	8/9/2024	8/9/2025		$ 235,000	5.110%
Argentine Federal Savings	n/a	Investment Certificate of Deposit	9/11/2024	9/11/2025		$ 5,000,000	4.875%
Security Bank of Kansas City	n/a	Investment Certificate of Deposit	9/11/2024	9/11/2025		$ 10,000,000	4.200%
Commerce Bank	n/a	Investment Certificate of Deposit	12/3/2021	12/3/2025		$ 5,000,000	1.120%
Commerce Bank	n/a	Investment Certificate of Deposit	12/3/2021	12/3/2025		$ 5,000,000	1.120%
Commerce Bank	n/a	Investment Certificate of Deposit	12/3/2021	12/3/2025		$ 5,000,000	1.120%
Commerce Bank	n/a	Investment Certificate of Deposit	12/3/2021	12/3/2025		$ 5,000,000	1.120%
Capital Federal Savings	n/a	Investment Certificate of Deposit	12/3/2021	3/26/2026		$ 10,000,000	4.400%
Agency	n/a	Investment	9/11/2024	6/17/2025		$ 9,728,005	4.300%
Agency	n/a	Investment	7/6/2022	6/20/2025		$ 4,999,297	2.820%
US Treasury	n/a	Investment	7/6/2022	6/30/2025		$ 9,272,663	2.810%
US Treasury	n/a	Investment	10/5/2023	9/15/2025		$ 4,856,215	5.070%
US Treasury	n/a	Investment	7/6/2022	6/30/2026		$ 18,546,778	2.820%
US Treasury	n/a	Investment	7/6/2022	2/26/2027		$ 4,991,450	4.500%
US Treasury	n/a	Investment	7/6/2022	3/20/2028		$ 4,981,850	4.350%
TOTAL					**$ 139,815,482**	**$ 127,611,258**	
						$ 267,426,740	

Page 1 of 1

Here is a list. This is a document that you haven't seen before. When we've been giving you the quarterly updates we've been giving you what changed in the quarter, okay, what was the change. This is our full portfolio. This shows you how much cash we have in the bank as of 9/30 because it changes every single day and how much we have invested in Certificates of Deposit and how much we have invested in Agency or US Treasuries. We are only allowed by state statute—in the narrative there's some more explanation that limits the kinds of things that we can invest in by state statute, true for every municipality. There's one other tool that we could use, which is basically a municipal pool that the state manages that we could invest in and we have not done that. We've been able to get better returns doing what we've been doing.

This is a full picture though of our portfolio, so as of 9/30 we had $267M of which $127M at the bottom of that paper is invested, of that 70.2M is in Certificates and Deposits with those various banking entities. We stagger it on purpose and there's some attachments in the document that show you how it's staggered and we're also limited by state law on how far out we can go, but we try to stagger it so that we get the best advantage of the market. You don't get too much for too long and then the market turns good and you're stuck over in something that's not as good, but conversely if you get something good, you want to keep it. There's a balance there and there's a committee and we have an investment policy that the Commission adopts and it'll be coming back before you, you readopt the policy every year and so we have that policy that governs this, we have state statutes that govern this. So, when we have something expire and why the three are in yellow is during this next quarter, so during this quarter—I didn't highlight them in blue like I should have, but there were three that we got purchased and that was because we had others that expired, so we did a competitive bid. We sent out our bid to every single banking entity that has a physical presence in our community because that's what the state law calls out and we also put it out for CDs as well as Agency and Treasuries to see which was better and we also had on there different terms to see which was going to be the best combination of those factors.

So, we had three that expired. We then renewed them. In all cases we renewed them for essentially a year and then we've got three more that are coming up that are going to expire basically, 15M total, during the next quarter, so we'll do another competitive bid process. So, that's the composite of our portfolio. Does that give you the answers—**Commissioner Lopez** said yeah because I was just asking—I mean I didn't know what all we can invest in because I have some money in some money markets and they're okay, but the more lucrative on my returns are from like virtual reality stocks like Metaverse and just other things. Those returns are just Medad and I didn't know if we could—I mean there would be way more lucrative investments.

Ms. Kneuvean said in the narrative I referenced the state laws, so you can take a look at them if you want. **Commissioner Lopez** said I believe you. I mean I know you're not going to get us all thrown in jail. I understand that. **Ms. Kneuvean** said I understand your point too. I think the reason why municipalities and local governments are restricted is to limit the risk because we're stewards of other people's money. This is not our money. This is other people's tax dollars and so these are the most conservative tools really. They're guaranteed. Once you enter into an agreement for a CD, you're going to get that return.

In the private university arena that I worked in for an endowment, we invested a third of our portfolio in private equity. It was incredibly lucrative, but it's also very risky and we had three sophisticated advisers that were advising us on very specific funds and there's a price to pay for that, but you're right, it can be very lucrative. The reason why public entities are limited is that it's intended to be conservative, it's intended to be risk adverse and so we are limited and it's essentially called out in state law. **Commissioner Lopez** said I get it. I understand that and me personally—I mean I'm not going to put money in a dead horse either because I bought in when this was penny stocks and now they're I think 1,100 a share or something and it's crazy, but I get it.

Ms. Kneuvean said another thing we're forbidden to do is mortgage back securities, which I think is interesting, but the reason for that I'm sure has to do with Fanny Mae and Freddie Mac and what they were doing back in the 2008 kind of time period and they were putting people in loans they really couldn't afford. There was a huge foreclosure, Reggie mentioned it earlier in terms of the financial crisis, the housing crisis. So, even though that's a quasi-governmental agency that's highly regulated, because of what happened we are specifically not able to do more mortgage backed securities which are typically government insured, but because it's all based on whether or not the lender—you take it down to the details because they package them all up into billions. But the lender giving a loan to a person that could afford the loan and was the amount of the loan how much is really collateralized with that house. It just anecdotally—I actually was working at Fanny Mae right before that happened for three years, not doing mortgages, I was doing community development, but it's very interesting to me knowing some about how they operated their operation. It's very different than a local government.

Mr. Johnston said, Shelley, it's been recommended—we've been at it for over two hours. There's a lot of meat. If we could take this chapter that you're about ready to start and attach it to our ACFR presentation, I think that would be a good way to tie this up. Also, what Dr. Kneuvean was talking about, there's an excellent movie that talks about it and I'll find out what it is, but it really showed how risky it was. And the second thing is, the reason why states have limited where local governments can put their money is you had things like Enron, you had things like mortgage backed securities where you had flexibility to do that and then they failed and who lost, the citizens of that jurisdiction. So, states came together and said we've got to put a floor and that's what they did.

EXHIBIT C

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY AND KANSAS CITY, KANSAS
DEBT SUMMARY
YTD SEPTEMBER 30, 2024

Debt Issuance		Original Principal Issued	Balance P/I 12/31/2023	Payments FY24 P/I Amount	Balance P/I 12/31/2024	Payments FY25 P/I Amount *
Capital Lease Obligations		$27,125,856	$18,956,342	$3,493,096	**$15,463,246**	3,772,384
City Regular GO Bonds	1	$338,873,968	$323,216,706	$29,513,739	**$293,702,967**	30,598,022
City Sanitary Sewer Bonds		$159,751,176	$182,326,247	$10,859,515	**$171,466,732**	12,229,879
City State Revolving Fund		$19,890,000	$13,814,347	$1,201,248	**$12,613,099**	1,201,248
City Stormwater Bonds		$27,676,865	$25,956,892	$1,966,728	**$23,990,164**	2,048,794
City Levee Bonds		$2,060,000	$510,240	$253,240	**$257,000**	257,000
City Public Building Commission		$1,134,600	$383,021	$127,664	**$255,357**	127,760
County Regular GO Bonds	2	$19,754,995	$14,962,073	$1,229,866	**$13,732,207**	2,018,717
County Public Building Commission	3	$54,566,012	$51,980,385	$3,972,305	**$48,008,080**	3,977,394
		$650,833,472	**$632,106,253**	**$52,617,401**	**$579,488,852**	**$56,231,198**
						$3,613,797

1 excludes City GO debt issued for TIF districts paid by the increment generated from the project and debt service payments on joint projects by the UG and BPU paid by electric utility revenue

2 includes new issuance in 2024 for the emergency radio project and vehicles; excludes debt service payments covered by electric utility revenue

3 excludes debt service payments covered by electric utility revenue

Page 1 of 1

Ms. Kneuvean said I do appreciate, we have gone a long time. I'll just point out for you to look at later because it's the start of the debt discussion we will be having soon. It just gives you a picture of all of outstanding debt by type. We have 650M. Our annual payments are 52.6, okay, without issuing any new debt because we issued debt, but there's like a year delay and when they start paying principal and interest, our payments had to go up in '25, so they went up by 3.6M and you might remember we were talking about that. Without issuing debt, our payments are going up.

I only say take a look at that because that gives you the foundation for when we start having the debt strategy.

Mayor Garner said I think that's a good segue into the next meeting. Thank you staff, thank you Administrator, you all have done such a great job. This is going to be an ongoing conversation moving forward until we get to the August 2025 date for our Commission. I'm seeing that. I would just have a recommendation, Chief Financial Officer, as we look at our debt I think some of the things that I would like brought forward as well is what does that debt picture look like, who do we owe, when does that drop off, how are we budgeting moving forward as things drop off and that includes CMIP projects as well. I think that would be really of value to the Commission as well, as well as the development agreements, when those drop off as well and how that plays into future revenues that might be available for the Commission to make a decision on how best you utilize, but thank you all again. Commission, thank you for your time. If you'd like to have more of these—(Commissioner Kane was inaudible). **Mayor Garner** said I hear you Mr. Kane. If you need more, let me know, let my office know or the Administrator and we can. I know we said once a month, we might need to get to a point to maybe we're doing at least two a month and I think that'd be of value to get through everything because you could have these budget conversations for hours and really not get down to the meat and potatoes, but thank you all again.

The Administrator did make a point. He said our debt is less than BPU, so we're doing something right. It got quiet.

Action: Commissioner Kane made a motion, seconded by Commissioner Stites, to adjourn. Roll call was taken and there were seven "Ayes," Burroughs, Ramirez, Hill, Kane, Lopez, Stites, Bynum.

MAYOR GARNER AJOURNED
THE MEETING AT 7:05 p.m.

Monica L. Sparks
Unified Government Clerk

dt