ECONOMIC DEVELOPMENT AND FINANCE
STANDING COMMITTEE MINUTES
Monday, June 3, 2024

The meeting of the Economic Development and Finance Standing Committee was held on Monday, June 3, 2024, at 5:02 p.m. The following members were present: Commissioner Burroughs, Chairman; Commissioners Stites, Burns, Lopez, and BPU Board Member Wakes. Commissioner Townsend was absent. The following officials were also in attendance: Andrea Vinyard, Deputy Treasurer; Jeff Conway, Assistant Counsel; and Brittnie MacDonald, UG Clerk Office.

Chairman Burroughs said before I call the meeting to order, I want to announce that some committee members, staff, and the public are attending remotely via Zoom as well as on-site. All participants joining by phone should mute their phones when not speaking to avoid background noise. When speaking, please speak directly into the microphone to ensure everyone listening is able to hear your comments and to ensure a clear record is made. During the meeting, please make sure that you announce yourself by name and title every time you speak so the public that is observing knows who is speaking. This is critical given the number of remote participants and is the current guidelines from the Kansas Attorney General. The public is allowed to participate by Zoom or submit comments by email prior to the meeting. Those comments will be included in the record of this meeting. The public may also indicate their intent to provide remote public comments by contacting the Clerk's Office by 5:00 p.m. the Thursday before the meeting. The public also will have an opportunity to provide brief comments either by telephone or via Zoom from the 5th Floor Conference Room of the Municipal Office building. Public comments will be allowed during each agenda item, and they should be limited to the item at hand and per the Commission Rules of Procedure. They should not include any rude or derogatory remarks, reflections as to integrity, abusive comments and statements as to motives and personalities.

Chairman Burroughs called the meeting to order. Roll call was taken, and all members were present as shown above.

Chairman Burroughs asked if there were any revisions to tonight's agenda. **Brittnie MacDonald, Clerk's Office,** said there are no revisions.

Approval of standing committee minutes from March 6, 2023. **On motion of Commissioner Burns, seconded by Commissioner Lopez, the minutes were approved.** Roll call was taken and there were five "Ayes," Wakes, Lopez, Burns, Stites, Burroughs.

COMMITTEE AGENDA

Item No. 1 – 21112...PRESENTATION: FIRST QUARTER 2024 INVESTMENT REPORT
Synopsis: A presentation of the First Quarter 2024 investment report.

Chairman Burroughs said I will recognize Andrea Vinyard our Deputy Treasurer for the presentation and remarks.

Andrea Vinyard, Deputy Treasurer, said here to report on the First Quarter 2024 Investment Report, period of January 1 through March 31, 2024.

Key Metrics
- Avg Yield – 3.47%
- DTM – 162 days, down from 186 in Q4-2023

Portfolio Components
- Cash – 61%
- Invested – 36%

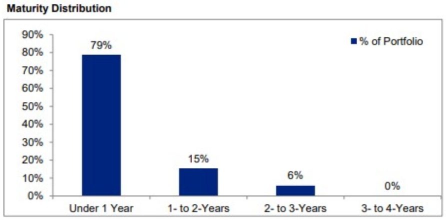
Unified Government of Wyandotte County and Kansas City, Kansas
Investment Portfolio Compliance Report
March 31, 2024

Investment Summary - Aggregate Portfolio By Type of Investment

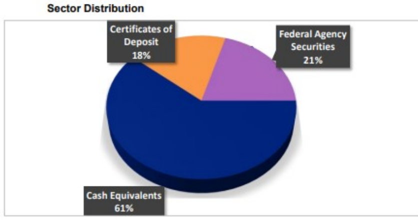
Security Type	Original Cost	Market Value[1]	Amortized Cost[2]	% of Portfolio	% Permitted by Policy	In Compliance	Weighted Days to Maturity[3]	Weighted Average Yield[3]
Property Tax Held for Entities[4]	$5,514,212	$5,514,212	$5,514,212	na		✓	-	4.02%
Cash Equivalents	$201,071,788	$201,071,788	$201,071,788	61%	100%	✓	-	4.02%
Total Liquidity	$201,071,788	$201,071,788	$201,071,788	61%			-	4.02%
Certificates of Deposit	$60,470,000	$60,470,000	$60,470,000	18%	100%	✓	458	2.41%
Federal Agency Securities	$67,511,869	$67,382,257	$67,512,572	21%	50%	✓	380	2.77%
Total Securities	$127,981,869	$127,852,257	$127,982,572	39%			838	5.18%
Total Portfolio	$329,053,657	$328,924,044	$329,054,360	100%			162	3.47%

1. Market values provided by UMB Bank, Third-Party Safekeeping Custodial Agent. Recorded at time of settlement to reflect holding investments to maturity.
2. Amortized cost is the original cost of the principal of the security adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report.
3. Averages shown are weighted averages calculated based on original cost. Average maturity is shown as days.
4. Property Tax collections temporarily held by the County on behalf of other governmental entities is not a part of the Unified Government's cash and investment value. The cash being held in trust is presented here for informational purposes.

Maturity Distribution



Sector Distribution



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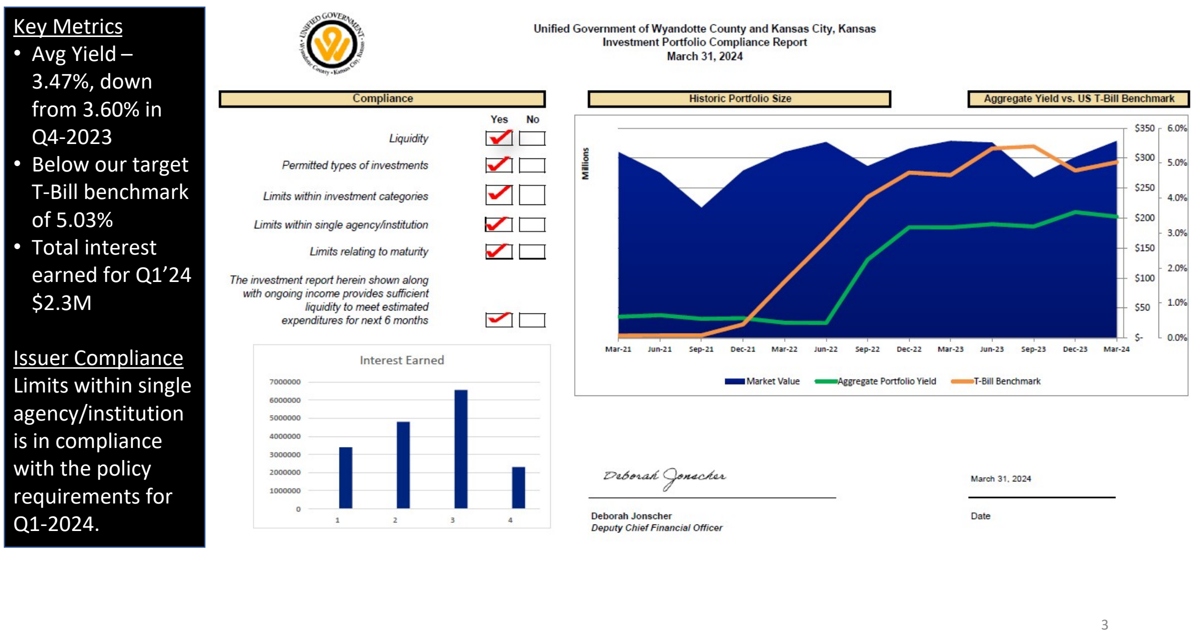
Few Key Metrics. Average yield was at 3.47, sitting at 162 days to maturity, which has gone down since Quarter Four of 2023. The portfolio stands at 61% in cash, which is about $201 million, and then the remaining amount, about $127 million, is going to be in the CDs and agencies that we have for our investment portfolio, totaling about $329 million in total. A little bit else, the maturity distribution, most of the investments are sitting in the less than a year. Then we've got 15% in one to two years, and 6% in two to three years.



Like I said in the prior slide, the average yield was at 3.47, which did go down as well from Quarter 4 at 3.6, still remaining underneath the target T-bill rate, which was at 5.03 as of Quarter 1 of `24. Total interest earned for the First Quarter is $2.3 million.

Types of securities in our investment portfolio?

Of the $329 M total, $60 M or 18% - CDs fully collateralized per investment policy and State Statute $67 M or 20%- US Agencies Securities.

Unified Government of Wyandotte County and Kansas City, Kansas
Investment Portfolio Compliance Report
March 31, 2024

Issuer Detail - Aggregate Portfolio by Issuer

Issuer	Original Cost	Market Value[1]	% of Portfolio[3]	% Permitted by Issuer	In Compliance[3]	Weighted Average Maturity Days[2]	Weighted Average Yield[2]
Property Tax Held for Entities[3]	**5,514,212**	**5,514,212**	**na**	**See note 3**	✓	**0**	**4.02%**
UMB, Wyandotte Operating	187,994,788	187,994,788	57%	25%	✓	0	3.76%
UMB, Wyandotte Health	13,077,000	13,077,000	4%	25%	✓	0	0.26%
Cash Equivalents	**201,071,788**	**201,071,788**	**61%**		✓	**0**	**4.02%**
Argentine Federal Savings	235,000	235,000	0%	25%	✓	1	0.02%
Capitol Federal Savings	10,000,000	10,000,000	3%	25%	✓	120	0.73%
Commerce Bank	35,000,000	35,000,000	11%	25%	✓	264	0.60%
Community First Bank of Kansas City	235,000	235,000	0%	25%	✓	1	0.02%
UMB Bank	15,000,000	15,000,000	5%	25%	✓	73	1.04%
Certificates of Deposit	**60,470,000**	**60,470,000**	**18%**		✓	**458**	**2.41%**
US Treasury	67,511,869	67,382,257	20%	*50% of total portfolio*	✓	504	3.65%
Federal Agency Securities	**67,511,869**	**67,382,257**	**20%**		✓	**445**	**3.25%**
Grand Total	**329,053,657**	**328,924,044**	**100%**			**162**	**3.47%**

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And as far as the type of securities we have in the investment portfolio, we've got about $60 million showing for CDs, which is about 18% of that portfolio. Then we have $67 million, or 20% that are sitting in US agencies totaling $329 million.

What transactions occurred in Q1 2024?

Unified Government of Wyandotte County and Kansas City, Kansas
Investment Portfolio Compliance Report
1st Quarter 2024 - January 1, 2024 - March 31, 2024

Quarterly Transactions Detail - Aggregate Portfolio

Settlement Date	CUSIP	Issuer	Coupon	Maturity Date	Par	Original Cost
Thru Q1	NA	UMB, Wyandotte Operating	4.020%	3/31/2024	18,992,725	18,992,725
Thru Q1	NA	UMB, Wyandotte Health Reserve	4.020%	3/31/2024	3,201,000	3,201,000
Cash Equivalents					**22,193,725**	**22,193,725**
3/26/2024	2731276265	Capitol Federal Savings	4.400%	2/26/2026	(10,000,000)	(10,000,000)
3/26/2024	3130AL548	Mischler Financial Group Inc	4.500%	2/26/2027	(4,991,450)	(4,991,450)
3/26/2024	3133EP5SO	Oppenheimer & Co. Inc	4.350%	3/20/2028	(4,981,850)	(4,981,850)
Purchases					**(19,973,300)**	**(19,973,300)**
10/5/2023	912797FW2	US Treasury	5.488%	1/4/2024	9,865,384	9,865,384
3/22/2023	24350711020	UMB Bank	4.600%	3/22/2024	5,000,000	5,000,000
Calls/Maturities					**14,865,384**	**14,865,384**
Total					**17,085,809**	**17,085,809**

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Then I wanted to kind of go over—there was some activity that we did do in Quarter 1. We had two items mature. Just going to be there at the bottom. We had a treasury that was more of a long-term from October of `23, along with another maturity, which was a CD from UMB Bank that also matured. About $14, $15 million came in, but we also put out about $20 million. We did an investment block, and we had three different solicitations when Capital Federal came back into portfolio, they've been not on the portfolio for a few years, then we had two agencies, Mischler and Oppenheimer, with investments as well. We did a stagger approach, so we kind of did a few, it was 2026, 27, and even used our expanded powers, which we have not done in a while, and went out to 2028. And the overnight, I wanted to point out, is still maintaining strong at 4.02. I do watch that pretty residually just to kind of make sure it adheres to our contract along with kind of where the rates are as a whole. With that I believe that is my presentation for the evening.

Chairman Burroughs said any questions, committee?

Commissioner Lopez said when you say T-bills, you're talking about Treasury Bonds, is that right? **Ms. Vinyard** said Treasury. Yeah, Treasury. **Commissioner Lopez** said and then our ROIs, a return on investment. That's our cash out or pay out, right? **Ms. Vinyard** said say that again. I'm sorry. **Commissioner Lopez** said are there ROIs? **Ms. Vinyard** said the return on interest? Yes. **Commissioner Lopez** said okay, I just wanted to make sure. **Ms. Vinyard** said yeah. Thank you.

Chairman Burroughs said anyone else? Any questions?

Chairman Burroughs said Andrea, I do have one. If the 2.3, we're looking at possibly a $9 million in investments this year potential if the return stays, the interest rate stay, at least four? **Ms. Vinyard** said yes. **Chairman Burroughs** said we're looking—that, that's— **Ms. Vinyard** said yes. **Chairman Burroughs** said that's good. **Ms. Vinyard** said like I said, in the First Quarter we were at six last year. We keep projecting forward. That's estimated what I'm thinking we're going to be at. **Chairman Burroughs** said that's wonderful. Thank you. Kudos.

And the next question I would have is on the very front part of your presentation I see the numbers on the total portfolio. The middle number is a little larger than the, or a little smaller than the other two, especially when it says Federal Agency Securities. The numbers don't add up in those three columns. Is there a reason why that middle number on the Federal Securities is different than the—you see where I'm talking on the front page? Down there where it says Federal Security, just above total Securities. The three numbers, $67,511. Then it goes to $67,382, and then $67,512. So, they bounce around there a little bit. Is it because they're not ready to be paid out as a part of the tiering or is there a discount there? **Ms. Vinyard** said there's a discount, heavy discount, and we like to watch a mature—we make sure we're trying to get as much of a discount when we go out for those as we can. And our outside agency, Baker Tilly, also advises of that, so we do watch for the amortization costs and a heavy discount. **Chairman Burroughs** said okay. **Ms. Vinyard** said so, I'm running the market value before I come to you to report what they are right now. **Chairman Burroughs** said wonderful. I anticipated such, but I wanted to ensure. I don't like to take anything for granted. If there's no other questions from the committee—Commissioner Lopez.

Commissioner Lopez said just a real quick question. Oppenheimer, they got hit with some serious, serious fines for record failures. Why are we still doing business with them. **Ms. Vinyard** said it's a great question. I don't think I have the answer for that today, but I would be happy to take that back and talk with the whole finance committee about it. **Commissioner Lopez** said okay.

Chairman Burroughs said well, if there's no other questions from the committee, I'll ask the Clerk if there are any hands raised in public that wish to speak. **Ms. MacDonald** said no hands raised online. **Chairman Burroughs** said is there any comments that were received from the public? **Ms. MacDonald** said no comments were received. **Chairman Burroughs** said is there anyone in the audience who wishes to speak to this item? Let the record show no one stepped forward. This is for information purposes only. Andrea, thank you. Appreciate, ladies, for all the information and kudos. $9 million. $3 million more than we had last year. **Ms. Vinyard** said yeah. Have a great night. **Chairman Burroughs** said that's good news. I do like that tiered approach.

Action: For information only.

Item No. 2 – 21151…RESOLUTION: SETTING PUBLIC HEARING (AMERICAN ROYAL DEVELOPMENT PROJECT)

Synopsis: Adoption of a resolution establishing the date and time of a public hearing regarding an Amended and Restated STAR Bond District Plan, a proposed STAR Bond Project Plan for project area 1, and a proposed First Amended and Restated STAR Bond Project Plan for project area 2, all within the existing Northwest Speedway STAR Bond District.

Chairman Burroughs said I'll ask Jeff Conway from our Legal Department for presentation and remarks.

Jeff Conway, Assistant Counsel, said I guess a football analogy would be if the American Royal is a football game, this is just the kickoff. This is just a single play to start the ball rolling. So, there's certain ways you have to do it based on the statute, and depending on if you're pointing towards August 1, you have to kind of move backwards. And so, it would set it up for the hearings, the public hearings, you have to have advanced notice of the hearings. And so, there's publication dates, and so that would put us to about right now. So, this would be approving the setting of the public hearing on the amending of the STAR Bonds District, and the project plan areas one, two, and three, but that's for later. And we've got a lot of discussions ongoing with American Royal right now that you may see later at, probably the July EDF meeting and further steps along the way. So, this just starts the process tonight. And Todd LaSala is here with outside Counsel Stinson. Kevin Wempy with Gilmore and Bell, the Bond Counsel. Developer Counsel I think is here as well, Kevin Lee, Polsinelli. But there's really no heavy lifting tonight. It's just basically this kickoff resolution.

Todd LaSala, Stinson, said I agree. Jeff said this very well. There's a lot of hoops to jump through. There's a lot of process involved in the STAR Bond statute. As Jeff said, we're really trying to get everything in front of the full commission on August 1. In order to do that you really have to start now because you have publications, you have to go to Commission to set a public hearing, that's got to be 30 to 70 days in advance, and there are a couple of publication notices as well, so it's a very long process, we're starting now. There isn't a ton of substance tonight, but we are deep in negotiations with the American Royal about the development agreement. It is our hope that we're going to be back in front of this committee in July with a development agreement and an awful lot more detail about what the deal will be. But in order to try and land these airplanes at the same time, the development agreement as well as the procedural part of this, with all these steps we really had to start tonight. So, Jeff said this very well. It's the advancement of an amendment to our district and a couple of project plans. We're happy to go into more detail if you want, but Jeff's analogy about this being the start of the process is, I think, exactly right.

Chairman Burroughs said committee, any questions? Commissioner Stites. I can't see your hand, so I just want to make sure that if you have any questions, now would be the time to pose them. **Commissioner Stites** said I do not.

Chairman Burroughs said Mr. LaSala, is this to be fastracked to Thursday's meeting? **Mr. LaSala** said no commissioner, it wouldn't. This will come to the, I believe it's your July 27th full commission meeting, and at that point, I'm sorry, June. I'm sorry. My fault. June 27th commission meeting. And it will also head to Planning Commission for a conformance finding before that, but if the committee advances this tonight yet, the full commission will hear it on June 27. **Chairman Burroughs** said no questions from committee? I'll ask the Clerk if there were any comments received from the public. **Ms. MacDonald** said no comments were received. **Chairman Burroughs** said I'll ask the Clerk if any hands are raised by the public who wish to speak. **Ms. MacDonald** said no hands are raised online. **Chairman Burroughs** said okay. Is there anyone in the audience who wishes to speak on this item? Let the record show no one stepped forward. Okay committee, I would now entertain a motion for approval of resolution setting the date and time of the public hearing regarding the STAR Bond Districts for the American Royal development project, and I just want to state this just sets in motion for approval just the resolution for the date and time for the public hearing as they continue to negotiate. **Mr. LaSala** said absolutely correct.

Action: **Commissioner Burns made a motion, seconded by BPU Board Member Wakes, to approve as submitted.** Roll call was taken and there were five "Ayes," Wakes, Lopez, Burns, Stites, Burroughs.

Chairman Burroughs said I will entertain a motion to adjourn.

Action: **BPU Board Member Wakes made a motion, seconded by Commissioner Stites, to adjourn.** Roll call was taken and there were five "Ayes," Wakes, Lopez, Burns, Stites, Burroughs.

Meeting adjourned at 5:17 p.m.

bjs