Economic Development and Finance Committee

Standing Committee Meeting Agenda

Tuesday, January 16, 2018
5:15 PM

Location:
Municipal Office Building
701 N 7th Street
Kansas City, Kansas 66101
5th Floor Conference Room (Suite 515)

Name	Absent
Commissioner Brian McKiernan, Chair	☐
Commissioner Gayle E. Townsend	☐
Commissioner Ann Brandau-Murguia	☐
Commissioner James Walters	☐

I. **Call to Order/Roll Call**

II. **Revisions to January 16, 2018 Agenda**

III. **Approval of standing committee minutes from October 30, 2017.**

IV. **Measurable Goals**

V. **Committee Agenda**

Item No. 1 - PRESENTATION: FINANCE DEPARTMENT SERVICES OVERVIEW

Synopsis: A presentation of the UG Finance Department's services, key performance indicators, personnel and projects, submitted by Kathleen VonAchen, Chief Financial Officer.

For information only.

Tracking #: 171457

Item No. 2 - PRESENTATION: FINANCIAL POLICIES REVIEW
Synopsis: A review of the current UG financial policies and key questions to ask in evaluating the UG's financial performance, submitted by Kathleen VonAchen, Chief Financial Officer.

For information only.
Tracking #: 171458

Item No. 3 - ORDINANCE: AMEND SENIOR CITIZEN REFUND PROGRAMS
Synopsis: An ordinance amending Sections 2-296 and 34-21 whereby eligible senior citizens may apply for 1) the refund of governmental fees or charges on utilities (historically known as the utility tax refund) or 2) the city sales tax refund; not both, submitted by Wendy Green, Assistant Counsel.
Tracking #: 173

VI. **Public Agenda**

VII. **Adjourn**

ECONOMIC DEVELOPMENT AND FINANCE
STANDING COMMITTEE MINUTES
Monday, October 30, 2017

The meeting of the Economic Development and Finance Standing Committee was held on Monday, October 30, 2017, at 5:20 p.m., in the 5th Floor Conference Room of the Municipal Office Building. The following members were present: Commissioner McKiernan, Chairman; Commissioners Walters, Murguia, Townsend, and Walker. BPU Board Member Alvey was absent. The following officials were also in attendance: Doug Bach, County Administrator; Kathleen VonAchen, Chief Financial Officer; Debbie Jonscher, Deputy Finance Director; Lisa Nolan, Cash Manager; Alyse Villarreal, Capital Finance Coordinator; Charles Brockman, Management Analyst; Economic Development; Brandon Grover, Asset Coordinator Manager for Public Works; and Officer Ron Sutton, Sergeant-At-Arms.

Chairman McKiernan called the meeting to order.

Roll call was taken and members were present as shown above.

Chairman McKiernan said the first item up is some revisions to our initial agenda that came out. There was a blue sheet that had the ordinance for Item No. 5 and had the resolution for Item No. 6 so all of that information was put out after the initial agenda. Finally, there was a pink sheet which removed Item No. 7, the Gap Fund Policy. There has been some discussion about whether or not it adequately addressed financing for single-family for sale and we collectively decided that it didn't so we have asked staff to work on some proposals or some perimeter's for including single-family for sale residential in this Gap Fund Policy. Staff is going to work on that and then going to bring that policy for discussion at our December meeting. I look forward to that because certainly we could always use some single-family for sale residential.

Approval of standing committee minutes from September 11, 2017. **On motion of Commissioner Walters, seconded by Commissioner Walker, the minutes were approved.** Motion carried unanimously.

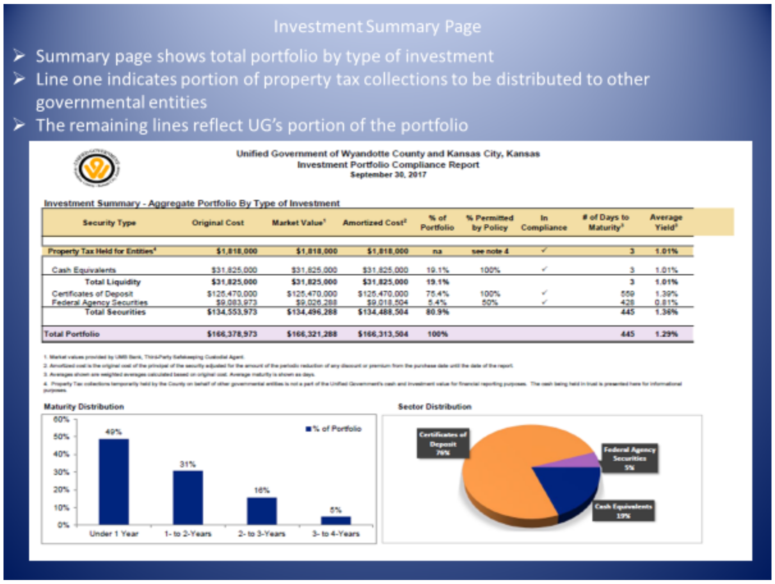
Committee Agenda:

Item No. 1 – 171348…REPORT: THIRD QUARTER INVESTMENT REPORT

Synopsis: Third Quarter Investment Report, submitted by Lisa Nolan, Cash Manager, Treasurer's Office.

Kathleen VonAchen, Chief Financial Officer, said let me introduce Lisa. She's our Cash Manager. She's also the Deputy Treasurer and she's managing our Property Tax Administration Division and also handling the accounting of all of our revenues as well as the investment. I'll hand it off to her.

Lisa Nolan, Cash Manager, said we had a PowerPoint presentation, but it didn't make it down here so everyone has a copy of it. I'm just going to give a report on the Quarterly Investment for the third quarter.



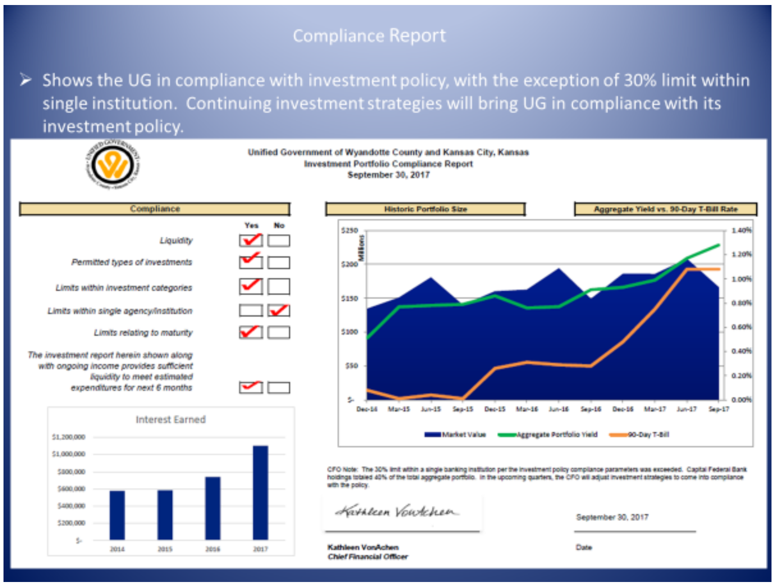
The first page of the presentation is an investment summary page. It just shows the summary of the total portfolio by type of investment.

Chairman McKiernan said we're going to see if we can leverage our technology. I got it attached to an email so shouldn't I be able to forward that email over to that computer. The answer to the question is no, you can't get there from here. We appreciate you bringing copies of it. It's not possible unfortunately to get that up on the computer for everybody to see tonight. That will be posted as part of the minutes for this meeting so you'll be able to review it at a later date. It just underscores the importance of doing our best to get stuff here in time for the meeting.

Ms. VonAchen said I wanted to point out that the PowerPoint actually is four slides which are the four pages of the Investment Report so it's very similar and on top of it the Investment Report will be posted on the Finance Department's website once approved by your body.

Ms. Nolan said as I was saying the first page is a summary of our totals, Total Portfolio by investment. One of the first lines is highlighted that says property taxes held by other entities. That is just property tax collections to be distributed to other entities. The remaining portfolio, the total portfolio line reflects the Unified Government's portion of the portfolio.

I just wanted to point out that the total investment earnings for the portfolio as of the third quarter was 1.36%, compared to second quarter it was at 1.17%. In the first quarter we we're at 1.99% so we have increased which is very good.



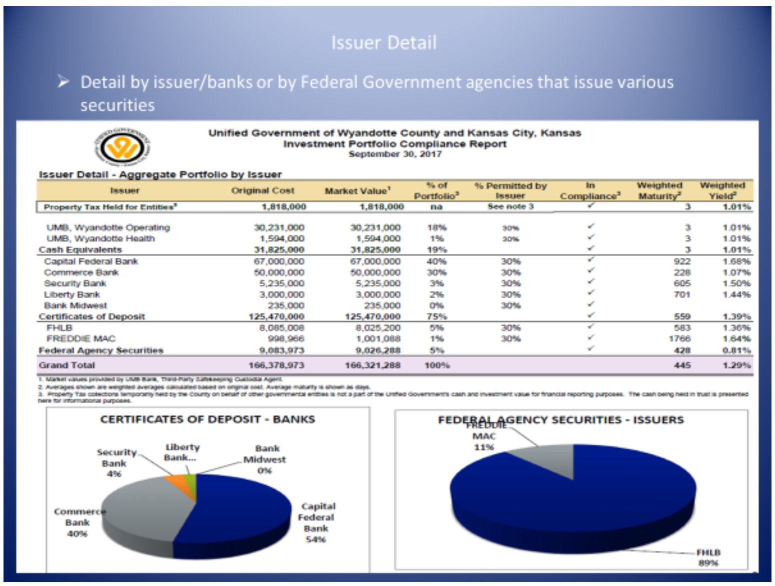
The second page of the report is the Compliance Report. It shows that the UG is in compliance with its investment policy except for with the 30% limit in a single institution as Capital Federal's holdings total 40% of the portfolio. This is mainly due to we recently revised the investment policy and it changed from a 60% limit per institution to a 30% limit. We are working with upcoming investment strategies to bring us into compliance with that portion of the policy.

Since this investment policy, Investment Report, went out we have matured, we've had $8M mature and we have another $7M maturing in the fourth quarter.

Chairman McKiernan said right below the Compliance Report there is bar graph of interest earned and the 2017 Bar is just for three quarters. Is that correct? **Ms. Nolan** said that is correct. **Ms. VonAchen** said we expected at the end of the year to reach around $1.4M. **Chairman McKiernan** said so already in three quarters of 2017 we're about 30% ahead of last year for the full year. That's excellent. Thank you. **Commissioner Walker** asked why is that.

Ms. VonAchen said the reason for that is that the market has improved fixed income interest rates. We were able to invest in those higher rates and now we're holding onto them. I suspect that as we continue to make investments we'll continue to have better investment earnings because the market is just better than it has been in the past.

In addition, there were investments that were entered into several years ago with lower rates and those amounts have matured and we've reinvested them at higher interest rating rates so that's why.


Issuer Detail

➢ Detail by issuer/banks or by Federal Government agencies that issue various securities

Unified Government of Wyandotte County and Kansas City, Kansas
Investment Portfolio Compliance Report
September 30, 2017

Issuer Detail - Aggregate Portfolio by Issuer

Issuer	Original Cost	Market Value[1]	% of Portfolio[3]	% Permitted by Issuer	In Compliance[3]	Weighted Maturity[2]	Weighted Yield[2]
Property Tax Held for Entities[3]	1,818,000	1,818,000	na	See note 3	✓	3	1.01%
UMB, Wyandotte Operating	30,231,000	30,231,000	18%	30%	✓	3	1.01%
UMB, Wyandotte Health	1,594,000	1,594,000	1%	30%	✓	3	1.01%
Cash Equivalents	31,825,000	31,825,000	19%		✓	3	1.01%
Capital Federal Bank	67,000,000	67,000,000	40%	30%	✓	922	1.68%
Commerce Bank	50,000,000	50,000,000	30%	30%	✓	228	1.07%
Security Bank	5,235,000	5,235,000	3%	30%	✓	605	1.50%
Liberty Bank	3,000,000	3,000,000	2%	30%	✓	701	1.44%
Bank Midwest	235,000	235,000	0%	30%	✓		
Certificates of Deposit	125,470,000	125,470,000	75%		✓	559	1.39%
FHLB	8,085,008	8,025,200	5%	30%	✓	583	1.36%
FREDDIE MAC	998,966	1,001,088	1%	30%	✓	1766	1.64%
Federal Agency Securities	9,083,973	9,026,288	5%		✓	428	0.81%
Grand Total	166,378,973	166,321,288	100%			445	1.29%

1. Market values provided by UMB Bank, Third-Party Safekeeping Custodial Agent.
2. Averages shown are weighted averages calculated based on original cost. Average maturity is shown as days.
3. 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 for financial reporting purposes. The cash being held in trust is presented here for informational purposes.

Ms. Nolan said the third page of the presentation is the Issuer Detailed Page. It gives detail by issuer or banks or agencies that issue various securities. The fourth column, again, shows the percentage that each institution has within our portfolio.

Transactions Detail

- List of Transactions during third quarter 2017

Unified Government of Wyandotte County and Kansas City, Kansas
Investment Portfolio Compliance Report
3rd Quarter 2017 - July 1, 2017 - Sept. 30, 2017

Quarterly Transactions Detail - Aggregate Portfolio

Settlement Date	CUSIP	Issuer	Coupon	Maturity Date	Par	Original Cost
Thru Q3	NA	UMB, Wyandotte Operating	1.014%	10/2/2017	(42,911,000)	(42,911,000)
Thru Q3	NA	UMB, Wyandotte Health Reserve	1.014%	10/2/2017	(338,000)	(338,000)
Cash Equivalents					**(43,249,000)**	**(43,249,000)**
7/28/2017	1150008660	Security Bank	1.234%	7/28/2018	235,000	235,000
8/18/2017	66000543	Commerce	1.222%	8/17/2018	1,000,000	1,000,000
8/18/2017	66000543	Commerce	1.320%	2/19/2019	1,000,000	1,000,000
8/18/2017	66000543	Commerce	1.340%	5/17/2019	1,000,000	1,000,000
7/31/2017	1565570771	Bank Midwest	1.360%	7/31/2019	235,000	235,000
8/18/2017	66000543	Commerce	1.370%	8/18/2019	1,000,000	1,000,000
8/18/2017	66000543	Commerce	1.500%	8/17/2020	2,000,000	2,000,000
8/18/2017	66000543	Commerce	1.530%	2/17/2021	2,000,000	2,000,000
8/18/2017	3134G92Y2	Freddie Mac	1.875%	8/17/2021	990,000	990,000
Purchases					**9,460,000**	**9,460,000**
					-	-
2/27/2014	Temp Note	Temp Note 2014-IV	1.100%	8/1/2017	(82,125)	(73,160)
1/8/2015	343007273	Commerce	0.950%	8/11/2017	(7,000,000)	(7,000,000)
9/25/2014	3133EDVU3	FFCB	1.125%	9/22/2017	(1,000,000)	(1,000,858)
Calls/Maturities					**(8,082,125)**	**(8,074,018)**
Total					**(41,871,125)**	**(41,863,018)**

The final page is the transactions that occurred during the third Quarter. If you will notice, we've had $9.4M mature and we've invested a little over $9.4M and we've matured $8.1M basically. Like I mentioned earlier, we have another $7M maturing this quarter. That is my presentation. Does anyone have any questions in regard to this?

Ms. VonAchen said typically in September we do tend to—our collections don't meet our expenditure needs so typically in September we drawdown our portfolio but then it builds back up in the fourth quarter of the year. You can see that trendline if you go to the second page and you see this graph, it shows how the portfolio moves throughout the year for the past few years.

Action: No action. For information only.

Item No. 2 – 171351…UPDATE: STATE CHANGES TO LIHTC PROCESS

Synopsis: Update on how Low-Income Housing Tax Credit (LIHTC) projects will be processed as the result of state changes, submitted by Patrick Waters, Senior Attorney.

Patrick Waters, Senior Attorney, said the Unified Government received notice from the state that they will no longer be requiring a resolution of support from local officials with respect to Low-Income Housing Tax Credits. In fact, under Federal Law, beginning on December 31 the state will be prohibited from considering local resolutions of support. This of course affects our process. We had a LIHTC policy where we had different objectives that we reviewed applications for. That is essentially moot at this point and will no longer be needed. From this point, LIHTC projects really are considered just like any other project to the extent that they request or apply for economic development assistance and we would review that through the ED&F to the extent that they need to go through Planning and Zoning. We would analyze them under the Planning and Zoning factors just like any other application, but we will no longer be doing the resolution of support.

Commissioner Walters asked will they be accepting resolutions of non-support. **Mr. Waters** said no, commissioner, either way. **Commissioner Walker** was inaudible. **Mr. Waters** said that's correct. The state can't accept any—**Commissioner Walters** said any guidance from local.

Commissioner Townsend asked was there any indication how this came about? **Mr. Waters** said there was a 2015 Supreme Court decision, the Texas Department of Housing and Community Affairs is an inclusive communities project. Essentially, it ruled that entities can bring disparate impact claims under the Fair Housing Act and that decision essentially, I believe, led to amendments to the Affordable Housing Credit Improvement Act of last year, which in turn, prohibited states from considering local criteria. I think there was concern that the states were improperly considering some local recommendations or denials and that could lead to litigation under the Fair Housing Act so essentially, they just did away with it.

Commissioner Townsend said thank you. I recall and read this awhile ago, and that was the very thing that we were trying to avoid with all that we did to come up with a reasonable method for that so we don't need to anymore I guess. Thank you.

Chairman McKiernan said let me make sure that I understand so that 94 point matrix that we had developed in terms of amenities and investments is moot. **Mr. Waters** said that is correct, Commissioner.

Commissioner Murguia said so it seems like it might be frustrating, but actually honestly if we were doing our job in the way of enforcement of our codes and our own policies, we probably wouldn't have the problems that we have with existing low-income housing tax credit properties. Though it's frustrating, I don't think any of us want to stop development from occurring. What we want to stop from happening is bad development and we haven't really done a great job at addressing those kinds of properties that haven't met our code requirements. I think that maybe our focus should be a 96 point policy that makes us more aggressive in enforcing our codes.

Chairman McKiernan said I think that's a great point but there are ordinances that we have already established for buildings, residences within our city and county boundaries and we just need to get more diligent at upholding those and we'll be in good shape. That certainly is going to make our lives here easier because we won't have to read any more of those big matrixes.

Item No. 3 – 171354…RESOLUTION: FINANCIAL SUPPORT FOR WYANDOT CENTER

Synopsis: A resolution whereby the Unified Government will provide financial backing or support of a $1.5 million private bank loan to support the reconstruction of the Wyandot Inc.'s project at 1301 N. 47th Street, submitted by Kathleen VonAchen, Chief Financial Officer.

Chairman McKiernan said this originally was a resolution of financial support for Wyandot Center, but Ms. VonAchen has an update for us on that.

Kathleen VonAchen, Chief Financial Officer, said yes, Commissioner, today we learned that the Wyandot Center has secured the loan rebate financing without needing our support so as a result this resolution is no longer necessary. **Chairman McKiernan** said so Item 3 then is removed from our agenda tonight with no action necessary on our part.

Action: No action.

Item No. 4 – 171285…ORDINANCE: TERMINATE NORTHEAST ARMOURDALE

TIF DISTRICT

Synopsis: An ordinance terminating the Northeast Armourdale Redevelopment District and Tax Increment Financing (TIF) with respect to such district, submitted by Kathleen VonAchen, Chief Financial Officer.

Kathleen VonAchen, Chief Financial Officer, said I'm happy to introduce Debbie Jonscher who is going to talk a little bit about this TIF termination.

Debbie Jonscher, Deputy Financial Officer, said this is an ordinance requesting to terminate the Northeast Armourdale TIF. We had financing out on this TIF, but we have collected sufficient revenues to cover the TIF. The debt was scheduled to go until 2018, but we have now collected enough so we are requesting that we go ahead and terminate the TIF. Current collections on the TIF are about $150,000 a year so once the TIF is terminated those collections will then be distributed to all of the taxing entities and the UG's share of that will be about $70,000.

Chairman McKiernan asked is this one of the districts that was in our TIF Update Report of about a month ago. **Ms. Jonscher** said, yes it was.

Commissioner Murguia said can you remind me what TIF that was? **Ms. Jonscher** said the Northeast Armourdale TIF. **Commissioner Walker** said Kansas Avenue. **Commissioner Murguia** said that's okay. He answered my question. **Ms. Jonscher** said Kansas Avenue on the north.

Action: Commissioner Walker made a motion, seconded by Commissioner Walters, to approve the termination of the TIF as submitted.

Commissioner Murguia said I just have a comment in regard to a TIF termination and what happens there. Several meetings ago we were given a report about STAR Bonds and General Obligation Bonds and other kinds of bonds that we issue for a project, I asked for a report that would report on some of those individual projects, bond payoff, expected bond payoff. We often hear about how Village West was supposed to pay off in 2020 and it ended up paying off in 2017. The reason we don't hear that about other projects is because they're coupled—there's a whole variety of projects coupled in under one bonding authority. I had asked for more individual projects to see that report. I don't think I ever got it.

Ms. VonAchen said was that the follow-up to our TIF presentation, the Tax Increment Financing presentation. **Commissioner Murguia** said yes. **Ms. VonAchen** said there was a variety of questions that we came back—I thought we did forward that to you. We're happy to go back and look at it again.

Commissioner Murguia said I'm particularly interested in—for example, I asked why we could say the STAR Bond was paid off early out west, but I know that the Walmart and the Save-A-Lot project in Argentine was on an incredible fast-track to be paid off, but the reason that's not reflected in the report that you've provided is because it's bundled with other projects. I wanted to see what the payoff was**.** **Ms. VonAchen** said you wanted to see the payoff schedules for that project. **Commissioner Murguia** said yes. I'm sure there's lots of projects bundled together. I was most curious about that project, but would be interested in seeing how the payoffs are going on other projects. For example, the grocery store at 18th and I-70, I don't know if there's still bonds issued on that. I think those are General Obligation**.** **Ms. VonAchen** said it's Prescott Plaza. **Commissioner Murguia** said I would kind of like to see when they were issued, what the expected payoff is, and where they're at on those kinds of projects. Again, particularly in the eastern area of our city.

Doug Bach, County Administrator, said just for clarity, didn't we show every TIF Project individually. **Ms. VonAchen** said yes, we did. We can send it again. **Commissioner Murguia** said you did, but you didn't show the projection like if the payoff continues at the rate it's been going, if you follow the trend line, you didn't show what the expected path date was. **Ms. VonAchen** said we probably showed you just what the debt service is without how much quicker it would be given our expected revenues, our projection of when we would redeem bonds early because of the positive financial performance. You're probably right about that.

Commissioner Murguia said the reason I bring this up is and I'll just use this one example, my projection could be wrong; that's why I'm asking you to figure it out. Sometimes our government gets a lot of criticism for the amount of subsidy or incentive that we put into projects in the urban core. When you look at what was done out west with the Walmart and the TIF that was done on that project and you look at the term of the payout and then you look at the Walmart in Argentine and the Save-A-Lot down there and you look at the payout, it looks to me like the Walmart trend in Argentine is to be paid off in seven years and it was originally a 20-year General Obligation Bond. Again, my numbers might be wrong, but I think that's something our county should be touting, that there is as much of a market in the urban core as there is out west. It just depends on the strategy you use and the business you develop.

Chairman McKiernan said staff will follow up with that. We had a motion and discussion.

Roll call was taken and there were five "Ayes," Walters, Murguia, Townsend, Walker, McKiernan.

Item No. 5 – 171323…ORDINANCE: 2018 CMIP FINANCING AUTHORIZATION

Synopsis: An ordinance amending the 2017-2022 CMIP; authorizing various public improvements; authorizing the issuance of GO bonds and/or temp notes to finance all or a portion of the costs of certain improvements; requesting the Public Building Commission to issue its leasehold revenue bonds for the purpose of financing all or a portion of the costs of certain improvements; and authorizing one or more lease purchase agreements to financing the acquisition and installation of certain equipment, submitted by Debbie Jonscher, Deputy Finance Director.

Debbie Jonscher, Deputy Finance Director, said both Item No. 5 and Item No. 6 are related to our annual debt financing. I will say that as well as the finance staff we also have staff here from Public Works and staff from our Bond Counsel, Gilmore & Bell, in case there's any questions on any projects. This is an ordinance amending our 2017-2022 CMIP. The ordinance authorizes the issuance of General Obligations Bonds and Temporary Notes to finance the cost of certain improvements. It requests the PBC to issue bonds to finance the cost of certain improvements. It also authorizes lease agreements to finance the acquisition and installation of equipment. All of the items that are included were approved in the budget along with the CMIP. Your packet does include a description of all of our active projects. I do just want to note that in that packet all new projects that are being financed for the first time are highlighted in pink, all of the ones that either have an amended description or an amended amount are highlighted in orange and all of our other active projects where there's no changes to the project are highlighted in blue. All of those were included in the packet that you have, so if there's any questions on any of the projects.

Commissioner Walters said it's not included in either version of the packet that I received. **Commissioner Murguia** said me either. **Ms. Jonscher** said these were sent out after, I believe it was last Tuesday, was my understanding that they were blue sheeted. **Chairman McKiernan** said I have a blue sheet agenda and I do have all of those.

Commissioner Murguia asked did you get those Commissioner Walters? **Commissioner Walters** said I have them electronically, I just don't have a hard copy. It's kind of hard to remember everything that's in there.

Chairman McKiernan said so you answered what is always every year my question about this. Everything here included on this is the same as what we had on those spreadsheets of CMIP Projects that we considered at budget time. **Ms. Jonscher** said well, all of the projects that are in the '17, there could be projects on here that were financed prior to 2017, but they were approved in a prior year's budget. **Chairman McKiernan** said everything that is here we have previously seen on those CMIP spreadsheets that we get as a function of the budget process in the summer. **Mr. Bach** said we have not added any projects to this that you have not previously discussed. **Chairman McKiernan** asked does this contain potentially a little bit more detail about those projects then we had on those spreadsheets. **Ms. Jonscher** said yes, those would contain all of the total authority of the project, the resolutions and it gives a project description that shows what work is being done. **Chairman McKiernan** said excellent.

Commissioner Townsend said I think you clarified what the question I had in the color coding. So those color coded with the bands in orange represent some changes. **Ms. Jonscher** said that's correct. Most of them are probably changes to the description of the project. **Commissioner Townsend** said I did recognize some of the numbers as being consistent with the budget numbers that we have talked about before so that was my question what was in the amendment.

Commissioner Murguia said I know you all are working very hard to address the ADA issue of curb and sidewalk, the handicap ramps and I really appreciate that. I know it's a big county and we have lots to do and a limited amount of money. I just haven't seen those handicap ramp redos in my district for several years now, in particular, in those areas where there's lots of walking traffic. I've already met with some of your staff, Doug, to talk about priority areas in particular again as it relates to the grocery stores in Argentine along Strong Avenue. Now with a new Senior Housing and a number of handicap people those ramps on Strong or Metropolitan have not been replaced yet. I just wanted the opportunity to bring it up and say I hope those get replaced soon. It definitely will make a difference for the large number of people that are handicapped or disabled.

Brandon Grover, Asset Coordination Manager for Public Works, said what you're seeing in there are the debt funded projects. Those are the ones that are under the ADA Compliance Account Code that is part of our consent decree with the Department of Justice. Those were laid out in a plan done in 2012 as priority projects. The ones we are using for like the issues we've discussed with you before are more cash related or other funding sources other than true debt funding.

Commissioner Murguia asked do those cash projects help with our mandate from the federal government on the ADA? **Mr. Grover** said rarely. We have a very large account. They count towards it absolutely, but we don't bundle those usually with the ADA compliance project. We get credit for dong those projects, but we don't bundle that money together which is why you don't see some of the areas that we will do with ADAs in 2018 in there because they won't be debt portioned. **Commissioner Murguia** said do we ever see those projects like this that are cash funded? **Mr. Grover** said typically we haven't in the past, but we are looking at creating a better, a more robust budget book that could highlight things like that in the future. **Commissioner Murguia** said thanks.

Chairman McKiernan said my question for Mr. Waters since 5 and 6 are related should we consider and vote on them separately? **Ms. Jonscher** said in the past we have usually done them separately.

Action: **Commissioner Walker made a motion, seconded by Commissioner Townsend to approve, the ordinance amending the 2017-2022 CMIP.** Roll call was tekan and there were five "Ayes," Walters, Murguia, Townsend, Walker, McKiernan

Item No. 6 - RESOLUTION: SALE OF MUNICIPAL TEMPORARY NOTES AND GENERAL OBLIGATION IMPROVEMENT BONDS

Synopsis: A resolution authorizing the offering for sale of municipal temporary notes and general obligation bonds; requesting the Public Building Commission to issue its leasehold revenue bonds; and giving notice of the proposed issuance of GO bonds for an urban renewal project and county road improvements, submitted by Debbie Jonscher, Deputy Finance Director.

Debbie Jonscher, Deputy Finance Director, said that is correct. I will just add that we have added also to this resolution giving notice to the proposed issuance of bonds for the urban renewal project which is the demolition funding that was included in the budget this year and the County Road improvements which are the K-32 project. The reason we've included those in this resolution is because there are additional publication requirements for those two projects and we will be publishing the sale resolution. Within the sale resolution it does include all of the projects that are being financed and estimated costs for those projects.

Action: **Commissioner Walker made a motion, seconded by Commissioner Townsend, to approve.** Roll call was taken and there were five "Ayes," Walters, Murguia, Townsend, Walker, McKiernan.

Item No. 7 – 171380…UPDATE: GAP FUND POLICY

Synopsis: Update on the Urban Development Gap Fund policy, submitted by Jon Stephens, Interim Economic Development Director.

Action: **DELETED**

Adjourn

Chairman McKiernan adjourned the meeting at 6:20 p.m.

tk

Staff Request for Commission Action

Tracking No. 171457

Full Commission Meeting Date: NA

Committee: Economic Development & Finance

Date of Standing Committee Action: 1/16/18
(If none, please explain): Informational Only

Publication Required: No

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
12/20/2017	Kathleen VonAchen	x5186	kvonachen@wycokck.org	Finance

Item Description:
A presentation of the UG Finance Department's services, key performance indicators, personnel and projects.

Action Requested:
No action required.

Budget Impact: (if applicable)
Amount:
Source:
Included In Budget:
Other (explain):

Attachments List:
Finance Department Overview

FINANCE DEPARTMENT
KEY THINGS TO KNOW ABOUT

Unified Government of Wyandotte County & Kansas City, Kansas

WWW.WYCOKCK.ORG/FINANCE

TODAY'S PRESENTATION CONTENT

FINANCE DEPARTMENT

FISCAL POLICY & INTERNAL CONTROLS

The Finance Department, under the leadership of the Chief Financial Officer, provides fiscal policy recommendations to the County Administrator, Mayor and Unified Government Board of Commissioners.

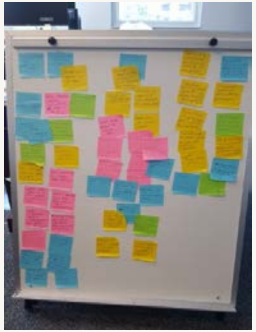
Finance is responsible for all financial activities and functions of the Government. We prepare the budgets for the Unified Government, develop long term financial plans, recommend fiscal policy direction, develop and administer financial internal controls, provide research and analysis for citizens, pay all employees and vendors, collect all revenue, invest all idle funds, bill all taxes, record all receipts, account for expenditures and other financial transactions, prepare all financial reports, and raise all debt financed capital funds and equipment leases on behalf of the Unified Government.

MISSION & CREDIT RATING

Our mission is to partner with UG departments in fulfilling their own missions, to optimize UG resources and act as the stewards of UG assets, to provide risk mitigation and act as consultants for strategic decision making, to administer compliance with Federal, State and local regulations, and to safeguard and monitor the United Government's financial resources by providing analysis to administration, elected officials and the public.

We seek to maintain and improve upon the Unified Government's issuer credit ratings by Standard & Poor's (AA) and Moody's (A1), both stable, through proactive fiscal policy and long term planning, maintenance of the General Fund reserve levels, strong liquidity, and improvement of the communities' demographic and economic statistics by encouraging commercial and business development throughout Wyandotte County.

OUR VISION, MOTTO & CORE VALUES



VISION: To become a resource to the UG organization that turns ideas and plans supporting our community's needs into reality through a fiscally responsible, collaborative and results-oriented approach.

MOTTO: FUNDING OUR FUTURE

OUR TEAM — Knowledgeable, responsible, reliable and committed to close collaboration with UG managers

RESPECT — Relatable, approachable and committed to listening and responding to our customers' needs

EXCELLENCE — Committed to detail and accuracy in order to provide quality information for decision-making

COURAGE — Innovative, process improvers and problem solvers

ORGANIZATIONAL CHART

59.75 DEDICATED FINANCE PROFESSIONALS

- CFO & Deputy CFO 2.5 FTE
  - Treasury 1 FTE
    - Motor Vehicle 27.5 FTE
    - Revenue & Cash Mgmt 9 FTE
  - Capital & EcoDevo Financing 1 FTE
  - Accounting 1 FTE
    - Financial Reporting 4 FTE
    - Accounts Payable 2 FTE
  - Budget 4.75 FTE
  - Payroll/ Pension/ Insurance 5 FTE
  - Research 2 FTE

CFO / DEPUTY CFO BIOGRAPHIES

MS. KATHLEEN VONACHEN

[Chief Financial Officer]

@KCKCFO

Kathleen VonAchen joined the Unified Government of Wyandotte County and Kansas City, Kansas as Chief Financial Officer in February 2016. She began her public-sector career over 25 years ago with the Kansas Governor's Division of the Budget. Ms. VonAchen's municipal finance background includes serving as Budget Director for Aspen, Finance Director for Evans, Colorado, Finance Officer for the Stockton, California, Interim Finance Director for San Mateo, California, as well as providing interim and consulting services for various California municipalities experiencing fiscal distress.

Originally from Hutchinson, Kansas, Ms. VonAchen earned a Master of Public Administration from Wichita State University where she completed a Graduate Research Assistantship for the Hugo Wall School of Urban and Public Affairs and a graduate internship for the League of Kansas Municipalities. She also has a Bachelor of Arts degree in Political Science and Communications from Washburn University. Ms. VonAchen is a Certified Public Finance Officer (CPFO) by the Government Finance Officers Association, presents and writes articles for the GFOA, and is a board member of the Kansas GFOA.

MRS. DEBBIE JONSCHER

[Deputy Chief Financial Officer]

Deborah Jonscher started her career in government with the City of Kansas City, Kansas in 1997 working as an accountant in the Finance Department. She later became Business Office Manager for Public Works Department before returning to Finance as the Assistant Finance Director in 2009. She was promoted to Deputy CFO in 2017. As Deputy CFO for the Unified Government, Ms. Jonscher oversees the day-to-day operations of the department, as well as, being involved in the annual financial statement audits, the budget process and capital financing.

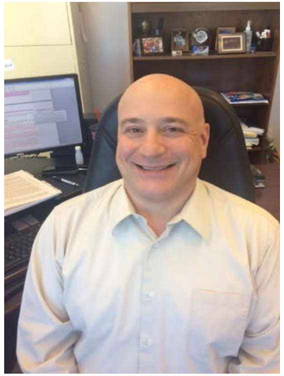
Ms. Jonscher is a lifelong resident of the City of Kansas City, Kansas, earning BS in Accounting from the University of Missouri-Kansas City. She is also a Certified Public Accountant and a GFOA member.

KNOW OUR VISIONARY LEADERSHIP

MR. REGINALD LINDSEY

[Budget Manager]

Reginald grew up in Kansas City, KS and is married with two children. He has a Bachelor's Degree in Accounting from Grambling State University and a MBA in Finance from Hofstra University.



MR.RICK MIKESIC

[Accounting Manager]

Rick joined the Unified Government in 1999 as Performance Audit Manager. He has served as Accounting Manager since 2011.

MR. MIKE GRIMM

[Research Manager]

Mike joined City of KCK in 1996 prior to consolidation. He holds a Masters of Community Regional Planning from the University of Nebraska.

MR. RON GREEN

[Payroll & Insurance Manager]

Ron joined the Unified Government in 2005. He has a BSBA from Rockhurst University. Prior to 2005, Ron worked for Procter & Gamble as Payroll Manager for 14 years.

OUR OUTSTANDING TEAM

MRS.ALYSE VILLARREAL

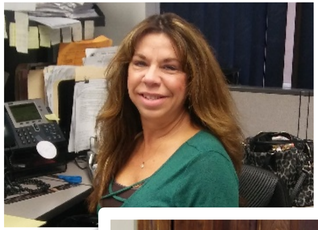
[Capital Financing Coordinator]

Alyse joined the UG in 2006, worked in payroll before she began coordinating capital financing the past four years. She has a BA in business from University of St. Mary.

MR.MICHAEL PETERSON
MRS. JUDI HER

[Assistant Budget Manager and Budget Analyst]

Michael and Judi have a combined 23 years working with the Unified Government working in Engineering, Public Safety and their current budget roles.



MRS. LISA NOLAN

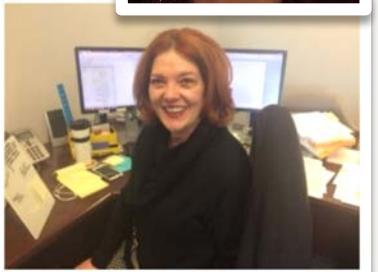
[Deputy Treasurer]

Lisa joined the UG in 1989, and has two years as UG Deputy Treasurer/Cash Manager.

MRS.ANDREA PARRA

[Deputy Treasurer]

Andrea joined the UG in June 2014 in legislative auditor and motor vehicle. She has a BA in Business from Ottawa University.



MS.PAM KAHAO

[Accounting Mgmt Analyst]

Pam joined the UG in February 2016. She has a BA in Business /Accounting and over 15 years of experience in the private sector.

OUR SERVICES

BUDGET

Coordinates over 40 Unified Government departments in the development of the CAO's proposed $358 million budget

ACCOUNTING

Maintains general ledger and internal controls for all Unified Government's financial transactions thru accurate financial recording of over $1 billion in total assets

CAPITAL FINANCING

Sells general obligation and lease revenue bonds to finance UG and Public Building Commission to fund over 100 capital projects at the lowest borrowing rate available

RESEARCH

Provide the high quality information and support through research and analysis for Unified Government elected officials and departments, citizens and other outside agencies

ACCOUNTS PAYABLE

Oversees accounts payable processing of over 25,000 in vendor payment and 24,000 PCard transactions

PAYROLL

Process salary and benefits to over 2,200 UG employees in accordance with the 13 labor contracts and UG policies, federal and state laws and regulations

OUR SERVICES

DEVELOPMENT FINANCE

Coordinates millions in economic development debt financing, and administers, reviews and monitors compliance with various economic development financing agreements

MOTOR VEHICLES

Register or renewed all 148,000 vehicles owned by residents of the County, and processes all annual renewals in conformance with regulations and laws set forth by the Kansas Department of Revenue.

PROPERTY TAX ADMIN

Collection of property tax from 50,000 residents and businesses and calculates and processes the tax distribution to a all taxing entities in the County

PENSION & INSURANCE

Oversees administration of the KPERS & KP&F pension system. Also manages UG insurance policy creation and renewals on all UG buildings and facilities, vehicles, fleet and equipment, and general liability insurance

REVENUE MGMT

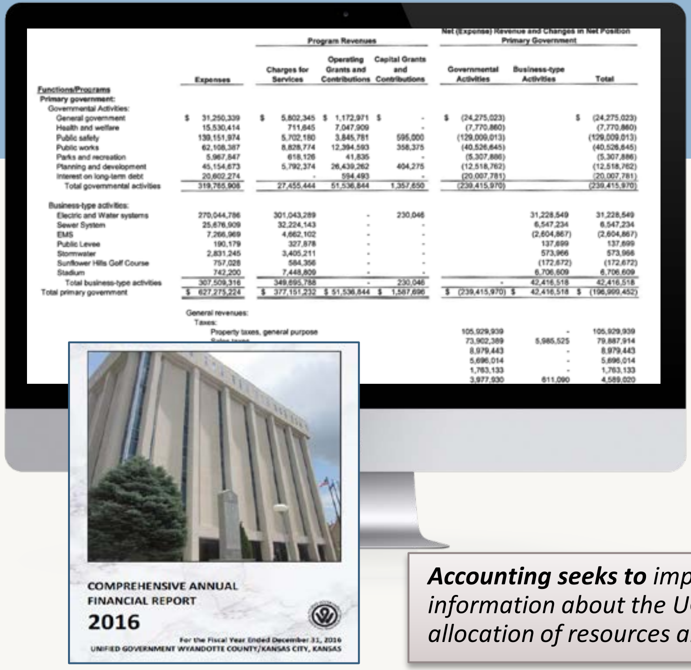
Collects, deposits and/or accounts for approximately $350 million in annual revenues of the Government on behalf of all UG departments. Handles over 250,000 customer visits and over 50,000 telephone call per year. Maintains two locations, in the downtown corridor and in the western portion of the County

CASH & INVESTMENTS

Oversees all cash handling procedures followed by and technologies utilized by UG departments. Responsible for managing all banking and related treasury services, including the daily balancing of the UG's operating checking account. Assist the CFO in the investment of $180 million UG cash deposits in conformance with the adopted investment policy

ACCOUNTING & FINANCIAL REPORTING

Rick Mikesic, Accounting Manager



ACCOUNTING DIVISION

Administers internal controls that enhances the reliability of financial reporting, timely feedback on achievement of operational goals, and compliance with laws and regulations. Internal control procedures also seek to diminish the opportunity for fraud, and reduce process variation leading to more predictable financial transaction outcomes.

Administers over 40 Accounting **Internal Control Policies** and Procedures

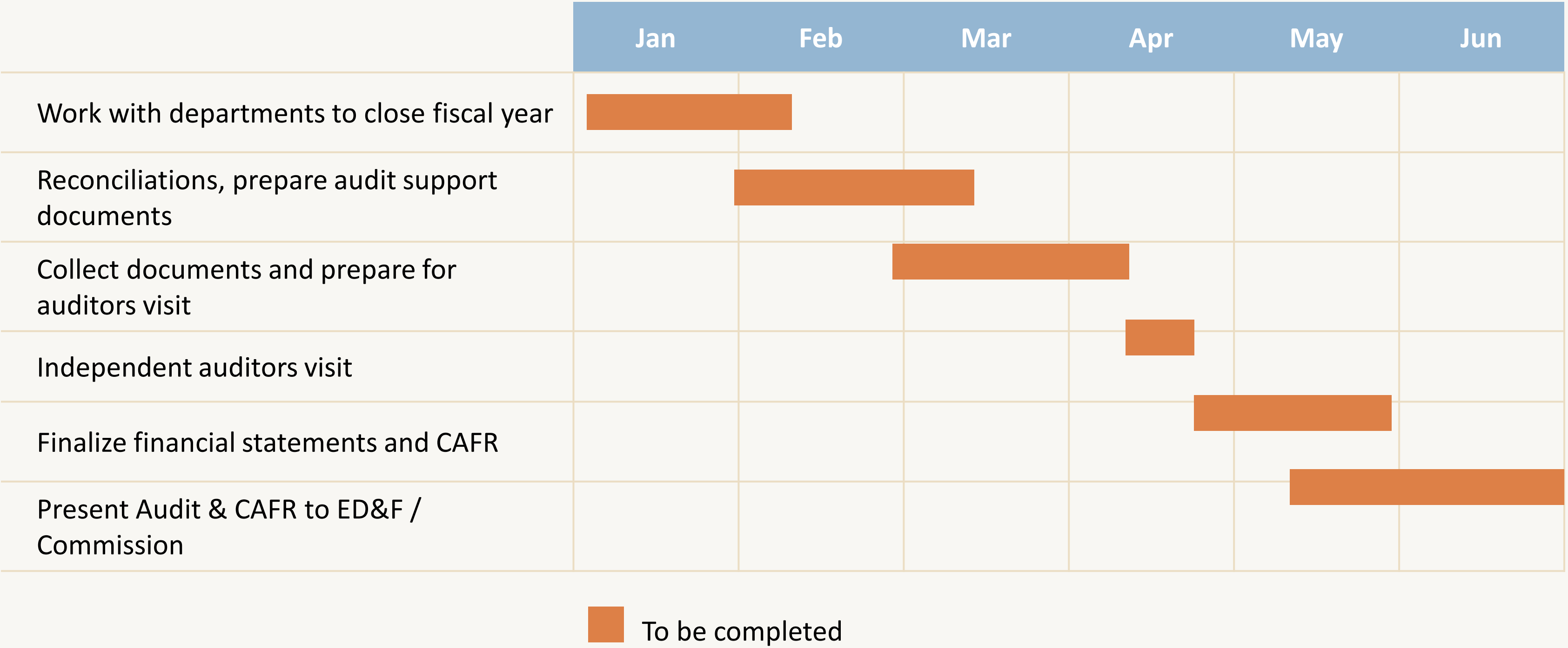
GFOA Certificate of Achievement for Excellence in Financial Reporting awarded to the UG for past 18 years

Annual financial audit and Comprehensive Annual Financial Report (CAFR)

Oversees accounts payable processing of over **25,000 in vendor payment and 24,000 PCard transactions**

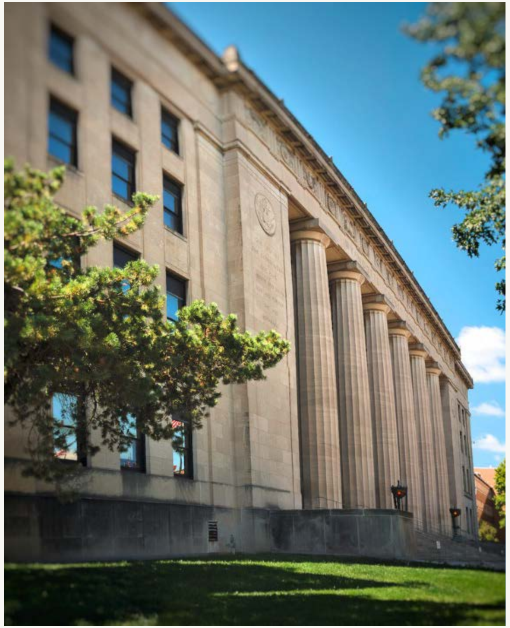
Accounting seeks to *improve upon measurement and communication systems to provide economic and social information about the UG that allows citizens to make informed judgments and decisions leading to optimum allocation of resources and the accomplishment of the organization's objectives.*

ANNUAL AUDIT GANT CHART



TREASURY DIVISION SERVICES

Lisa Nolan, Deputy Treasurer



STRONG INTERNAL CONTROLS WITH ACCURACY & COURTESY

While very customer focused, Treasury also maintains proper financial and internal controls to ensure the appropriate handling of monies received and processed by the Treasury Division. Seeking out and implementing new payment and collection technologies is a priority. Continually evaluates changes made at the State of Kansas affecting local government revenue authority and motor vehicle registration at the County level. Ensures the UG's investment portfolio is safely investment while providing appropriate liquidity and yield to meet operating needs.

Revenue Management

Collects, deposits and/or accounts for approximately $350 million in annual revenues of the Government on behalf of all UG departments. Handles over **250,000 customer visits and over 50,000 telephone call** per year.

Property Tax Admin

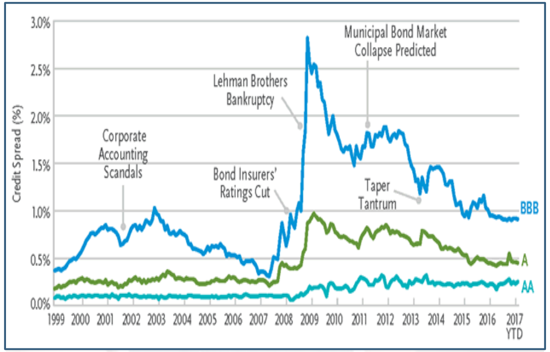
Collection of property tax from **50,000 residents** and businesses and calculates and processes the tax distribution to a all taxing entities in the County.

Cash & Investments

Responsible for managing all banking and related treasury services, including the daily balancing of the UG's operating checking account. Assist the CFO in the investment of **$180 million UG cash deposits** in conformance with the adopted investment policy.

CAPITAL FINANCINGS & DEBT ADMINISTRATION

Debbie Jonscher, Deputy CFO & Alyse Villarreal, Capital Financing Coordinator



CAPITAL BOND ISSUANCE

October thru March work with team of municipal advisors, bond counsel and UG departments to sell general obligation and lease revenue bonds to finance UG and PBC over 100 capital projects at the lowest borrowing rate available. Also manage the annual equipment lease program. In 2016 sold $62 million in temporary notes and $50 million in GO bonds.

DEBT ADMINISTRATION

Managing outstanding indebtedness of $537 million (GO and special obligation) includes semi/annual legally required disclosures to Municipal Securities Rulemaking Board (MSRB), annual credit rating surveillance, arbitrage rebate reports to IRS and ensuring all debt service requirements and principal/interest payments are made and properly accounted.

CREDITOR/INVESTOR RELATIONS

Maintain and improve upon the UG's credit ratings by Standard & Poor's (AA) and Moody's (A1) through proactive fiscal policy and planning, strong liquidity, and encouragement of commercial and business development. Annually respond to credit rating surveillance and information requests on all rated debt. Respond to institutional investor information requests.

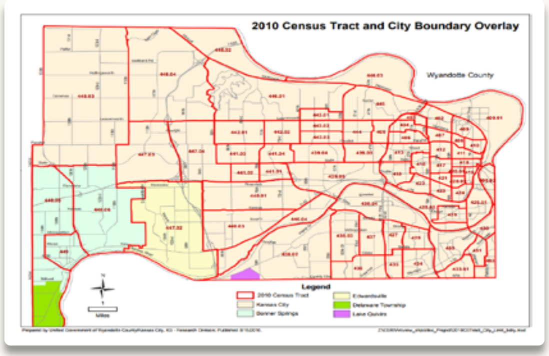
RESEARCH & ANALYSIS SERVICES

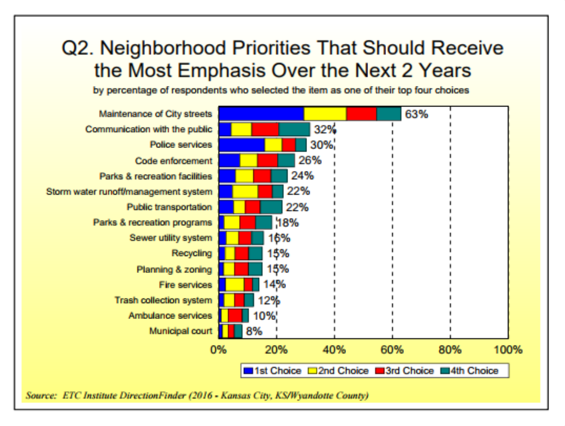
http://www.wycokck.org/Finance/Research.aspx

Mike Grimm, Research Manager

DEMOGRAPHIC & ECONOMIC DATA

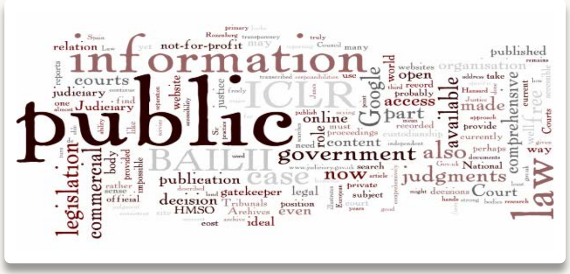
Collaborates with many local and regional planning entities, non-profits, and collects various data sets from Federal and State agencies to provide accurate and meaningful information for decision makers. Oversees analysis and develops reports on sales and property tax collections, demographic and income statistics based US Census data, building permits, and many other public policy areas. Also coordinates the UG's Community Survey.





INFORMATION REQUESTS & COMMUNITY SURVEY

Responds quickly with accurate and well-supported data and facts on 200 annual information requests from outside agencies, grantors, non-profits, elected officials, and UG senior managers seeking to improve the lives of residents through sound, data-driven decision making.



RESEARCH REPORTS & MAPS

Develops and periodically updates informational reports and maps that are utilized by outside agencies, UG department managers and elected officials in formulated public policy directions. These reports and maps are provided on the Research web page at: http://www.wycokck.org/Finance/Research.aspx.

BUDGET OFFICE

Reginald Lindsey, Budget Manager

OPERATING AND CAPITAL BUDGETING

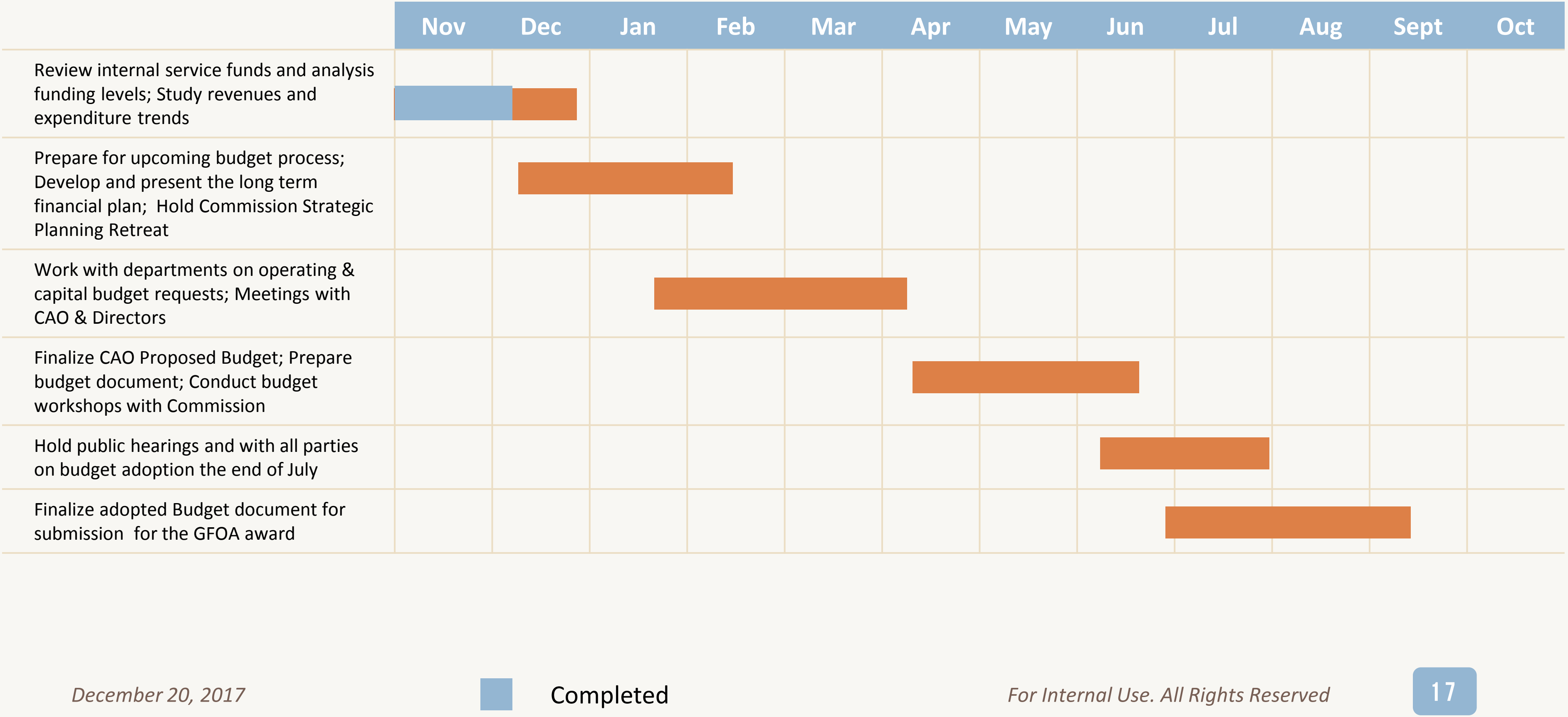
Oversight, financial analysis and evaluation, decision support, budget monitoring, performance measures, and special projects and information requests.

- **Open Data Financial Portal** provides improved transparency to citizens and elected officials.
- **Priority Based Budgeting** being implemented to be a tool for determining highest priority UG programs for reallocation of resources.
- **GFOA Distinguished Budget Presentation Award** winner for the past four years.

Newly implemented ***Questica budget software*** is revolutionizing the annual budget process, with a revised Capital Budget document planned for 2019.

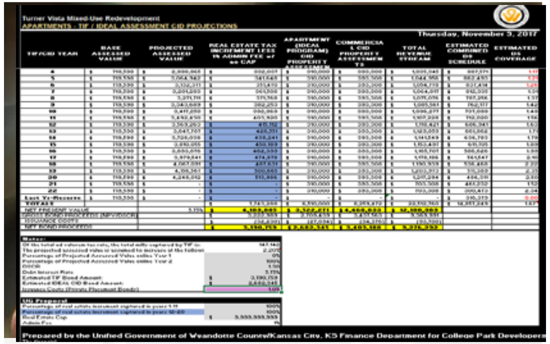
Budget seeks to *provide financial management and analytical support to the UG elected officials, administrators and department management so they can make informed managerial and/or policy decisions while ensuring the financial viability of all Government operations.*

ANNUAL BUDGET PROCESS GANT CHART



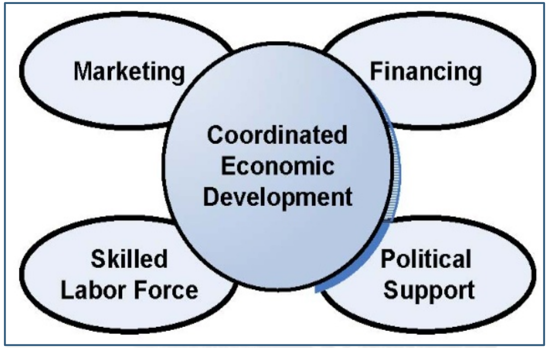
ECONOMIC DEVELOPMENT FINANCE ADMINISTRATION

Kathleen VonAchen, CFO, Debbie Jonscher, Deputy CFO & Alyse Villarreal, Capital Financing Coordinator*



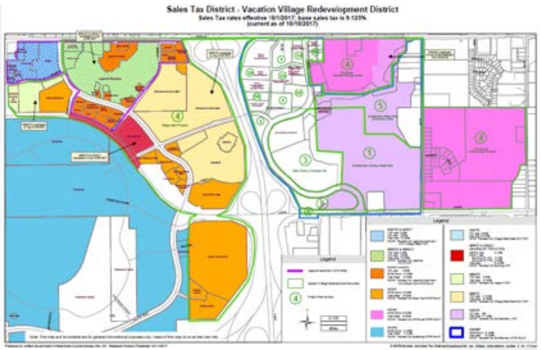
PROJECT PRO FORMA REVIEW

Methodical and analytic review developer proposals for public financing assistance on projects to ensure the investment is warranted and mitigates UG risk. Develop conservative estimates of future sales and property tax revenue cashflows utilizing independent consultant revenue/feasibility studies shared with investors during the sale of special obligation bonds.



ECO-DEVO FINANCINGS

Coordinate closely with Economic Development Department, municipal advisors and bond counsel on financing Commission approved economic development special obligation debt issuances utilizing tools such as TIF, CID, TDD and STAR bonds. Present an annual update of TIF district performance to the ED&F Committee.



TIF/CID DISTRICT & DA ADMIN

Manage revenue distributions and ensure compliance with debt service requirements on outstanding special obligation economic development debt and their districts to ensure compliance with development agreements and bond covenants. Oversee creation of such districts work closely with retail vendors and the State Department of Revenue to monitor revenue collections.

**Also with the invaluable assistance of Mike Grimm, Research Manager.*

MOTOR VEHICLE REGISTRATION SERVICES

RESPONSIVE & POSITIVE CUSTOMER EXPERIENCE

Andrea Parra, Deputy Treasurer

In 2016 the Motor Vehicle Registration Unit of the Treasury Division implemented a customer queuing system that reduces customer wait times from 2.5 hours in 2012 to 84 minutes in 2016.

Our 27 dedicated employees are located in our KCK downtown office and at the UG Annex at 82nd and State, and we process over 148,000 motor vehicle registration renewals and new titles annually.

We are committed to providing a positive experience for our Wyandotte County residents.

Vehicle Titling/Registration

Whether you own a car, a motorcycle, a motorized bicycle, or a truck, you need to get a renewal for your license plate each year through the Wyandotte County Treasurer's Office.

Commercial Vehicles

Commercial motor vehicle operators are required to register for intrastate or interstate motor carrier cards depending on whether their business includes travel within Kansas or over multiple states.

Customer Service / Queuing System

Our queuing system removes the need of standing in line by letting customers use their cell phones to get in a virtual line. Customers will receive a text 30 minutes before their turn arrives.

PAYROLL, PENSION & INSURANCE ADMIN SERVICES

Ron Green, Payroll & Insurance Manager

This Division works collaboratively with administrative staff in all UG departments and the Human Resources Department to accurately process salary and benefits to over 2,200 UG employees in accordance with the 13 labor contracts, UG administrative policies, and federal and state labor laws. Their roles also includes review and audit of timesheets and other pay requests to ensure departmental compliance with employee agreements to mitigate fraud and assist department directors in not over-spending their salary budgets.

INTERNAL CONTROLS & COST MITIGATION WITH A CUSTOMER SERVICE-FOCUS

Payroll Administration

Processes 56,000 paychecks a year. Responsible for employee data related to deductions, donations, garnishments, tax withholding and beneficiaries. Prepares and remits benefit payments to third party vendors, and responsible foe administration of federal and state payroll tax remittances.

Pension Administration

Point of contact for UG employees seeking information of KPERS and KP&F pensions and responsible for the administration of retiring employees. Prepares information required for distribution of pension annual statements.

Insurance Administration

Oversees administration of insurance policy creation and renewals on all UG buildings and facilities, vehicles, fleet and equipment, and general liability insurance. Works with broker on periodic review and assessment of insured items. Manages related claims.

ANNUAL WORK PLAN

CONTINUAL IMPROVEMENT

Finance staff is dedicated throughout the entire year on various aspects of the UG's financial management and is constantly looking for innovations to efficiencies and lower costs to our residents.

PREPARE FOR YEAR-END

Close payroll, reconcile receivables and payable accounts

SPECIAL UG PROJECTS

Process improvement, technology implementations, financial analysis, long term financial planning, other special projects with UG departments

ECO-DEVO FINANCING, TIF/CID DISTRICT AND OTHER DEBT ADMIN

Review development proposals, continuing debt disclosures, process district distributions, issue economic development special obligation bonds if required, arbitrage rebate calculations

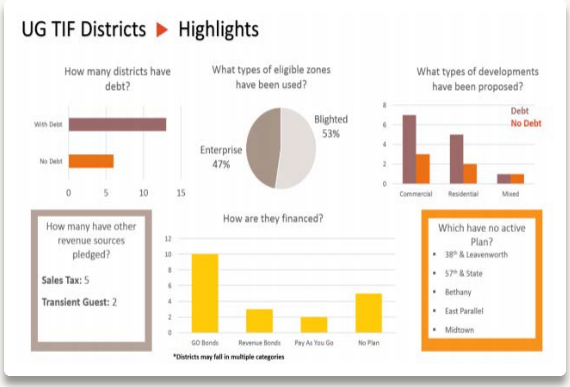
ANNUAL AUDIT, BUDGET PROCESS, GO BOND ISSUE

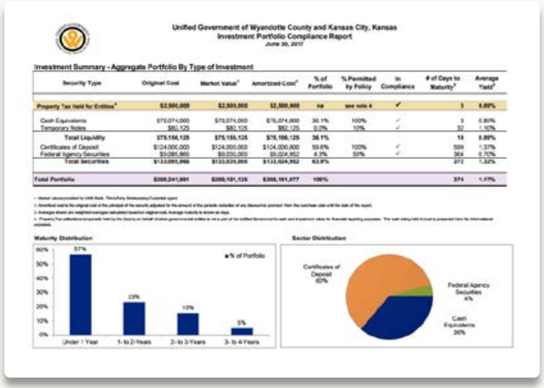
Bonds Sold in February; Budget Requests in March; Auditor visit in April; CAFR presentation and Budget adoption in June and July

Q1 2018 | Q2 2018 | Q3 2018 | Q4 2018

<– PAYROLL, ACCOUNTS PAYABLE, RESEARCH & TREASURY FUNCTIONS THROUGHOUT THE ENTIRE YEAR –>

OUR FINANCIAL TRANSPARENCY PROJECTS





TIF UPDATE

A comprehensive update on the performance of the UG's tax increment financing districts was presented in special session in August 2017. Performance was evaluated based on a five criteria: 1) revenues covered expenses, 2) debt pay off is on schedule, 3) improvement to community resources or amenities, 4) whether the promised private investment actualized, and 5) diversification and strengthening of the tax base. The Finance Department constantly monitors the performance of out TIF districts, as well as our CID, TDD, STAR bond districts.

http://www.wycokck.org/WycoKCK/media/Finance/Documents/2017-TIF-Update.pdf

BUDGETARY PERFORMANCE

For the 2nd quarter of 2016, the Finance Department introduced a revised quarterly report of the budget's performance compared to actuals. This new report provides additional analysis and narrative explanations than the prior reports. The report is presented to the ED&F committee each quarter, which is then subsequently forwarded to the full Commission for their informational purposes.

http://www.wycokck.org/WycoKCK/media/Finance/Documents/UG-Quarterly-Financial-Report-FY-2017-Q2.pdf

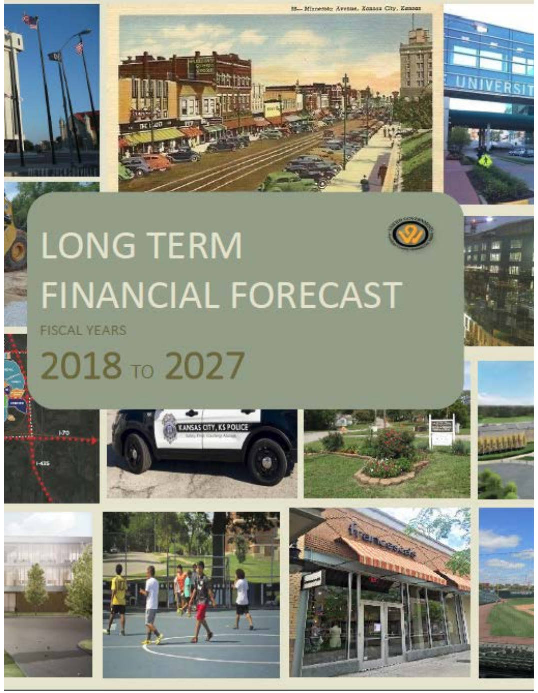
INVESTMENT REPORT

For the 2nd quarter of 2016, the Finance Department introduced a revised quarterly report of the UG's investment portfolio performance. This new report provides additional analysis and explanations than the prior reports. The report is presented to the ED&F committee each quarter, which is then subsequently forwarded to the full Commission for their informational purposes.

http://www.wycokck.org/WycoKCK/media/Finance/Documents/UG-Quarterly-Financial-Report-FY-2017-Q2_1.pdf

LONG TERM FINANCIAL PLANNING PROJECT

MuniCast®
Financial Models



Long term financial planning (LTFP) informs policy makers of the effects of economic conditions and potential policy directions so that plans can be formed to diminish impacts to the organization's operations. Globalization, the economy's transition to services and away from manufacturing, the recent trend towards online sales away from "brick-and-mortar" retail establishments, the aging of the population base, the expected shifts in transportation to autonomous vehicles – all these future developments will challenge local government's current service delivery models and their ability to collect sufficient revenues to meet operational demands. Yet, societal shifts also present opportunities. Municipalities that plan ahead are more adept in taking advantage of opportunities.

A comprehensive LTFP process takes several years to fully accomplish its objectives. Beginning in mid-2016, we began an organization-wide LTFP process by forming revenue and expenditure teams. The revenue team includes members from many departments and met several times in 2016/17. The expenditure team is limited at this time to Finance staff.

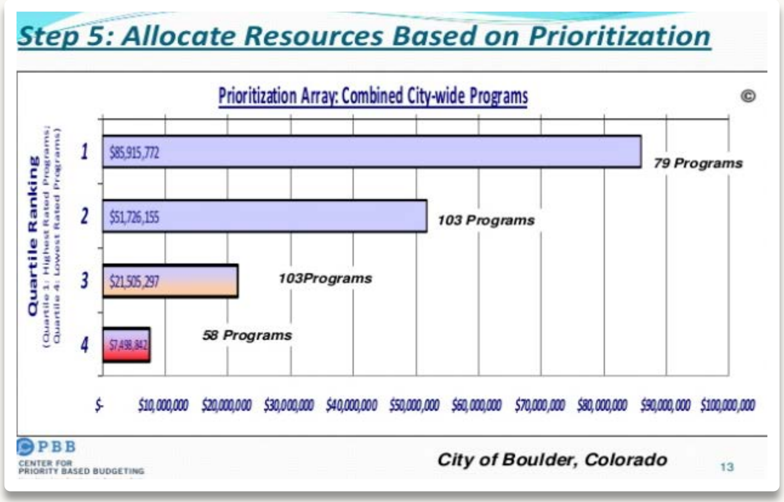
In February 2017 a forecast was presented to the Commission that outlined expected economic trends and operational cost projections, as well as known long term liabilities and funding challenges. This was not a plan, but a forecast aimed at garnering acceptance of the forecast assumptions. The next future steps is to identify options that will diminish known funding challenges and long term liabilities while at the same time accomplishing the strategic goals of the Commission.

An update of the forecast is planned for a special session in February 2018 in anticipation of the upcoming 2019 budget development process. The UG's forecasting model, ***MuniCast***, is flexible, with the ability to calculate and display numerous policy direction scenarios for consideration by policy makers.

The February 2017 forecast from 2018 – 2027 is available to the public on the Finance Department website.

http://www.wycokck.org/WycoKCK/media/Finance/Documents/WyCo-KCK-LTFF-2018-2027-Forecast.pdf

PRIORITY BASED BUDGETING PROJECT



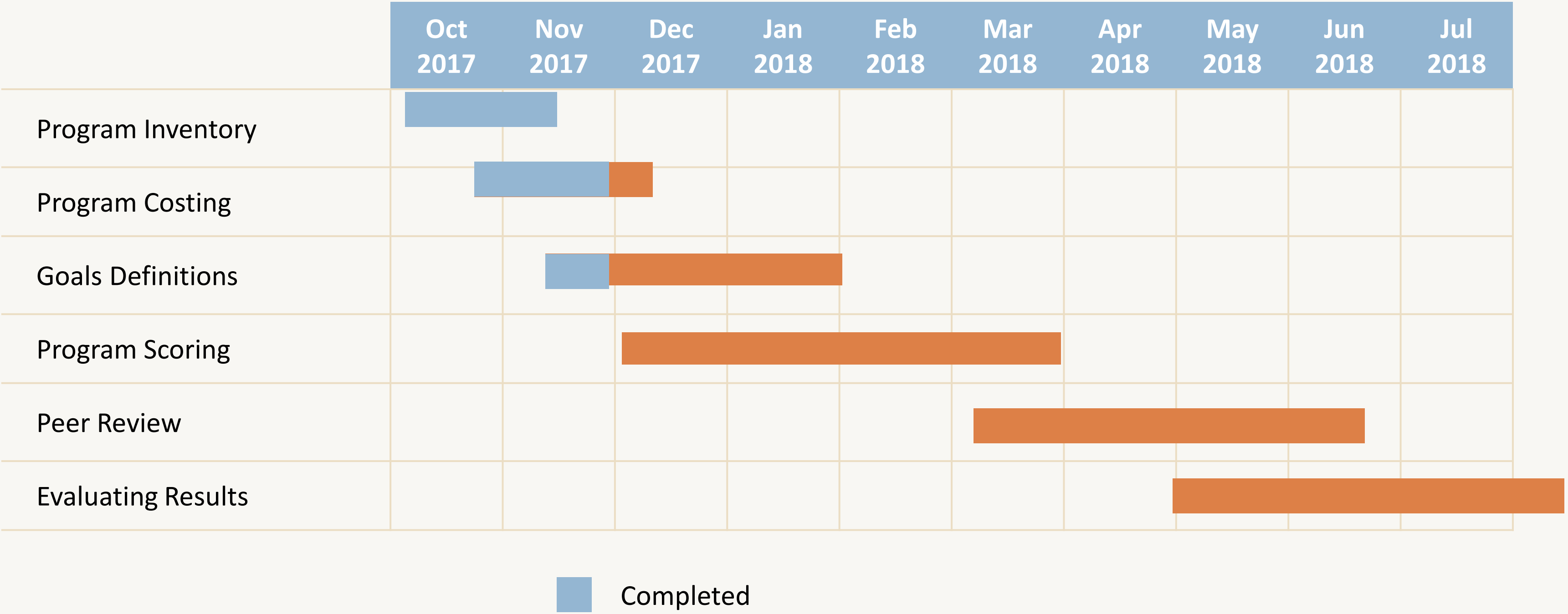
Priority-Based Budgeting (PBB) is a relatively new approach to local government financial management which emphasizes strategic planning to accomplish the goals and objectives identified by municipal leaders and members of the community. Many benefits have been achieved in communities that have adopted this style of budgeting, such as: **increased transparency, increased community involvement and more accountability**.

This process is being adopted by local governments across the nation. The Unified Government has chosen a multi-year implementation process with the 2019 Budget being the first phase or planning and evaluation year.

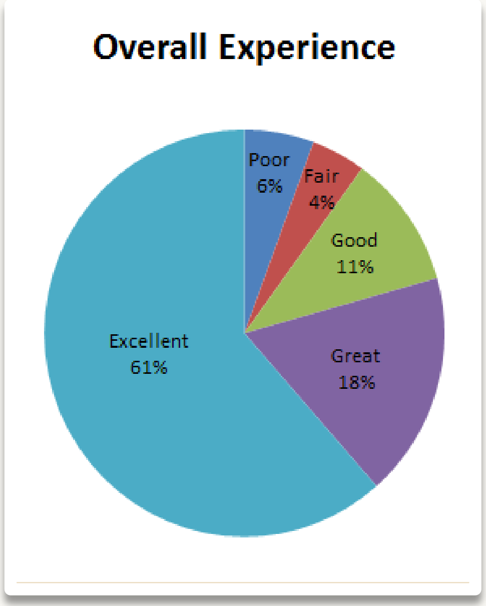
The PBB process begins with a list of programs & services that the UG offers compiled by staff. The programs and services were then evaluated and ranked based on their effectiveness of achieving the community and governance results. Programs that achieved more than one result were ranked higher than those that achieved one or none. The purpose of this practice is to create a budget that more directly focuses on the programs and services that benefit the community.

Key policy questions encourage UG leadership to examine policies and programs for ways that may improve efficiency, reduce organizational "red tape", or provide partnerships with non-profits and other public entities that may decrease the UG's responsibility to provide services while improving availability and effectiveness to the public.

PRIORITY BASED BUDGETING PROJECT GANT CHART



OUR KEY TECHNOLOGY PROJECTS



OUR PROJECT FOR REDUCING WAIT TIMES IN TREASURY

Launched in 2014 in collaboration with the software developer who designed a similar system for a neighboring county, the ***Ticketing/ Customer Survey "Queuing"*** system in Treasury's two locations allows for on-sight, mobile or online requests to "get your place in line" for resident's interfacing for Treasury services, with ongoing communication via text message or email, and a visual display of wait time estimates. After the transaction is completed, a customer service survey is automatically sent via text or email to gauge residents' satisfaction with their experience.

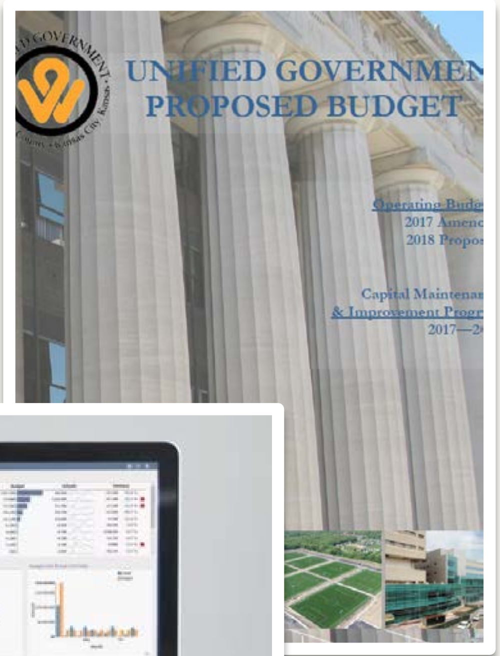
Since 2014 motor vehicle ***wait times have dropped by 144 minutes to 58 minutes***, and the timeframe for no longer processing new vehicles titles was expanded from 1:40 pm to 4:00 pm. Survey results show a ***90% positive response in overall experience, up from 82% in 2015***. Additional initiatives contributed to this improved customer service are also attributed to varying staffing structures during peak days at the end of the month called "Red Days", additional new hire and ongoing staff training, regular "MEMO" meetings and staff morale boosting initiatives.

OUR KEY TECHNOLOGY PROJECTS

OUR PROJECT FOR BETTER BUDGETING

Questica

Developed specifically for the public sector, ***Questica Budget*** *software now* allows the UG to ditch disorganized and time-consuming spreadsheets. The newly implemented operating, salary and capital multi-user budgeting system allows for multi-year budgeting and unlimited what-if funding scenarios, plus it can seamlessly integrate with the Cayenta financial system. Nearly completed with implementation, with performance measures potentially planned for 2018.

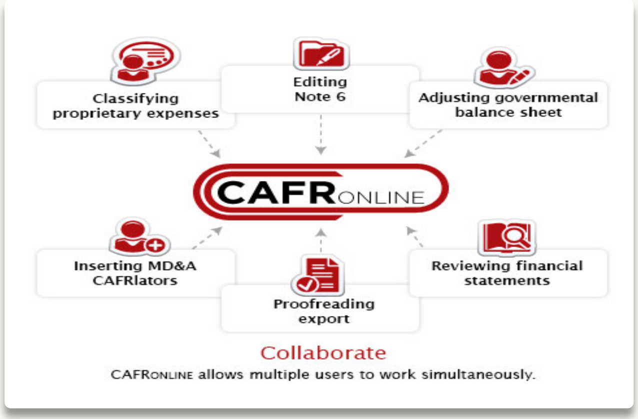


Accurate and collaborative operating and capital budgeting, "what if" decision making, position/salary/ benefits cost projections

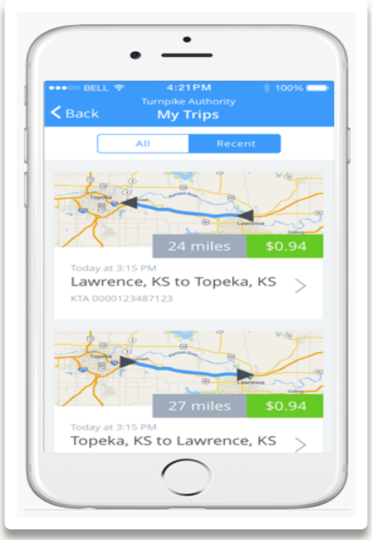
Track progress and meet UG strategic goals using **program measures** and scorecards, and key performance indicators. To be implemented in 2018

Capable of performing **multi-year financial forecasts**, especially for salary and benefit costs, useful for long term financial planning.

OUR KEY TECHNOLOGY PROJECTS



myWyco



OUR PROJECT FOR EFFICIENT FINANCIAL REPORTING

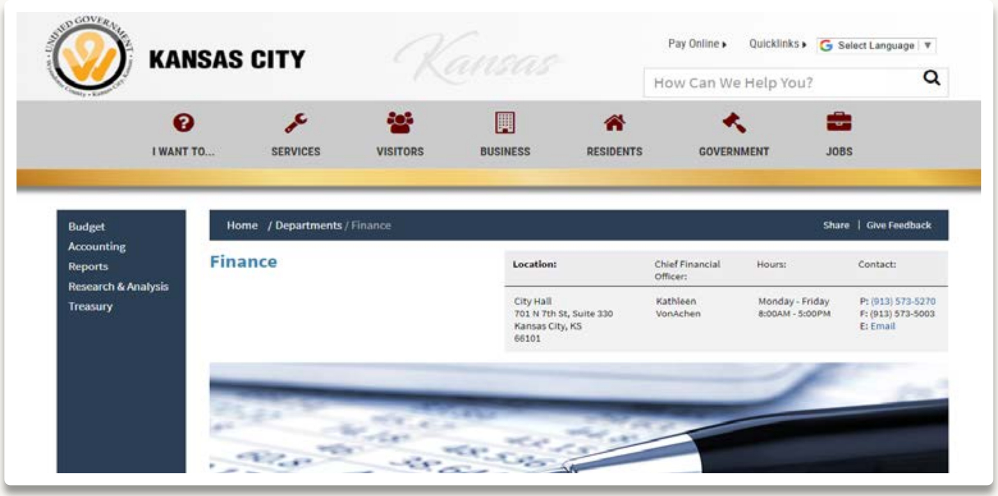
CAFRONLINE is a web application that allows local governments to prepare their annual financial report (or CAFRs). Users create the entire report with camera-ready financial statements and a word processor that links to a financial database. A change made will update in real-time for all users to see and multiple users can work simultaneously. Implemented during 2016/2017.

More details visit: *http://www.cafr-online.com/*

OUR PROJECT FOR MOBILE PAYMENTS

Mobile and web payments for property tax recently went "live" as part of the ***myWyco*** 311 app. This software company, PayIt, recently implemented with the State of Kansas Turnpike Authority.

More details visit:
https://mywyco.wycokck.org/kck_311/1



CONTACT US

Finance Department, 701 N. 7th Street, Suite 330

Phone : (913) 573-5186| Fax : (913) 573-5003

Email : kvonachen@wycokck.org

http://www.wycokck.org/Finance.aspx

https://www.facebook.com/wycodmv/ https://twitter.com/CityofKCK

Staff Request for Commission Action

Tracking No. 171458

Full Commission Meeting Date: NA

Committee: Economic Development & Finance

Date of Standing Committee Action: 1/16/18 (If none, please explain): None. Informational only.

Publication Required: No

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
12/20/2017	Kathleen VonAchen	x5186	kvonachen@wycokck.org	Finance

Item Description:
A review of the current UG financial policies and key questions to ask in evaluating the UG's financial performance and recommendations for future policy updates. Recommendations for future policy updates are provided.

Action Requested:
No action required. Informational only.

Budget Impact: (if applicable)
Amount:
Source:
Included In Budget:
Other (explain):

Attachments List:
Financial Policies Review, Policies Review Schedule

FINANCIAL POLICIES REVIEW 2018

GUIDE FOR FINANCIAL MANAGEMENT

Prepared By: Kathleen VonAchen, CFO *January 2018*

WHY HAVE POLICIES AND PROCEDURES?

SET DIRECTIONAL TONE

Policies contain high-level principles or requirements that a department of the organization must follow, as formally agreed upon by management and the governing body. Procedures bring a set of related functions and organizational processes together, which can then be consolidated in a well-defined category.

Strategic Vision

INFORM PROCESSES

Processes are typically contained within procedures. A process has both a start and finish, and shows dependencies with other processes and organizational areas or technologies. Processes provide insight into standard functions and key risk and control points that need to be monitored and taken into consideration for risk assessment, mitigation and audit efforts.

Operational Efficiency

ORGANIZATIONAL MATURITY

Like a strategic vision, policies, procedures and processes identify what a risk and control environment should look like. This helps to shape direction, so an organization can move from a "check-the-box," compliance-first mindset to one that recognizes financial management and cost/risk avoidance as a critical public policy discipline.

Management Discipline

PROCESS IMPROVEMENT

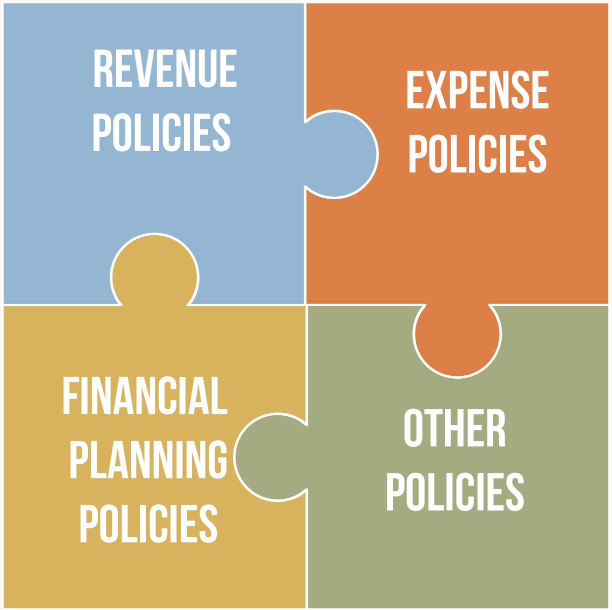
Well-defined policies, procedures and processes also provide a basis for an organization to analyze how to get from their existing state to a target state. By outlining current requirements, operations, interdependencies, risks and controls, they can help identify gaps and improvement opportunities. Only then can organizations intelligently embed the right controls into the right processes.

Cost Savings/Avoidance

FISCAL POLICIES & PRACTICES

QUESTIONS TO ASK

RECOMMENDED FISCAL POLICIES



Helps decision-makers understand and manager revenue flows.

Enables decision-makers to manager and monitor how the agency incurs expenses.

Helps an agency to chart a wise course financially and avoid operational missteps.

Other policies, such as for ***cash & investments and procurement,*** manage and monitor how the agency reduces potential liabilities and mitigates other risks.

QUESTIONS TO ASK

1. Does the UG have written fiscal policies? If so, what do they cover?
2. How often does the governing body review them?
3. Is it clear who is responsible for implementing each policy? What procedures does management use to make staff aware of such policies? Is there training on the policy?
4. How does the agency monitor compliance with such policies?

LOCAL AGENCY FISCAL POLICIES

Financial policies can provide a solid foundation for sound public agency fiscal practices. Adopted by the governing body, such policies provide:

- A means through which the governing body can communicate its collective policy judgments and goals to staff, the public and others.
- Direction to staff and standards against which current practices can be measured, and proposals for changes in practices can be evaluated.

Ratings agencies (who assess local agencies' credit for borrowing) also look at local agencies' financial policies; well-crafted polices can mean higher rating grades which can translate into lower borrowing costs.

ANSWERS TO FISCAL POLICIES QUESTIONS

1. WRITTEN POLICIES

UG fiscal policies are published in the annual budget document (Budget Policy pages 92-95, CMIP Policy pages 462-463, and Financial Policies pages 520-605 of the 2018 Approved Budget). http://www.wycokck.org/Departments/B/Budget.aspx

Written Policies

2. REVIEW FREQUENCY

Most of these policies have been reviewed and updated in the past five years. Review frequency is on an add needed basis. Finance staff reviews and works with department directors on possible revisions. Proposed policy changes are presented to the ED&F Committee and then before the full Commission.

Review Frequency

3. WHO'S RESPONSIBLE?

Each policy specifies who is responsible for the policies implementation, but ultimately the responsibility rests with CFO, CAO and the UG Commission. Long-term UG staff know the policies and train new staff on their implementation.

Who's Responsible?

4. MONITORING

Finance Department managers monitor compliance with the policies in the course of their day-to-day review of transactions. Variances from the policies are brought forward to the CFO and CAO.

Monitoring

QUESTIONS TO ASK

FISCAL PRACTICES

Having written and adopted policies is one thing, but policies must be followed in practices to realize their benefits. Financial practices are also referred to as “internal controls”.

1. DOCUMENTED

Are agency accounting policies and procedures documented in writing?

2. CROSS - CHECKING

What practices are used to make sure systems for cross checks to minimize the risk of mistakes or maximize the likelihood that misconduct is detected?

3. TRAINING

Does staff participate in relevant professional organizations to keep abreast of developments in the field and best practices?

4. CODE OF ETHICS

Does financial staff familiar with and do they adhere to the codes of ethics applicable to their profession?

ANSWERS TO FISCAL PRACTICES QUESTIONS

1. DOCUMENTED

Accounting policies and procedures are written and documented. All have been either written or reviewed in the past five years. They were developed by the Accounting Manager and approved by the CFO. The next slide displays a list of the accounting policies and procedures.

Written & Available

2. CROSS-CHECKING

All financial transactions follow a review and approve workflow. Some of these workflow approvals are built into the Cayenta financial systems through established "rules" parameters, while other approval workflows depend on paper documentation or signatures. Ultimately all transactions are reviewed by Accounting staff before posted to the General Ledger.

Workflow Approvals

3. TRAINING

Finance Department managers participate in GFOA and regional professional organization training. Training is also provided to other Finance staff. Training to departmental administrative staff is provided via "train-the-trainer" approach for Cayenta entry. Training administrative staff in the departments, as well as directors/managers, is an area where additional focus would be advantageous.

Professional Development

4. CODE OF ETHICS

GFOA has a code of ethics, as well as the UG organization through the Ethics Commission created 1997. All elected officials, officials and employees are required to attend a basic ethics education training session within 90 days of their affiliation, and to further attend a continuing ethics training session every 3 years thereafter. The Human Resources Department ?? keeps track on employee training requirements.

Ethics Training

ACCOUNTING POLICIES AND PROCEDURES

Unified Government of Wyandotte County / Kansas City Kansas
Finance Department / Accounting Division
Accounting Policies & Procedures

RECOMMENDED FINANCIAL PLANNING POLICIES

Local agencies have various levels of financial policies. Some policies relate to big picture, strategic topics; others are very specific and practical policies. Having a range of policies helps an agency to chart a wise course financially and avoid operational missteps.

BUDGET POLICY

Such a policy commits to a balanced operating budget (and defines what that is) and requires that decision-makers be alerted when deviations are either planned or otherwise occur.

LONG-TERM FINANCIAL PLANNING POLICY

Such a policy supports financial analysis and strategies to assess the long-term implications of current and proposed capital improvement needs, cost of services, operating budgets, budget policies, cash management and investment policies, program and assumptions.

CAPITAL ASSET INVENTORY

Such a policy requires an up-to-date listing of all major capital assets including. The policy can also require an assessment of asset condition and a plan for replacing assets (sometimes referred to as a "capital plan"). The definition of what constitutes a "major" asset is established by local policy, as is the determination of how often the inventory is to be updated.

LONG TERM PLANNING FOR PENSIONS-OPEB

Such a policy analyzes how the agency will meet the future costs of agency employee pensions and other employee benefit obligations.

RESERVE & OTHER FUND BALANCE POLICY

Such a policy enables decision-makers to maintain a prudent level of resources to protect against a need to reduce service levels or increase revenues due to revenue shortfalls or unpredicted one-time expenses. Specific kinds of reserves can also enable an agency to set aside moneys to replace assets (for example, fleet replacement reserves). This includes employee benefits reflected in the internal service funds.

UNIFIED GOVT FINANCIAL PLANNING POLICIES

STATUS REVIEW & PLANS

A review of our financial policies has been conducted. Below are the recommendations for future actions. These policies will be presented to the ED&F Committee beginning in January.

RECOMMENDED POLICIES & UG STATUS

RECOMMENDED POLICIES	DOES UG HAVE THIS POLICY?	STATUS NOTES
Budget Policy	Yes	2018 Budget, Updated 2013, Page 92 of Approved Budget; ***Due for Review***
Long Term Financial Planning	Yes	2018 Budget, Page 522 of Approved Budget, Updated 2013; ***Due for Review***
Capital Asset Inventory	No	CMIP Budget Policy in 2018 Approved Budget, Page 462 does not refer to an assessment of condition and funding plan for replacement of asset; Expenditure Policy in 2018 Approved Budget, page 524 (Updated 2013) states capital needs will be prioritized annually; ***Needs to be added/reviewed***
LTFP-Pensions & OPEB	No	2018 Approved Budget, Page 524, Updated 2013, briefly discusses; These costs are annually budgeted and liability accounting complies with GASB; Policy language does not outline plan for funding expected Pension and OPEB future liabilities; ***Needs to be added***
Reserves (Fund Balances)	Yes	2018 Approved Budget, Page 520, Updated 2012; Additional refinements and the addition of Sewer Fund recommended; ***Due for Review***

RECOMMENDED REVENUE POLICIES

Revenue policies help decision-makers understand and manager revenue flows.

REVENUE DIVERSIFICATION

Such a policy encourages a diversity of revenue sources to protect the agency against fluctuations in individual sources, such as sales taxes, which can rise and fall dramatically with the general economy.

USER FEE AND CHARGES

Such policies establish the extent to which users of agency services are expected to cover the cost of providing the service and how those costs are determined. Note that most fees may only be used for the purposes for which they were collected and may not exceed the cost of providing the service for which the fee is charged. Such policies also can provide for regular review of fee levels and calculation methods to assure that the agency meets its objectives relating to cost-recovery on an ongoing basis.

ONE-TIME AND UNPREDICTABLE REVENUES

A goal of such a policy is to encourage the use of one-time or unplanned revenues for one-time needs or reserve replenishment rather than for ongoing expenses.

LIMITED PURPOSE REVENUES

By law or policy, certain revenues must be spent for specific purposes (for example, proceeds from special taxes). This policy explains which funds are restricted and why, limits their use to those purposes, and explains how the agency tracks their use to ensure the funds are spent only on permissible expenses.

UNIFIED GOVT REVENUE POLICIES

RECOMMENDATION POLICIES & UG STATUS

RECOMMENDED POLICIES	DOES UG HAVE THIS POLICY?	STATUS NOTES
Revenue Diversification	Yes	2018 Approved Budget, Page 523, Updated 2013; Does not refer to have provisions for encouraging organization to diversify sources away from economically sensitive revenues; ***Due for Review***
User Fee and Charges	No	2018 Approved Budget, Page 523, Updated 2013 has ”User Fee” in the title, but does not refer to parameters for each fees cost recovery goals; ***Needs to be added***
One-Time and Unpredictable Revenues	Yes	2018 Approved Budget, Page 523, Updated 2013; Treatment of non-reoccurring revenues is referenced although addition of use of such funds for fund balance reserves could be included; ***Due for Review***
Limited Purpose Revenues	Qualified Yes	Although no specific policy, use of such revenues follow federal and state law, or UG resolutions and/or contractual agreements; ***Needs to be added***

RECOMMENDED EXPENSE POLICIES

Expense policies enable decision-makers to manage and monitor how the agency incurs expenses.

BUDGET PERFORMANCE REPORTING

Financial reports compare actual expense levels (and revenue levels) to those predicted in the agency's budget. This policy specifies the content and frequency (for example, quarterly) of these reports to decision-makers and the public.

DEBT FINANCING

This kind of policy allows an agency to specify when it can use debt for either short- or long-term needs. The policy also establishes what levels of debt and debt service payments are appropriate for the agency. It can also be a tool for complying with ongoing disclosure requirements associated with the agency's debt and monitoring compliance with those requirements.

EXPENSE REIMBURSEMENT

Such policies determine the circumstances under which elected officials and staff may be reimbursed for expenses incurred in the course of their service to the agency. This includes setting limits on certain kinds of expense levels (for example, meals and hotel rates) according to community standards. Policies also specify the kind of documentation that must be provided to demonstrate that the expense was incurred in compliance with the policy before an expense will be reimbursed. Agency counsel should review the policy for compliance with state laws.

PURCHASING CARD USE POLICIES

Agencies also purchase cards. A policy specifies controls to prevent misuse of such cards.

CASH HANDLING & PETTY CASH

Such a policy provides guidelines and accountability mechanisms for day-to-day cash handling by the agency and its departments.

UNIFIED GOVT EXPENSE POLICIES

RECOMMENDED POLICIES & UG STATUS

RECOMMENDED POLICIES	DOES UG HAVE THIS POLICY?	STATUS NOTES
Budget Performance Reporting	Yes	2018 Approved Budget, Page 576 (Updated 2014); Finance prepares and presents to the ED&F Committee and UG Commission a quarterly budget vs. actual report, the policy doesn't include detail of the information to be included in these quarterly reports; ***Needs to Added***
Debt Financing	Yes	2018 Approved Budget, Debt Policy on Page 525 (Updated 2013) and Tax-Exempt Financing Policy on Page 528, (Updated 2012); References that the level of GO debt appropriate for the UG is set during each year's budget process providing maximum flexibility; ***Due for Review***
Expense Reimbursement	Yes	Human Resources Policy 3.6 Travel, Training and Mileage Reimbursement (adopted by UG Commission) and in the Accounting Policies and Procedures administratively approved by the CFO.
Purchasing Card Use	Yes	The Procurement Division has a purchasing card policy administratively approved by the CAO which all cardholders agree to before receiving the card. It's recommended that this policy be incorporated into the Accounting Policies and Procedures; ***Due for Review.***
Cash Handling & Petty Cash	Yes	Accounting Policies and Procedures administratively approved by the CFO.

RECOMMENDED OTHER POLICIES

Other policies enable decision-makers to manage and monitor how the agency reduces potential liabilities and mitigates other risks.

CASH MANAGEMENT & INVESTMENTS

State law?? requires agencies to adopt an investment policy specifying how the agency may invest funds not needed for the agency's immediate and short- term needs. Such a policy allows the governing body to establish and keep current the agency's investment philosophy and risk tolerance. Although well-defined policies are more than a list of allowed investments, such policies should be reviewed by agency counsel to make sure that the agency's investments and practices conform with state law.

PROCUREMENT/ PURCHASING/CONTRACTING

This policy determine the processes the agency uses in determining with whom it does business (including under what circumstances contracts are competitively bid) and which staff have decision-making responsibility in that area. Such policies also typically specify how the opportunity to do business with the agency is to be announced, with the goal being to achieve an equitable decision making process where all qualified vendors submitting proposals had an opportunity to participate in the process.

RISK MANAGEMENT

Risk management policies set boundaries for the operations of an organization. Doing so can effectively reduce the amount of risk to which the entity is exposed, thereby cutting the size and severity of certain expenditures. The policies can cover such topics as: a) limits on the amount of financial risk that will be assumed; b) limits on the financial guarantees that will be provided to third parties; c) limits on the amount of self-insurance that will be allowed without reinsurance; d) the minimum credit rating of insurance providers. Such policies are designed to keep from buying insurance from a financially weak carrier, avoid self-insuring the bulk of all risks, and ensuring that certain minimum amounts of insurance coverage are purchased. The end result should be a considerable reduction in the amount of risk to which an entity is subjected.

AUDITING & INTERNAL CONTROLS

Internal control and auditing policies relate to the process for assuring achievement of an organization's objectives in operational effectiveness and efficiency, reliable financial reporting, and compliance with laws, regulations and policies. It is a means by which resources are directed, monitored, and measured, and it seeks to detect and prevent fraud and protects the organization's resources, both physical (e.g., machinery and property) and intangible (e.g., reputation).

RED FLAG/ IDENTIFY THEFT PREVENTION

Such a policy is designed to detect, prevent, and mitigate identity theft in connection with the opening and maintenance of accounts of an organization primarily for personal, family, or household purposes and that involves multiple payments or transactions; and any other accounts for which there is a reasonably foreseen risk to customers and to the agency's safety and soundness from identify theft.

UNIFIED GOVT OTHER POLICIES

RECOMMENDED POLICIES & UG STATUS

RECOMMENDED POLICIES	DOES UG HAVE THIS POLICY?	STATUS NOTES
Cash Management & Investments	Yes	2018 Approved Budget, Page 580 (Updated 2017); ***Reviewed Annually***
Procurement, Purchasing & Contracting	Yes	2018 Approved Budget, Page 597, (Updated 2007); ***Due for Review***
Risk Management	Yes	2018 Approved Budget, Page 578, (Updated 2014); ***Due for Review***
Auditing and Internal Controls	Yes	2018 Approved Budget, Page 576, (Updated 2014); ***Due for Review***
Red Flag Identity Theft	Yes	2018 Approved Budget, Page 611 (Updated 2011); ***Due for Review***

BUDGET CREATION AND MONITORING

QUESTIONS TO ASK

QUESTIONS TO ASK DURING BUDGET PROCESS

1. Do Commissioners have a clear understanding of their role in the budget process?
2. Do Commissioners have a meaningful opportunity to shape major goals before the preliminary budget is prepared?
3. Do governing body members feel like they given an opportunity to understand and react to key decision points within a preliminary budget (versus being subjected to a long, random presentation about numbers)?
4. What are the budget's underlying assumptions? Are these assumptions realistic? What are the potential sources of uncertainty and risks regarding these assumptions?
5. Does the budget explain the projections for the most significant general fund revenue sources?
6. For departments providing social services, how are caseload and benefit costs forecasted and managed?
7. Is the budget balanced by one-time fixes or is there a sustainable long-term funding strategy?
8. Is the general fund budget balanced (in other words, are there enough projected revenues to fund estimated expenses)?

ANSWERS TO BUDGETING QUESTIONS

1. COMMISSION ROLE

Budgets are an agency's tool for linking near-term goals with the resources available to achieve them, while keeping in mind long-term goals and resources and how the agency's annual budget fits into its capital plan. The Commission's role is to establish goals and priorities, and allocate resources according to those goals and priorities.

Set Goals & Priorities

2. SHAPE GOALS EARLY

Goals and priorities are set by the Commission during the strategic planning and budget retreat, typically held in October but is scheduled for February this year. At this retreat the strategic plan is reviewed and direction for budget priority direction is evaluated and agreed upon.

Retreat

3. KEY DECISION POINTS

Collaboration with Commissioners on key decision points takes place through internal meetings with the CAO, the 3-on-3 budget meetings. Decision-makers may find their options are limited on how the agency's monies are spent resulting from legal restrictions on how funds may be used, matching funds issues, labor contracts and state mandates.

Collaboration

4. ASSUMPTIONS

Underlying budget assumptions, population changes, projected case loads or service demands, state and federal funding, construction activity, utilities costs, service demands, inflation, and interest rates, are shared with the Commission for their input during the 3-on-3 budget meetings and the budget special session workshops.

Assumptions

ANSWERS TO BUDGET QUESTIONS

5. GF REVENUES ASSUMPTIONS

Underlying General Fund revenue assumptions are shared with the Commission for their input during the long term financial forecast special session and the strategic planning retreat.

GF Revenues

6. SERVICES CASELOAD

How social services caseload and benefit costs are forecasted and managed is shared with the Commission during the budget workshops.

Social Services

7. ONE-TIME FIXES?

The budget is a financial management tool to make sure the agency spends within its means and balances expenses against revenues. Prior to the budget process, a long term financial forecast is presented that will identify funding challenges needed to be addressed during the budget process. The planning process seeks to avoid one-time "fixes". Strengthening the one-time revenue policy will assist in achieving this

Use of One-Time $

8. IS GF BALANCED?

The definition of balanced is to have General Fund revenues equal (or greater than) General Fund expenditures, without the use of available fund balance. Since departments don't typically spend 100% of budgeted expenditures, unspent resources can then be utilized in the subsequent year for fund balance reserves or priority one-time projects.

Revenues = Expenses

QUESTIONS TO ASK DURING BUDGET PROCESS

09 Does the budget use one-time revenues only for one-time expenses (rather than ongoing expenses)?

10 Does any fund have a deficit (in other words, is it projected to spend more than it brings in)? Why? Is it the deficit temporary or permanent?

11 What are the most significant changes since last year's adopted budget?

12 For the agency's general fund, how is the fund balance projected to change? How are other funds' fund balances projected to change? How will any resulting changes affect the agency's compliance with its reserve policies?

15 Does the budget compare actual expenses and revenues from past years so decision-makers and the public can understand how the agency's budgeted numbers compared to reality?

16 Does the budget show changes in the agency's overall financial condition? What measures of financial condition does it use?

17 How does the agency's budget compare with other agencies in the geographic area (both for the next fiscal year and the trend over the past five years)?

18 If changes to the budget prove necessary during the fiscal year, why are those adjustments necessary? What steps were taken to avoid having to make mid-year changes? What steps can be taken to avoid such changes in the future?

QUESTIONS TO ASK

PERSONNEL BUDGETING

Salaries and benefits represent significant portion of total General Fund expenditures. The relative size of this cost area requires special focus to ensure actual costs during the year do not vary greatly from the budget.

FORECASTING SALARY COSTS

What procedures does the agency use to forecast and manage projected personnel expenses? When do labor agreements expire?

OTHER ENTITY COMPARISONS

How does the agency set its salary and benefit levels or ranges?

VACANCY SAVINGS

Are position vacancies monitored (including length of each vacancy) to determine whether salary savings can be achieved, and whether the position is actually required. Would service levels suffer without position?

PENSION & OPEB FUNDING STATUS

What is the status of the agency's funding for pension and other post employment benefits liabilities?

BUDGETS DON'T TELL THE WHOLE STORY

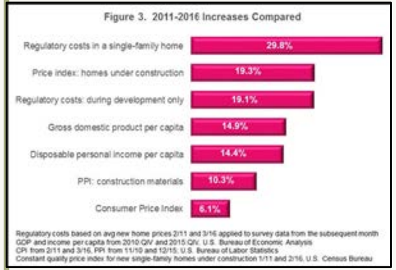
DEFERRED COSTS

They don't show postponed or avoided costs (deferred maintenance on facilities or infrastructure). They also don't measure the decline or depreciation of infrastructure (like roads, bridges and sewer lines) and public facilities (like buildings and parks).

EXPIRING TAXES

They don't show use of one-time or expiring revenue sources.

CONSTRUCTION CPI



They don't indicate changes in purchasing power due to inflation or deflation.

ASK FOR *"THE REST OF THE STORY"*

Operating budgets and financial reports do not address many important issues that decision-makers must consider. That's because they only look at one year. Long term financial plans discuss these items.

Local officials may wish to ask staff to provide an analysis of how these variables affect the agency's ability to deliver services and facilities.

FINANCIAL REPORTING AND ACCOUNTING

QUESTIONS TO ASK

QUESTIONS TO ASK QUARTERLY BUDGET REPORTS

1. What reports do Commissioner receive? What do they do with them?
2. Do they provide meaningful information that gives Comissioners an accurate portrayal of the current financial picture?
3. Do the reports compare expectations with actual results and discuss key variances between the two?
4. Are there adverse patterns? Does staff have a plan to address the problems?
5. Are there inconsistencies or conflicting trends?
6. Do the reports identify areas of uncertainty or risks in any forecasts contained in the reports?
7. Do the reports frequently contain surprises or unexpected developments?
8. Do the reports include all funds, or just the General Fund?

QUESTIONS TO ASK ANNUAL CAFR

1. Are the financial statements prepared in accordance with generally accepted accounting standards (GAAP)? Are they audited by an outside, independent auditor?

2. Have all required disclosures required by the Governmental Accounting Standards Board (GASB) been made?

3. How long has the independent auditor been auditing the UG? Does the UG periodically change auditors to provide a fresh view of the UG's financial practices and reports?

4. What is the relationship between the auditor and both staff and the governing body? Is the auditor getting the information needs met in a timely manner? Is communication open ?

5. Are the annual financial statements timely – within six months after year-end?

6. Are the auditors' opinion "unqualified"?

7. Does the auditor issue a letter to the governing body reporting on the agency's internal controls?

8. Does the agency follow the "Award for Excellence in Financial Reporting" guidelines of the GFOA?

FINANCIAL WARNING SIGNS

Operating expenses exceed revenues by more than 5%

Large mid-year variances in budgeted revenues and expenses vs. actuals

Inadequate or late financial reports

Depletion of reserves to balance budgets, falling below 10% of expenses

Increase in debt service as a % of operating budget each year

Debt service exceeds 10% of current revenues

Expenses exceeding revenues for 2 years, with 2nd year larger than the 1st year.

Outstanding loans (due to/due from) between funds

“QUALIFIED” OPINION

Big Warning Sign. Independent auditor can’t conclude all accounting policies were followed

INTERNAL CONTROL WEAKNESSES

Big Warning Sign. Without a plan to address them, especially if repeated year after year

STAFF TURNOVER

Big Warning Sign. Especially staff responsible for monitoring financial status

LONG TERM FINANCIAL PLANS

QUESTIONS TO ASK

QUESTIONS TO ASK

1. KEY VARIABLES
Does the forecast take into account key variables relating to revenues and expenses?

2. CLEAR CONCLUSIONS
Does the forecast reach clear conclusions about what these variables mean for the agency's future reveue and expenses?

3. RISK AND UNCERTAINTY
Does the forecast also identify areas of risk and uncertainty that may limit the degree to which the agency can rely on the forecast?

4. COMMUNICATION STRATEGY
Are the results of the forecast shared with decision makers and public? What level of detail do decision-makers want to receive regarding the LTFP?

LONG TERM FINANCIAL PLANS

Forecasting helps the agency think about the factors affecting the agency's fiscal health (and what can and cannot be done about them). Forecasting also helps elected officials, staff and the community understand the long- term fiscal challenges and opportunities they face, as well as possible advance warning of future uncertainties (for example, voter initiatives and state budget decisions).

CASH MANAGEMENT AND INVESTMENTS

QUESTIONS TO ASK

QUESTIONS TO ASK

CASH MGMT AND INVESTMENTS

1. OVERSIGHT RESPONSIBILITY

What oversight procedures does the agency use for its investments? Who is responsible for the day-to-day supervision of the agency's investment activities?

2. INVESTMENT POLICY

What is the agency's investment policy? Is it understandable? Does the governing body review it annually?

3. QUARTERLY INVESTMENT REPORTS

Do governing body members receive and review periodic investment reports? Do these reports include an analysis of cash flow needs?

4. COMMUNICATION STRATEGY

Are any bank holdings over the FDIC insurance limit (which may vary from bank to bank) and do such depositories otherwise comply with state and federal standards to provide security for public agency deposits?

Public agencies have funds on hand that are being held for longer-term needs. These may be invested in a variety of bonds (but not stocks), notes and other instruments allowed by state law. The governing body's role is to be a wise steward of the public's resources. The objectives in managing public funds are: 1) safety. 2) liquidity, and 3) yield.

Prudent public agency investment managers never seek to earn maximum returns on the agency's portfolio at the expense of safety or liquidity. This would expose the agency to an unacceptable level of too much risk.

CAPITAL FINANCING & DEBT MANAGEMENT

QUESTIONS TO ASK

QUESTIONS TO ASK

CAPITAL AND DEBT MGMT

1. CAPITAL PLAN

Does the agency have a multi-year capital improvement plan? Is it realistic? What does the plan not include?

2. DEBT POLICY

Does the capital financing and debt management policies provide decision criteria for when incurring debt is appropriate? Do these policies address debt capacity? Do these policies address costs/benefits of risk examinations for proposed debt?

3. DISCLOSURE & BOND COVENANTS

Do these policies address disclosure to and relations with debt rating agencies? Who is responsible for conformance with bond covenants on an ongoing basis?

4. DEBT ADVISORY COMMITTEE

Does the agency have a debt advisory committee? If so, does the membership of the committee include representatives from the local community?

Debt financing is neither a “bad” nor a “good”—it is simply a tool for achieving community goals. However, debt does come at the price of costs of issuance and interest charges, as well as the obligation to make regular loan payments and conform to market disclosure and terms of the debt instruments on an ongoing basis.

Allowing these payments to become a dominant part of the agency’s budget limits the agency’s ability to respond to unplanned expenses. Any agency’s ability to borrow and repay debt capacity is limited. Amounts borrowed for today’s project are funds that cannot be borrowed tomorrow. Amounts required for debt repayment in the future are funds that will not be available for other programs and services.

PROCUREMENT AND CONTRACTING

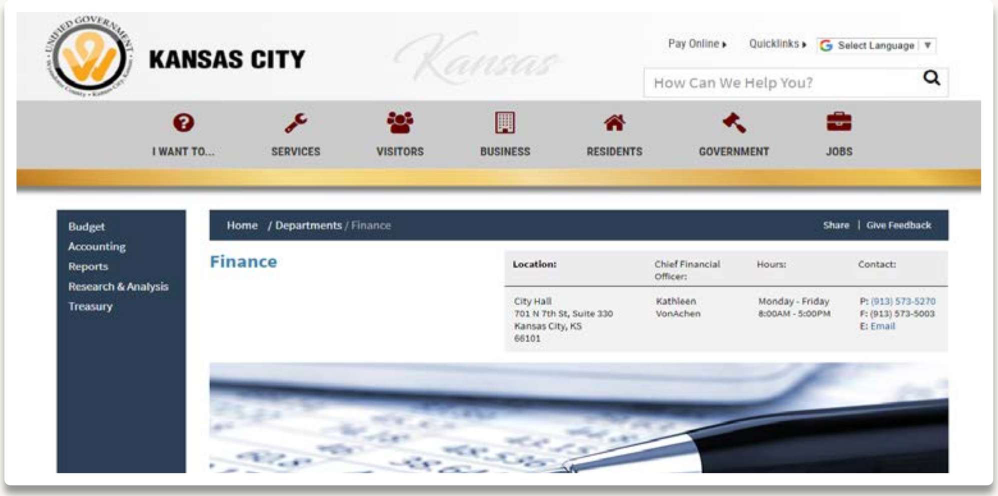
QUESTIONS TO ASK

Procurement policies and practices enable an agency to promote maximum value and economy for the agency's constituents through fair and competitive processes. The goal underlying such policies is to select vendors and service providers using processes in ways that minimize opportunities for favoritism and that provide for competitive pricing. For service providers, the task also involves assessing whether the provider's skills best meet the agency's needs.

Purchasing presents a number of ethical and legal hazards for local officials, despite what can be a relatively small impact on overall agency spending. This is because missteps can undermine the public's overall confidence in the agency's financial practices.

QUESTIONS TO ASK PURCHASING

1. What steps does the agency use to have a fair, open and competitive purchasing process?
2. Does the agency's purchasing process explain the respective roles of staff and elected officials in that process?
3. Have employees involved in the purchasing process received training or informational materials on the importance of both the appearance and substance of fairness in the procurement process?
4. Are the purchasing rules straightforward enough so that everyone who has a part in implementing them understands the underlying goals and key rules?
5. Does the agency take advantage of cooperative purchasing opportunities with other public agencies?
6. Does the agency have policies in place for the proper disposal of surplus property? How has staff been made aware of such policies?
7. Is the agency alert to and actively monitor contract terms for cost escalators and automatic renewals that can cause increases that can cause the agency to lose control of costs?
8. Does the agency have policies in place to comply with applicable prevailing wage requirements?



CONTACT US

Finance Department, 701 N. 7th Street, Suite 330

Phone : (913) 573-5186| Fax : (913) 573-5003

Email : kvonachen@wycokck.org

http://www.wycokck.org/Finance.aspx

https://www.facebook.com/wycodmv/ https://twitter.com/CityofKCK

Unified Government Finance Office

Kathleen VonAchen
Chief Financial Officer

701 North 7th Street, Suite 330
Kansas City, Kansas 66101-3065

Phone: (913) 573-5186
Fax: (913) 573-5003

January 16, 2017

Finance Department will be presenting 13 policies to the Economic Development and Finance Standing Committee over the next three months. Various policies will be submitted to each of the next three Standing Committee meetings for Commission consideration and input. At each meeting, staff will present the policy; a brief summary statement; and overview. Approval of the presented policies is planned to take place at a subsequent Committee meeting(s) to provide Commissioners time to review and consider the recommended policy revisions. Most of the policies are contained in the budget document, and several new policies will be introduced. The schedule for review of the policies is indicated below.

Standing Committee Date	Policy	Presenter
FINANCIAL PLANNING POLICIES		
February 2018	Budget Policy	Budget Manager
February 2018	Long Term Financial Planning	CFO
February 2018	LTFP – Pensions & OPEB	CFO
February 2018	Capital Asset Inventory / CMIP	CFO & Public Works Director
February 2018	Reserves (Fund Balances)	CFO & Deputy CFO
REVENUE POLICIES		
March 2018	Revenue Diversification	CFO & Deputy CFO
March 2018	User Fees and Charges	CFO & Deputy CFO

March 2018	One-Time and Unpredictable Revenues	CFO & Deputy CFO
December 2nd	Limited Purpose Revenues	CFO & Deputy CFO
EXPENSE POLICIES		
April 2018	Budgetary Performance Reporting	Budget Manager
April 2018	Debt Financing	CFO
April 2018	Expenditure Policies	Budget Manager
April 2018	Auditing and Internal Controls	Accounting Manager
OTHER POLICIES TO BE REVIEWED		
TBD	Procurement, Purchasing and Contracting	Procurement Manager
TBD	Economic Development Policies	Economic Development Director
TBD	Risk Management	TBD
TBD	Red Flag Identify Theft	TBD

Staff Request for Commission Action

Tracking No. 173

Full Commission Meeting Date: 1/25/18

Committee: Economic Development & Finance

Date of Standing Committee Action: 1/16/18 (If none, please explain):

Publication Required: Yes 02/01/2018

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
01/02/2018	Wendy Green	x5679	wmgreen@wycokck.org	Legal

Item Description:

On May 11, 1972, the city approved Ordinance No. 50704, providing relief from governmental fees or charges for senior citizens, which historically has been titled as the Senior Citizens Utility Tax Refund. On Dec. 14, 2006, the UG approved Ordinance No. O-126-06, creating a refund of city sales tax to senior citizens. That program was combined with the utility refund.

In September 2016, the Legislative Auditor reviewed the process of the refund programs and submitted the following findings:

> FINDING #4
> Refunds issued for the Senior Citizen Utility Tax program were based incorrectly on combining both the utility tax payments and sales tax amounts for eligible senior citizens into one refund calculation instead of handling as separate refunds.
>
> The UG Code of Ordinances has two separate sections allowing refunds to senior citizens. The first one: Section 2-296, "Relief from governmental fees or charges for senior citizens," allows for a refund based on utility tax payments and is not to exceed $150. The second one: Section 34-21, "Refund of city sales tax to senior citizens," is based on income with stated maximum amounts per income category. The form used by Clerk's Office includes both utility tax payments and sales tax into one refund calculation amount, and uses the utility tax refund maximum of $150 as the maximum refund amount.
>
> Recommendation
> According to the UG Code of Ordinances, these two refund programs should be handled separately. An opinion was requested from the UG Legal Department who concurred. The applicant forms should be updated to include separate information and calculations for each refund program, and the resulting combined refund amount remitted to the eligible senior citizen. For budget purposes and accountability, refund amounts for each program should be charged to separate account codes.

In keeping with the Legislative Auditor's findings and the Legal Department's opinion, the programs were handled separately for the first time in 2017. In doing so, there was a 51% increase in monies paid out which was not budgeted for.

Staff is recommending the ordinances be changed whereby a senior citizen would only be eligible to apply for one of the programs.

Action Requested:
Approve ordinance

Budget Impact: (if applicable)
Amount:
Source:
Included In Budget:
Other (explain):

Attachments List:
Ord, Red Line Ord, PowerPoint

Published: ________________________

ORDINANCE NO. ______________________________

AN ORDINANCE relating to Chapter 2, Administration, amending Section 2-296, of the Unified Government Code, and relating to Chapter 34, Taxation, amending Section 34-21 of the Unified Government Code.

BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS:

Section 1. That Chapter 2, Administration, Section 2-296, of the Code of Ordinances for the Unified Government of Wyandotte County/Kansas City, Kansas, be amended to read as follows:

Sec. 2-296. - Relief from governmental fees or charges for senior citizens.

(a) All bona fide residents of the city who are of the age of 65 or older and who have a gross annual income not exceeding $25,000.00 or, in case of a husband and wife living together in such residence, who have a combined gross annual income not exceeding $25,000.00, shall be entitled to a refund on all of the following payments actually made during the calendar year on their personal residence:

(1) Unified government tax paid to an authorized natural gas franchisee.

(2) Ninety percent of all water pollution control charges paid to the unified government.

(3) A percentage of the total of all amounts paid to the board of public utilities during the previous calendar year for water and light, which percentage shall be the same as the percentage of gross operating revenues transferred pursuant to Charter Ordinance No. 106 to the funds of the unified government to be used for governmental purposes.

(4) Unified government franchise tax paid to a telephone company.

(b) Between January 2 and March 31 of each calendar year, persons eligible for refund on any or all of the items set out in subsection (a) of this section may make application for a refund for such charges paid during the calendar year on forms provided:

(1) The applicant shall bring documentation satisfactory to the office of the unified government clerk or designated location establishing residency, age and gross annual income for the last previous calendar year.

(2) The applicant shall document the amounts of payments eligible for a refund and actual payment by the applicant. No refund shall be allowed for any amount not verified by a receipt or other evidence satisfactory to the office of the unified government clerk or his designee.

(3) After approval by the unified government clerk, the unified government clerk shall mail payments to the applicants at the address set forth in the application.

(c) No person shall receive payments for sums expended during any period of the year in which such person became 65.

(d) No person shall be eligible for a refund hereunder who is a recipient of public funds specifically designated for payment of charges hereunder listed in subsection (a) of this section.

(e) In case of sickness or disability or when, in the judgment of the unified government clerk, good cause exists, the unified government clerk may extend the time for filing any claim for a refund hereunder.

(f) All refunds to persons over 65 shall be made from the general fund for the unified government.

(g) The maximum amount of refund under this section shall be $150.00.

(h) Any resident applying for the refund under this code section shall not be eligible for the refund of city sales tax to senior citizens under Chapter 34, Section 34-21 of the Code of Ordinances for the Unified Government of Wyandotte County/Kansas City, Kansas.

(Code 1964, §§ 41-2, 41-3, 41-3.1; Code 1988, § 2-213; Ord. No. 50704, §§ 1-5, 5-11-1972; Ord. No. 53090, §§ 1, 2, 8-29-1974; Ord. No. 57020, § 1, 10-20-1977; Ord. No. 57021, § 1, 10-20-1977; Ord. No. 60908, § 1, 1-24-1980; Ord. No. 63591, § 1, 12-8-1981; Ord. No. 64704, §§ 1-3, 9-20-1984; Ord. No. 65071, § 1, 10-16-1986; Ord. No. 65488, § 1, 12-7-1989; Ord. No. 65760, § 1, 10-22-1992; Ord. No. O-74-06, § 1, 8-17-2006; Ord. No. O-58-09, § 1, 7-30-2009)

Cross reference— Sewer service charges, § 30-92 et seq.; refund of city sales tax to senior citizens, § 34-6.

Section 2. That Chapter 34, Taxation, Section 34-21, of the Code of Ordinances for the Unified Government of Wyandotte County/Kansas City, Kansas, be amended to read as follows:

Sec. 34-21. - Refund of city sales tax to senior citizens.

(a) All bona fide residents of the city who are of the age of 65 or older and who have a gross annual income not exceeding $25,000.00, or, in the case of husband and wife living together in the same residence, who have a combined gross annual income not exceeding $25,000.00, shall be entitled to a refund of the city sales tax and that amount of the county sales tax received by the city based upon the following schedules:

2006 City Sales Tax* Refund Table

Income	12 Month Maximum	Monthly Max

Category	Rebate Amount		(Per Person)	
	1 Exemp.	2 Exemp.	1 Exemp.	2 Exemp.
0—5,000	27.72	33.84	2.31	2.82
5,000—9,999	49.32	60.24	4.11	5.02
10,000—14,999	77.88	94.92	6.49	7.91
15,000—19,999	102.72	125.28	8.56	10.44
20,000—25,000	124.08	151.32	10.34	12.61

*City sales tax includes the city's rate of 1.25 percent and the portion of the county sales tax rate received by the city (approximately 0.73 percent).

(b) Each applicant shall execute a verified application for claim and file it with the unified government clerk not later than March 31 of each year.

(c) After approval by the unified government clerk, the unified government clerk shall mail payment to the applicant at the address set forth in the application.

(d) No person shall receive a refund of sales tax for the year in which such person became age 65.

(e) No person shall be eligible for a refund who is a recipient of public funds specifically designated for payment of sales tax.

(f) In case of sickness or disability or when, in the judgment of the unified government clerk, good cause exists, the unified government clerk may extend the time for filing any claim for a refund.

(g) All refunds of the city sales tax under this section shall be made from the city general fund.

(h) Any resident applying for the refund under this code section shall not be eligible for the refund of governmental fees or charges under Chapter 2, Section 2-296 of the Code of Ordinances for the Unified Government of Wyandotte County/Kansas City, Kansas.

(Code 1964, § 41-5; Code 1988, § 34-2; Ord. No. 54059, § 1, 8-19-1975; Ord. No. 63621, § 1, 12-21-1981; Ord. No. 64704, § 4, 9-20-1984; Ord. No. 65071, § 2, 10-16-1986; Ord. No. O-126-06, § 1, 12-14-2006)

Cross reference— Relief from governmental fees or charges for senior citizens, § 2-296.

Section 3. This ordinance and resolution shall take effect and be in full force from and after its passage, approval, and publication in the official Unified Government newspaper.

PASSED BY THE BOARD OF COMMISSIONERS OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS THIS ____ DAY OF _____ 2018

____
David Alvey, Mayor/CEO

Attest:

____
Unified Government Clerk

Approved as to Form:

____
Wendy M. Green, Assistant Counsel

Published: ________________________

ORDINANCE NO. ______________________________

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(2) Ninety percent of all water pollution control charges paid to the unified government.

(3) A percentage of the total of all amounts paid to the board of public utilities during the previous calendar year for water and light, which percentage shall be the same as the percentage of gross operating revenues transferred pursuant to Charter Ordinance No. 106 to the funds of the unified government to be used for governmental purposes.

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(1) The applicant shall bring documentation satisfactory to the office of the unified government clerk or designated location establishing residency, age and gross annual income for the last previous calendar year.

(2) The applicant shall document the amounts of payments eligible for a refund and actual payment by the applicant. No refund shall be allowed for any amount not verified by a receipt or other evidence satisfactory to the office of the unified government clerk or his designee.

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(c) No person shall receive payments for sums expended during any period of the year in which such person became 65.

(d) No person shall be eligible for a refund hereunder who is a recipient of public funds specifically designated for payment of charges hereunder listed in subsection (a) of this section.

(e) In case of sickness or disability or when, in the judgment of the unified government clerk, good cause exists, the unified government clerk may extend the time for filing any claim for a refund hereunder.

(f) All refunds to persons over 65 shall be made from the general fund for the unified government.

(g) The maximum amount of refund under this section shall be $150.00.

(h) Any resident applying for the refund under this code section shall not be eligible for the refund of city sales tax to senior citizens under Chapter 34, Section 34-21 of the Code of Ordinances for the Unified Government of Wyandotte County/Kansas City, Kansas.

(Code 1964, §§ 41-2, 41-3, 41-3.1; Code 1988, § 2-213; Ord. No. 50704, §§ 1-5, 5-11-1972; Ord. No. 53090, §§ 1, 2, 8-29-1974; Ord. No. 57020, § 1, 10-20-1977; Ord. No. 57021, § 1, 10-20-1977; Ord. No. 60908, § 1, 1-24-1980; Ord. No. 63591, § 1, 12-8-1981; Ord. No. 64704, §§ 1-3, 9-20-1984; Ord. No. 65071, § 1, 10-16-1986; Ord. No. 65488, § 1, 12-7-1989; Ord. No. 65760, § 1, 10-22-1992; Ord. No. O-74-06, § 1, 8-17-2006; Ord. No. O-58-09, § 1, 7-30-2009)

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Sec. 34-21. - Refund of city sales tax to senior citizens.

(a) All bona fide residents of the city who are of the age of 65 or older and who have a gross annual income not exceeding $25,000.00, or, in the case of husband and wife living together in the same residence, who have a combined gross annual income not exceeding $25,000.00, shall be entitled to a refund of the city sales tax and that amount of the county sales tax received by the city based upon the following schedules:

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20,000—25,000	124.08	151.32	10.34	12.61

*City sales tax includes the city's rate of 1.25 percent and the portion of the county sales tax rate received by the city (approximately 0.73 percent).

(b) Each applicant shall execute a verified application for claim and file it with the unified government clerk not later than March 31 of each year.

(c) After approval by the unified government clerk, the unified government clerk shall mail payment to the applicant at the address set forth in the application.

(d) No person shall receive a refund of sales tax for the year in which such person became age 65.

(e) No person shall be eligible for a refund who is a recipient of public funds specifically designated for payment of sales tax.

(f) In case of sickness or disability or when, in the judgment of the unified government clerk, good cause exists, the unified government clerk may extend the time for filing any claim for a refund.

(g) All refunds of the city sales tax under this section shall be made from the city general fund.

(h) Any resident applying for the refund under this code section shall not be eligible for the refund of governmental fees or charges under Chapter 2, Section 2-296 of the Code of Ordinances for the Unified Government of Wyandotte County/Kansas City, Kansas.

(Code 1964, § 41-5; Code 1988, § 34-2; Ord. No. 54059, § 1, 8-19-1975; Ord. No. 63621, § 1, 12-21-1981; Ord. No. 64704, § 4, 9-20-1984; Ord. No. 65071, § 2, 10-16-1986; Ord. No. O-126-06, § 1, 12-14-2006)

Cross reference— Relief from governmental fees or charges for senior citizens, § 2-296.

Section 3. This ordinance and resolution shall take effect and be in full force from and after its passage, approval, and publication in the official Unified Government newspaper.

PASSED BY THE BOARD OF COMMISSIONERS OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS THIS ____ DAY OF _____ 2018

David Alvey, Mayor/CEO

Attest:

Unified Government Clerk

Approved as to Form:

Wendy M. Green, Assistant Counsel

Senior Citizen Utility Tax Refund and City Sales Tax Refund

Presented by:

Carol Godsil
Deputy UG Clerk
January 16, 2018

History

- Utility Tax Refund Program adopted
  Ordinance No. 50704, May 11,1972

- Sales Tax Refund Program adopted
  Ordinance No. O-126-06, December 14, 2006

Qualifications

- 65 Years of age or older
- KCK resident
- Annual household income ≤ $25,000

Filing

Dates:

- Jan. 2 – Mar. 31

Locations:

• UG Clerk's Office Municipal Office Bldg. 701 N. 7th St., Suite 323 913-573-5260	Walk-in 8:30 a.m. – 4:00 p.m.
• Area Agency on Aging Midtown Metro Center 849-C N. 47th St. 913-573-8531	Appointment only Tues/Thurs

*Utilities Refund

- 90% WPC charges
- 11.9% BPU electric & water payments-in-lieu of taxes
- Gas franchise fee paid to Kansas Gas or Atmos
- Franchise tax (special municipal charge) paid to AT&T

* Maximum Rebate $150

Application form

CLAIM FOR TAX CHARGES PAID DURING 2014

ACCORDING TO PROVISIONS OF ORDINANCE 50704, PASSED MAY 11, 1972. (AMENDED BY ORD. 52054, 53090, 54059, 57021, 60908, 63591, 64704, 65071, 65488, 65760, 0-74-06, 0-126-06 and O-58-09)

Applicant's SS#

PAYMENTS MADE BY:

NAME:

ADDRESS:

Kansas City, KS Zip Code:

Date of Birth Phone Number:

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Sub	Total
Water Poll. Charge (90%)													$0.00	$0.00
Gas Fran. Tax													$0.00	$0.00
Telephone Fran. Tax													$0.00	$0.00
BPU-Electric & Water 11.9%													$0.00	$0.00
													$0.00	$0.00
City Sales														$0.00
Tax Refund													$0.00	$0.00

Amount Refunded $ - Total amount of refund will be subject to audit.

INCOME		MONTHLY PER PERSON		12 MONTH MAXIMUM AMOUNT	
		ONE	TWO	ONE	TWO
$0	$4,999	2.31	2.82	27.72	33.84
$5,000	$9,999	4.11	5.02	49.32	60.24
$10,000	$14,999	6.49	7.91	77.88	94.92
$15,000	$19,999	8.56	10.44	102.72	125.28
$20,000	$25,000	10.34	12.61	124.08	151.32

Use above Table for Computing Monthly and Yearly Amount of Refund

INCOME SOURCES DURING CLAIM PERIOD	AMNT OF INCOME RCVD
	$ -

I, the undersigned, do hereby certify the above statements as to age, residence, income, and amount claimed are true and correct. I hereby swear under penalty of perjury that all information submitted with this claim is true and correct to the best of my knowledge and belief.

Applicant's Signature: Signature of Preparer

Date

Program Refund Amounts

	Utilities & Sales Tax Combined		Utilities Only	City Sales Tax Only
	2015 Filings for 2014	2016 Filings for 2015	2017 Filings for 2016	
Rebate Amount	Count	Count	Count	Count
Total Refunds Filed	991	920	874	883
Average Refund	$148	$148	$148	$94.90
Received Maximum Refund	951 (96%)	882 (96%)	839 (96%)	NA
Total Refunds	$147,091	$136,645	$122,236	$83,799
Total Paid in 2017			*$206,035	

***Separating two programs reflected a 51% increase in refunds**

Income of Program Participants

	2015 Filings for 2014		2016 Filings for 2015		2017 Filings for 2016	
Income Category	Count	Pct.	Count	Pct.	Count	Pct.
$0 to $5,000	9	0.9%	2	0.2%	2	0.2%
$5,001 - $10,000	125	12.6%	102	11.1%	113	12.8%
$10,001 - $15,000	306	30.9%	269	29.2%	244	27.6%
$15,001 - $20,000	354	35.7%	346	37.6%	326	36.9%
$20,001 - $25,000	197	19.9%	201	21.8%	196	22.4%
Total	556	100.0%	920	100.0%	883	100.0%
Median Income	$15,432		$16,282		$16,300	