STATE OF KANSAS)
WYANDOTTE COUNTY)) SS **SPECIAL SESSION, THURSDAY, JULY 19, 2018**
CITY OF KANSAS CITY, KS)

The Unified Government Commission of Wyandotte County/Kansas City, Kansas, met in Special Session, Thursday, July 19, 2018, with eleven members present: Bynum, Commissioner At-Large First District; Burroughs, Commissioner At-Large Second District; Townsend, Commissioner First District; McKiernan, Commissioner Second District; Murguia, Commissioner Third District (arrived at 5:02 p.m.); Johnson, Commissioner Fourth District; Kane, Commissioner Fifth District; Markley, Commissioner Sixth District; Walters, Commissioner Seventh District; Philbrook, Commissioner Eighth District; and Alvey, Mayor/CEO presiding. The following officials were also in attendance: Doug Bach, County Administrator; Ken Moore, Chief Legal Counsel; Bridgette Cobbins, Unified Government Clerk; Joe Connor, Gordon Criswell and Melissa Sieben, Assistant County Administrators; Kathleen VonAchen, Chief Financial Officer; Debbie Jonscher, Deputy Chief Financial Officer; Reginald Lindsey, Budget Director; Budget Staff; Emerick Cross, Commission Liaison; Mark Dupree, District Attorney; Damon Mitchell, Deputy District Attorney; Brent Thompson, Director of Engineering/County Surveyor; Jeremy Rogers, Director of Parks & Recreation; Maureen Mahoney, Chief of Staff in Mayor's Office; Lynn Melton, Assistant to the Mayor; and Officer Doleshal, Sergeant-at-Arms.

MAYOR ALVEY called the meeting to order.

ROLL CALL: Kane, Markley, Walters, Philbrook, Bynum, Burroughs, Townsend, McKiernan, Johnson, Alvey.

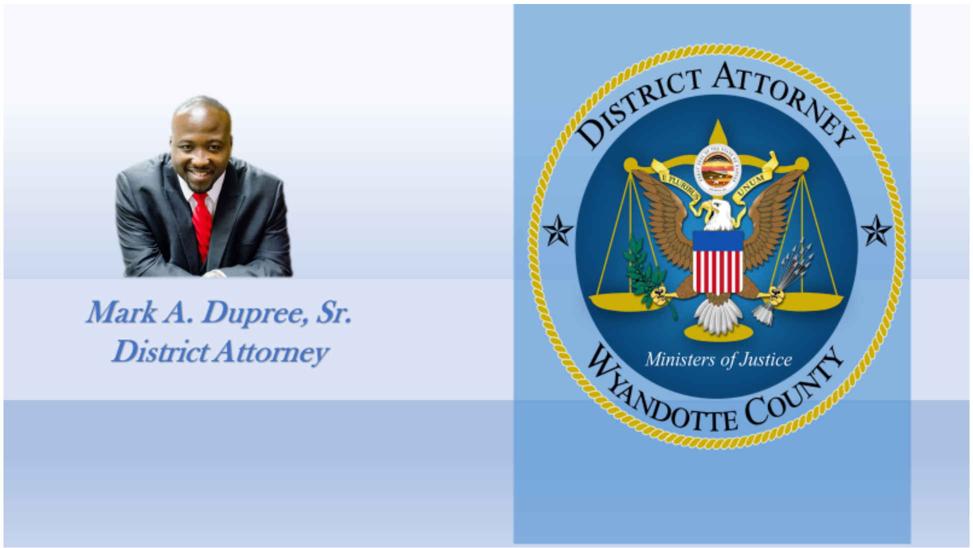
NOTICE OF SPECIAL SESSION of the Unified Government of Wyandotte County/Kansas City, Kansas, to be held Thursday, July 19, 2018, at 5:00 p.m. in the 5th floor conference room of the Municipal Office Building for a Budget Workshop.

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

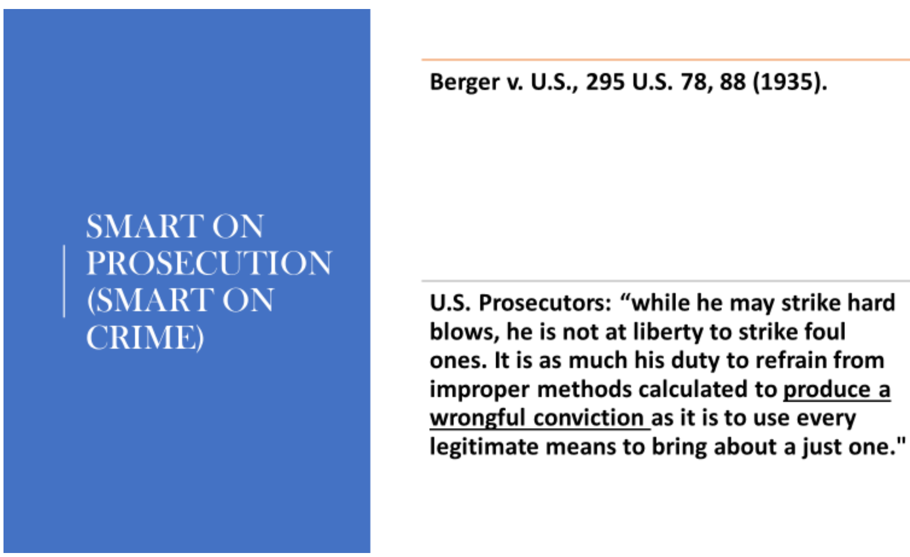
Mayor Alvey said as the Clerk stated our meeting is the second of several Budget Workshops. I will now pass this over to Administrator Bach.

Doug Bach, County Administrator, said the agenda for tonight the District Attorney is going to be here. He has items to go over in his budget and present information regarding the Schlitterbahn case. We're going to talk about the Downtown Improvement District or the SSMID. We have presentation regarding our Debt Financing and how that works. We will be over the Benefit Districts and the Parks Master Plan. Then, we will conclude by going back over the various topics that we have set out for future workshop agenda's.

With that, Mayor, I would invite District Attorney Dupree to come forward with his team.



Mark Dupree, District Attorney, said I would like to state from the beginning the goal and purpose of the prosecutor in the United States.



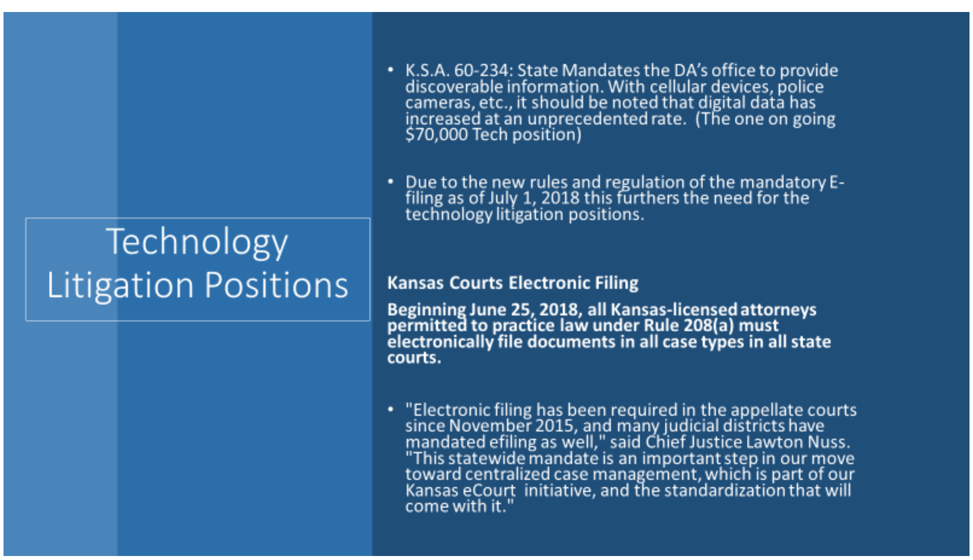
Berger vs. United States says that the U.S. Prosecutor "while he may strike hard blows, he is not at liberty to strike foul ones. It is as much his duty to refrain from improper methods calculated to produce a wrongful conviction as it is to use every legitimate means to bring about a just one." That's from our United States Supreme Court back in 1935 and I believe that still holds true today.

As such I want to discuss my philosophy in the Prosecutors Office which is facing forward and that is to acknowledge the mistakes of our past, correct them and do all that we can to insure we never repeat them.

In 2017 we had several accomplishments. I won't run through them all. I will tell you we have gone paperless concerning all of discovery. We went out and found grant funding for two additional positions that were not in our budget when I came into office. One being a Victim Advocate as well another being a Domestic Violence and Sex Crime Attorney. In collaboration with District Court we have a created the Behavioral Health Court. We've reengaged with the Drug Court. We've created and established the Community Liaison Board and we've created Drug Diversion and we've expanded our Diversion Program which from 2016 was $149K that they were bringing in, whereas in 2017 we have raised an additional $50K on that. The numbers for 2018 are still coming in.

I want to commend this Commission upon last year I came and talked to the Commission about the issues of archiving and digitizing documents that were upstairs in the old jail. The pictures here show just a portion of how those files are in the old cells of the old jail. The focus last year and, what the Administration as far as I can tell was onboard with making sure that we digitize these things so that we can catch-up to the rest of the country. It allows us to prevents lawsuits from happening as they were standing on chairs to get these things and they were around hazardous health crawling creatures that were up there. Nonetheless, I'm commending you for saying yes, something needs to be done and we have started this process and look forward to receiving the funding to make it a safer place.

That same thought process, what you saw here is now looking like this so when we began looking for a place to place these boxes as well as an organization to assist in dealing with the digitizing of it. Working with Alan and his team of folks, we found that it was quite expensive, the upper part of $500K is what we were finding for someone to come in and remove those boxes, go through the files and scan them in. We were able to skim that nearly $500K down to $270K where we got with Judge Lampson, the Chief Judge over there who allowed us to get this space on the 4th or 5th floor of the Courthouse, cleared it out, and we were able to line the boxes up against the wall. We are bringing in four temp personnel that will come in for the next year and a half to two years to scan these things in. That got us down to right at $192K.



We also requested a Litigation Tech to be added onto that personnel because with the 3,500 boxes that we are now scanning in, we have one Litigation Tech for an office of over 60 individuals that deal with more than 1,500 cases and now we're adding an additional 3,500 cases.

As we know the State Statute indicates that we're mandated as the DA's office to provide discoverable information with cellular devices, police cameras, etc., it should be noted that digital data has increased at an unprecedented rate. In order for us to follow that mandate and to be able to turn what I would say old VHS's and audios, some of which I'm sure many of you are still quite familiar with, to turn that over to DVD's and into MP3s we need—Commissioner McKiernan, that was not a dig. It was not a dig. Having said that, all of this wisdom around the table what I found is we need someone else to come in. We can't do it with just the one. The one is already dealing with the incoming cases that we have and making sure that information gets turned over.

Beginning June 25, 2018 all Kansas licensed attorneys permitted to practice law under Rule 208 must electronically file documents in all case types in all state courts. I will tell you this has been the case back in November 2015 is when we kind of got notice that this was going to happen. We are coming onboard now in this county and we are having to make that happen because the Supreme Court said we have to. As such, I'm requesting what is not in my budget is the additional $70K to assist in removing that 3,500 boxes on downstairs as well as making it digital. We have the four temps funded, we do not have the one Litigation Tech. So that brings, as I said, that $270K from the $500K that when we originally looked at what we believed it was going to be.

CONVICTION INTEGRITY UNIT

Transparency Accountability Justice

The Conviction Integrity Unit will examine ***credible and verifiable claims*** of innocence and constitutional violations with the highest standard of professional integrity. It will establish a framework of collaborative, expeditious, and thorough case review that will lead to stronger prosecutions, fewer wrongful convictions, and greater community trust in the criminal justice system in the future.

Injustice anywhere is a threat to justice everywhere

- Dr. Martin Luther King, Jr.

The Conviction Integrity Unit is not funded in the proposed budget. The Conviction Integrity Unit will examine credible and verifiable claims of innocence and constitutional violations with the highest standard of professional integrity. It will establish a framework of collaborative, expeditious, and thorough case review that will lead to stronger prosecutions, fewer wrongful convictions, and greater community trust in the criminal justice system in the future. Our goal and mission in this District Attorney's Office is to keep our community safe through vigorous and ethical prosecution of those that commit crime in our community as well as being dedicated to the pursuit of truth, justice and protection of the innocent and the prevention of crime.

Let me make clear, there was a Texas State District Judge, Ken Anderson, who was the District Attorney in 1987 and under his, if you will, assignment as District Attorney he convicted a man by the name of Michael Morten for beating and killing his wife. In 1989 evidence appeared so that he could show that he did not commit the crime. The District Attorney refused to hear that evidence, refused to inquire. Later that District Attorney became a judge. In 2011 a different judge received that evidence, ran DNA, found that the bandana that they found that had the blood of his wife and a defendant on it showed that that defendant did not in fact kill his wife. They arrested and convicted the person who did. This now sitting judge was removed from the bench, he lost his license, and he was found to have hid evidence and made sure that the evidence was not DNA tested.

I believe that is a good example of what and how the Conviction Integrity Unit would work. I need not remind everyone of our own wrongful conviction of Lamonte McIntyre. That was a case that was over our head for a long time one by which the entire community saw. I will state that with the McIntyre case this District Attorney's office under a different administration knew about his case for the upper part of seven to eight years and did nothing. Did not look, did not search, did not ask questions, and it wasn't until this administration got in office that we were able to look at this information. It took me seven months without a budget, without assistance, and without the ability to have a Conviction Integrity Unit to go through the evidence, to go and meet with witnesses and to go and look to see if there was an injustice that had occurred in this office. Ultimately, we found that it did, and something was done about it. However, now the community's eyes are open to the reality that mistakes may occur.

SPECIAL RESPONSIBILITIES OF A PROSECUTOR, ABA Rule 3.8

- **(g) When a prosecutor knows of new, credible and material evidence creating a reasonable likelihood that a convicted defendant did not commit an offense of which the defendant was convicted, the prosecutor <u>shall</u>:**
- (1) promptly disclose that evidence to an appropriate court or authority, and
- (2) if the conviction was obtained in the prosecutor's jurisdiction,

  (i) promptly disclose that evidence to the defendant unless a court authorizes delay, ii) undertake further investigation, or make reasonable efforts to cause an investigation, to determine whether the defendant was convicted of an offense that the defendant did not commit.
- **(h) When a prosecutor knows of clear and convincing evidence establishing that a defendant in the prosecutor's jurisdiction was convicted of an offense that the defendant did not commit, the prosecutor <u>shall</u> seek to remedy the conviction.**

The responsibility of a prosecutor according to the American Bar Association Rule of which the Kansas Supreme Court has accepted and codified is when a prosecutor knows of new credible and material evidence creating a reasonable likelihood that a convicted defendant did not commit an offense of which the defendant was convicted, the prosecutor shall promptly disclose that evidence to an appropriate court or authority. It ultimately says the same thing. When we find and when we know that someone may have been wrongfully convicted or someone may have been unjustly incarcerated, it is our duty as prosecutors, as ministers of justice, to do something about it. What we know is that the Detective that was on the Lamonte McIntyre was a Detective in this county for 30 years. The prosecutor that was on that case was in that office for, I believe, a decade.

I have about 200 cases that are sitting on my desk and now you see that are waiting for me to look at that includes those individuals. After going through them I've seen 19 cases by which I believe an investigation should take place to look into. A Conviction Integrity Unit will allow me to do what took me seven months for the McIntyre case to hopefully do in two or three months. How would we do that?

CREDIBLE AND VERIFIABLE CLAIMS OF INNOCENCE

- DNA / Forensic Sciences
- Newly Discovered Evidence
- Witness Misidentification/Recantation

CONSTITUTIONAL VIOLATIONS

- Prosecutorial Misconduct
- Ineffective Assistance of Counsel
- Law Enforcement Error

How would we do that? When we have credible and verifiable claims of innocence, the Conviction Integrity Unit will review those cases. Where there is DNA, new forensic sciences, evidence, newly discovered evidence or witness misidentification and recantation of a testimony. Those are the things we will look at. We will also review prosecutorial misconduct, ineffective assistance of counsel and law enforcement error. These things are things that all across the country has caused innocent people to go to jail wrongfully.

I think it behooves us not to pretend as though wrong doing and mistakes does not occur in our system. It does, and it is our job to rectify and to correct.

GOALS

- JUSTICE
- Identify Problem Areas in order to Implement Meaningful Policy Changes for the Future
- Protect Law Enforcement from Baseless Accusations
- Bolster Trust in KCK in the Justice System

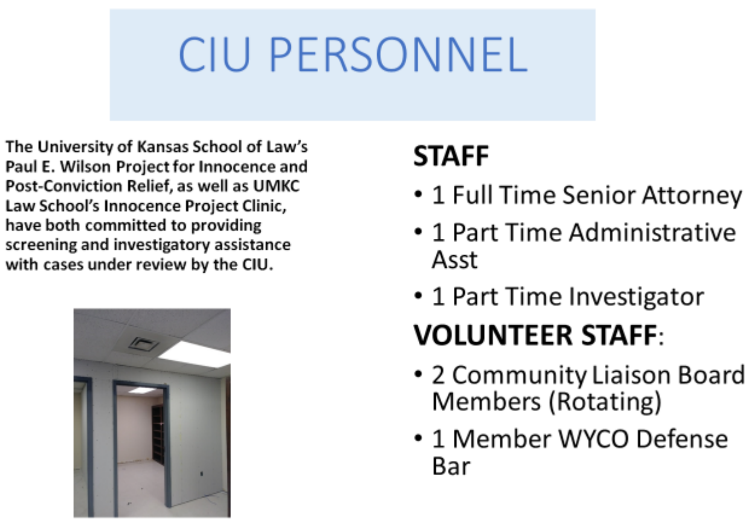
I do believe that our goals being justice, to identify problem areas in order implement meaningful policy changes in the future with working with our law enforcement partners and our legislative body to make sure that the mistakes that we have made in the past, whether it's me or my predecessors, are found out and are corrected so that we can have better policy to make sure that we are bringing about justice and not wrongful convictions. It will protect law enforcement from baseless accusations, being accused of doing wrongdoing, we will have been able to pull the case and show that no, this conviction was solid.

I believe that over 90% of the cases and convictions that we have in this office and have held will hold integrity, but for that 1 to 10%, I believe it is our duty as the chief law enforcement officer in this county to make sure that we pursue justice.

The initiative for the Conviction Integrity Unit; my initial ask was $302K and when I met with many of you commissioners earlier in the year I believe my number was $350K, again, trying to be fiscal responsible I found an alternative way. I got with the University of Kansas as well as with UMKC Law School. They have teamed up with my office. What usually takes $500 to $750K to create concerning the Conviction Integrity Unit, we are down to the $302K because they have agreed to utilize their attorneys at their universities as well as some of their students to be the screening agents for the cases that are being asked to be reviewed by my office. So, evidence and discovery and things of that sort will be reviewed in partnership with universities thus taking off requirement and necessities for my office to ask for more than one attorney than we're asking for. Normally it takes three to four attorneys. We're asking for one attorney.

Having gotten word that it was not in our budget for the $302K, I found a way that says look, if we can get not a fulltime attorney or rather not a fulltime investigator and a fulltime secretary, let us get the fulltime attorney and a part-time investigator and a part-time secretary so that we can fulfill the obligations that we have to do. We cannot turn a blind eye to the reality that we have seen wrongful convictions in this county, across the state and in the community.

My office will review, will look at with $155K with the $7,500, I also believe it's $162K for the buildout, we will do this and make it happen. I will tell you my goal is to make this thing work on that budget and then next year I want you all to see this is pretty doggone good. I can go ahead and make those part-times into fulltime, but I understand we have gotten some surprises.



Let's talk about the surprises. When I came into office I was greeted with a letter from the previous administration concerning the Schlitterbahn case. The Schlitterbahn case, according to the letter that I had received and that was in our computers, Mr. Gorman stated to the Attorney General's Office as well as other attorney's that our office has no conflict of interest concerning the Schlitterbahn case. That letter that he wrote to the Attorney General and to others was in November of 2016. Many of you know the election had already taken place. He had agreed not to send the case just for way of understanding. When the District Attorney's office or County Attorney across the state of Kansas needs help, needs assistance, have a conflict and not have the means to prosecute a case, we are able to call for help to Kansas Attorney General Derek Schmidt.

I want to take this opportunity to say we appreciate that help because at times we need it and when we need that help we have to call when we have conflicts and it is known across the state of Kansas that when we request help that the Kansas Attorney General's Office will pass the bill to the County and to the District Attorney who is asking. Mr. Gorman knew that before he left office which is why I believe that he did not send it to them; however, after I got in office I received a bill from the Attorney General's Office concerning some of the work they are doing. I politely sent the bill back because I had a letter saying that we're not sending it. After four months of fighting back and forth the Attorney General's Office finally sent me a letter that Mr. Gorman had wrote him and that letter was December 9. November 30th, he says no conflict and I'm keeping the case, December 9th he sends a letter and he states "I am asking you Derek whether your office would review this matter, decide whether a criminal charge should be warranted, and then of course prosecute this case if charges are filed as I will be leaving office January 8th." So, that letter was not in the District Attorney's Office when I got there. I knew nothing about this nearly until a year later at which point he then sent me his letter responding saying "your office will bear the expense of the prosecution until the case is concluded and we will forward you all bills." That was on December 15th. Those two letters were not in the system. I did not know about it.

When I found out about this information I then met with the Administration, Doug Bach after receiving these letters and let them know that we are bound to pay for these bills because whoever is sitting in this seat holds that authority to bind this community. I will tell you that since I have been office concerning special prosecutors I have a document whereby Dough Bach will have to sign and Judge Lampson signs whenever I have a conflict and I need another outside attorney to come in. We have in that contract the amount per hour that attorney is going to be paid by the Unified Government. Why, because that's fiscal responsible. That was not the case beforehand; however, this is where we are.

It's not something that I like, it's not something that I appreciate, but I also understand it's something that has to be paid. Having said that, we are in place where quite frankly this community is left with a few things that we have to cleanup. We have to clean up the old jail, we're doing a great job of it. We're having to clean up the bill for Schlitterbahn and as Wyandotte County we will do a good job of that. However, we can't ignore injustices and we can't ignore the fact that we have been avail to the McIntyre case in this community.

The message I want to make sure we're sending to this community is that there is always room in the budget for justice. Right now, that justice is going to cost $162K because I'm not willing to tell him otherwise. That is the conclusion of my presentation. I will take questions at this time.

Commissioner Townsend said I will start with the latter part of the presentation with the Schlitterbahn issue. Maybe I missed it. Was there assistance by way of special counsel from the State? If so, do we know what that amount is or will be? We know what, I should say the cost of justice is for the Conviction Integrity Unit, what is the Schlitterbahn number or do we know that yet? **Mr. Dupree** said I have spoken with the Attorney General's office and so yes, the Kansas Attorney General's office is handling the Schlitterbahn case completely. When we asked for them to handle the case we have to foot the bill. The bill right now we've spent upper part of $94K so far in expert fees, in traveling fees for folks they're bringing in to testify concerning this case. When speaking with them they indicated that it would be guesstimated of about $250K per individual that they have charged. They've charged, I believe, four individuals which is why the calculation is guesstimated to be $750 to $1M that the County will have to hold onto to make sure that we can foot the bill. The hope and the goal as I communicate with the Attorney General's office about things they are doing is that they do spend a million dollars. That is the hope, but as the bills come in once the bills begin to run in, seeing that the DA's Office did not have the budget for that as it wasn't requested last year and I promise if I would have known last year, I would have indeed asked you all for it so that you could be prepared. We're looking at guesstimate of $1M. That million dollars will take up not just the District Attorney's portion of that, but court reporters and different fees; things that are quite frankly split between the judicial judges and court as well as the District Attorney's office. We found it easier to just put it all in one area in the DA's office to pay the entire case that concerns any bills, court reporters, experts or any of the like.

I want to make sure that I clarified to you. The example for the Special Prosecutor, as a former defense lawyer I had clients who I represented here. In those cases where those individuals come back on a probation violation there is a conflict of interest for my office to prosecute that person since I represented them at one time. As such, we hire a defense lawyer outside my office to be that special prosecutor and then that amount is whatever is whatever it is per hour and that's clear through the administration and with the court.

Concerning asking the case to go to another location or asking for the Attorney General to come in, there is no such policy. I can simply ask for them to come in. What I have talked to Doug about and the administration is under this administration as hopefully you all have seen, is there will be open dialogue and there will be open communication. If you have not seen that, I have sadly failed, but that is to make sure that you all know what's going on so that I won't make just simple decisions like this that a year later you just have to deal with. Communication, effective communication is key and that's what we're doing now.

Commissioner Townsend said with regard to the prosecution then, do you have any idea of when the end of this million-dollar period may come? You're essentially telling us now this is what it's going to look like. **Mr. Dupree** said that's what it's going to look like—pardon me. I didn't mean to cut you off. **Commissioner Townsend** asked would we look to see that bill at the end of '19, '20; do we know yet how far out that we may be called upon to pay that million? **Mr. Dupree** said I believe it is an ongoing. At this point, as I stated, we've spent $94K on the case so far. As the case continues to go on when they bring it to a trial, then they will have to bring in those witnesses, bring in—hence we will have to start making those flight arrangements and I shouldn't say we, them, and once they're done they will send us those bills. I believe just, quite frankly, knowing how the system is we're looking at one to two years for these cases to be done.

Commissioner Philbrook said I'm assuming that you have looked at our budget proposal so far. Right? **Mr. Dupree** said correct. **Commissioner Philbrook** said on page 257 I'm reading District Attorney Administration, Special Prosecutor AG, is that what we're referring to? **Mr. Dupree** said yes. **Commissioner Philbrook** said so for 2018 we have $500K in it and 2019 $500K. You're saying that you think that might cover—**Mr. Dupree** said no, I don't want to say I think I might. I want to say that will cover. I spoke with the Attorney General's Office and that number is on the high end. My push to the Attorney General's Office is, look, I don't know what kind of pockets the State has, let me scratch that, I do; but Wyandotte County doesn't have a million dollars to spend and this case should be able to be dealt with, with half of this amount. After arguing with that, they are understanding where I am concerning this and so the goal is to spend substantially less than that, but they know that they cannot spend over that million. I have no doubt in my mind that it's not going to reach that, but at the same token, I do not want to put Wyandotte in the situation where there is a bill and we're not prepared to pay.

Commissioner McKiernan said this question is for Doug. On page 257 that Commissioner Philbrook just referenced, we're looking at Personnel costs for the District Attorney's Office, is this million dollars already factored into Amended 2018? **Mr. Bach** said yes. There is $500K this year and $500 in 2019. **Commissioner McKiernan** said there is $500K in Amended 2018 and an additionally $500K—there are some other changes that kind of mitigate that $500K in 2019, but from ‘17 Actual to ‘18 Amended, that $500K has been included. **Mr. Bach** said yes, we have it in our budget.

Mr. Dupree said what’s not in our budget is the Conviction Integrity Unit so in my mind is here is this Schlitterbahn bill for a case that none of knew was not in our office, has now taken the place quite frankly of justice where we need it because it is a surprise. What was a surprise, this Schlitterbahn bill? What else was a surprise was the Lamonte McIntyre case, both of which were in that office for years, right, I shouldn’t say the Schlitterbahn for years; but was in that office before I got there, and the administration knew about it and did not allow us to prepare. We have to do something about it and we can’t say we will do something about the million-dollar bill without doing something about those who may be wrongfully convicted. Lamonte McIntyre spent 23 years in prison, 23 years. At least eight of those could have been shaved off if the previous administration would have picked up a doggone box and started looking at the evidence.

Commissioner Philbrook said okay, do me a favor and break this down for me because I see the $155K, I see the $7,500 and I want to see the—so the difference between that to make $302K, what is that because I don’t see it listed like that here. Do you understand? **Mr. Dupree** said let yes. Let me explain to you. My initial request was $302K. The difference is on the $302K I’m requesting not just a fulltime Senior Attorney, but I’m requesting a fulltime Senior Attorney, a fulltime Administrative Assistant, and a fulltime Investigator. **Commissioner Philbrook** said that would be the full $302K. **Mr. Dupree** said that would be the full $302K. **Commissioner Philbrook** said if we started out part-time, then we could start at $155K plus the $7,500. Is that what you’re saying? **Mr. Dupree** said that’s exactly what I’m saying. **Commissioner Philbrook** said I just wanted to make sure I understood where you’re coming from.

Commissioner Bynum asked is there any opportunity at all that this case would conclude before 2019 arrives. **Mr. Dupree** said I would say no. I don’t foresee that. **Commissioner Bynum** asked if we do take the case into 2019 and we’ve already booked the $500K into 2019 and that were to not be entirely spent, then could we not fund $162.5 for the Conviction—that’s an if. **Mr. Dupree** said I will tell you that is a great thought process and my thought process was the same, but in concern of 2018 which in my mind was if we could fund at part-time the $162K and then if they don't use the $500K, then maybe we go ahead and get the full. What I don't want to do is not do something now because the McIntyre case has been done with for several months and the number of cases continue to grow that we need to look at and we don't have the personnel or the ability to review as we did with that case. **Commissioner Bynum** said when you say now, are you asking for this to be in Amended 2018 and looking ahead to 2019? **Mr. Dupree** said I am. Is that what I'm asking for, Doug, I'm pretty sure that's what I'm asking for. **Mr. Bach** said I guess I'm not—I thought you were at 2019, but maybe you were looking to put it in the last quarter of this year? **Mr. Dupree** said yes. I was looking for the last quarter of this year is what I was looking for.

Commissioner Markley said Commissioner Bynum and I was thinking the same way that if as you suspect this could come in—the Schlitterbahn case could come in a little below what we have budgeted. Is there a way we can create the budget line item so that if we have funds left available, we can spend it on this Integrity Unit? I think that would be a nice way to go forward and show that we're trying to fund it, but also recognize that we have to have the money to fund it and we just spent a chunk that we weren't anticipating. **Mr. Bach** said I would say yes, we would probably change the way we have this formatted and what we would anticipate doing—let's say we're working within that $500K that's mostly in, well it's in '19, that's the second part of this; that we could look at a way to fund up a lower number and then put a number in the DA's budget for him to use for Personnel. Then, if we expend more or the AG expends more before we would be able to carry that budget and they end up spending $500K, we would have to amend the budget next year, but let's say we took $100K from that money and just lowered what we put in the AG's budget for next year and that gives $100K to work with the other account. Then, we can look for other opportunities to add to it and if his bills are less than $400K, we're okay, if it's more than that then we would have to amend the budget next year and cover it. **Commissioner Markley** said my proposal would be that Doug takes all of that, that he just said and work with it and bring it back to us as a proposed amendment at a future session.

Commissioner McKiernan said, Mr. Dupree, I have been gradually looking through the entire budget, just looking department by department at changes from our '17 Actual figure to '18

Original Budget to the '18 Amended that is proposed now. I want you to help me to understand a couple of things about how the budget has changed. The dollar difference from the '17 Actual, we actually spent in '17 to what we're proposing for the '18 Amended Budget is about $1.4M increase and I understand that $500K of that or .5M is for the Schlitterbahn case. Is that correct? **Mr. Dupree** said $1M. **Mr. Bach** said just the half. **Mr. Dupree** said for the first year. **Commissioner McKiernan** said I'm just looking at '18. I'm not looking forward to '19. **Mr. Dupree** said thank you, yes. **Commissioner McKiernan** said that leaves us with $900K or about an 18% increase from what we actually spent in '17 to what we are proposing to end the year with in '18. I was just wondering if you could help me wrap my brain around where the rest of that increase is allocated, where it comes from? **Mr. Dupree** said I don't know if I follow. **Commissioner McKiernan** said by my calculation there is a difference of about $1.4M, .5 of that is the Schlitterbahn case which leaves us with almost a million dollars of increase and I'm just curious—**Mr. Dupree** said I'm sorry. Are you talking about—so, for the DA's budget there is a million dollar increase that you're wondering where it's from outside of that? **Commissioner McKiernan** said for department 0180 District Attorney, I'm just looking at department level and not worried about divisions underneath and I've just been calculating percent and absolute dollar value increases for all departments. It appears there is an increase beyond the cost of the Schlitterbahn and not including the Victim Integrity Unit. **Mr. Dupree** said yes sir. **Commissioner McKiernan** said I'm just trying to understand where that is.

Reginald Lindsey, Budget Director, said the District Attorney's Office also has grants in it and so that's part of it and then were also increases to their Personnel over the last two years and that's also part of it and they have had Capital increases. What you're looking at there at the top of the page on the Department Expenditure Summary includes all funds so their fund 160 which is the County General Fund is in there also and then also included are grant funds in that.

Mayor Alvey said approximately $700K looks to be an increase in Contractual Services. What are those Contractual Services? **Mr. Lindsey** said half million dollars of the Contractual Services is for the Schlitterbahn case and then we also have grants that are in there. There are also just general expenses that are there as far as just some new requests that were approved. We have a Drug Court Diversion Program. We also have a statutory requirement, sex crimes, rape kits that are in there. **Mr. Bach** said you had the increase of the stuff that he went over at the beginning which is temporary for a couple of years where you go through the program of consolidating the files and pulling those out of that area. The Personnel budget is up about 15% so it's a little higher than what it is in the other areas of our operations so that's where you see in that line is up a little more.

Mr. Lindsey said also in 2017 the DA's office wasn't fully staffed. Now they're really staffed up so some of the 2017 in Personnel looks like it didn't have all the positions filled. Then, there were some increases in salaries there also. **Commissioner McKiernan** said that were only going to reflect in the Amended '18 Budget because really the Personnel costs from '17 Actual to our Original Budget that we approved last year is pretty flat. **Ms. Lindsey** said also with the Original Budget we did have to true up the Amended and also the 2019 Budget based on like where they were. One of the things we do as far as our personnel is we budget based on the trend of how many position a department has filled. What you see in 2017 Actual and 2018 Original, we budgeted last year based on the trend they had, and they didn't have all positions filled. When we came back and did the budget this year, they had most of their positions filled, I think all but one, and I think they filled that by now.

Commissioner Kane said I agree with Commissioner Markley as far as we need to let Doug go back and figure it out and bring it back. My question is, do we have to do it in two years? Could we do it in three and spread the pain? **Mr. Bach** asked are you referring to the Schlitterbahn case? I guess we could tell him we will wait to make payment but we're trying to budget it so we would be able to make payment probably within 30 to 60 days. **Commissioner Markley** said I like the way he thinks. **Mr**. **Bach** said I don't know what he would do if we were slow, he could send a collection agency our way. **Mr. Dupree** said I like the way he is thinking as well because I will tell you, I believe in taking care of home before you take care of anything else. So, the bills come in sporadically. It's not as though we're about to get a bill for a million dollars to deal with it and so, if we can spread it out which would allow us to get $162K to handle both of these messes at the same time, I'm all for. I'm going to tell you what they're not going to do, they're not going to take your check whenever you send it, so they will be fine. **Commissioner Kane** asked would it hurt to ask. We're going to get you a million dollars, but it would be painful for our budget to do that and if we don't ask, we don't know.

Commissioner Philbrook said going back to the increase and the budget on the Contractual Services; that difference, that $227K because you know by the time you take out the $500K and you get down to 227, that reflects what? I'm looking at line 52. **Mr. Lindsey** said we do have a Drug Court Division Program that is in there also and then statutory requirements sex crimes and rape kits that are in there, telephone expenses that are in there. **Commissioner Philbrook** said you probably have it somewhere else in here that I didn't read it, but that's good to know. **Mr. Lindsey** said the fine detail would not be in the budget document. **Commissioner Philbrook** said so I didn't miss it then. **Mr. Lindsey** said no.

Mr. **Dupree** said I'll tell you there are some things that are in there like the rape kits that are there, these are things that have to be paid but have been couched through the District Attorney's Office, so this is not a District Attorney Office deal, but it of course continues to inflate. I believe also there is some type of wonderful technology that's coming eventually, but that's also is in there as well that's not ours but will affect us. **Commissioner Philbrook** said but you understand why I'm asking about $227K because now we're getting down to when are we going to pay our bills and how. **Mr. Dupree** said yes, I get you. **Commissioner Philbrook** said folks that pay all those taxes really want to make sure that we're paying attention. **Mr. Dupree** said I agree with and I will tell you that with that Community Liaison Board and the amount of fan mail that I have received of people who believe are wrongfully convicted, I am getting a large request to look at that stuff. I want you to know, Commissioner, I am not—I don't take your questions offensive. I just want to make sure you understand. **Commissioner Philbrook** said if you are, you're misconceived in your assumptions, so there you go. No, I was just asking for what that difference was and thank you. If I have any more questions about this, I'll call Reggie and he can enlighten me and I appreciate that.

Commissioner Murguia said I have a couple questions. The first one is in regards to the Conviction Integrity Unit. This is a unit, I want to make sure I'm right, this is a unit that's going to take all of these old cases and take another look at them. **Mr. Dupree** said yes. **Commissioner Murguia** asked how many of those cases will they be looking at. **Mr. Dupree** said I believe it would be on average maybe 3 to 15 every month or so. I have 200 old cases that in some way has some of the same issues as the McIntyre case, but the way that we will receive our cases will be through the universities as well as through Defense Lawyers. They will screen the cases to make sure that these cases are not simply someone saying I'm innocent, now take up your time to review this. It will be screened so it won't land on our desk hence I don't believe that we'll have 200 cases to go through, but of those 200 we're now to the 19. I don't believe it will be an influx. We're not going searching and looking for cases. We're waiting for there to be verifiable evidence as stated at the beginning here that gives us the ability to show that, yes, something may have gone wrong here.

Commissioner Murguia asked what are you going to do with the fulltime Senior Attorney, the one part-time Administrative Assistant and the one part-time Investigator when all the cases have been reviewed. **Mr. Dupree** said as much as I would love to say that we will get to a place where there are no more cases to review, I don't believe we will. **Commissioner Murguia** said so, you want to review even the cases that are under you that are coming to you now. **Mr. Dupree** said I believe that eventually that will happen, but what I'm saying is I believe there is enough cases right now that folks are alleging wrongdoing to keep us busy for decades to come which is why those cases will have to be gone through via those folks who are screening to ultimately get to us the ones that are of substance. I don't believe that we will run out of cases. I mean as long as we have a Criminal Justice System, we'll have cases. **Commissioner Murguia** said if there is another situation where somebody has been wrongfully accused, that happens again, then while they're waiting for their case to be reviewed, they could potentially be serving time. **Mr. Dupree** said that is exactly what they will be doing.

Commissioner Murguia said I'm sure you've thought of this, but I just have to ask, it seems to me like it would be faster and you could get a larger number of cases done if you outsource the review of these cases to a law firm. Are you not asking for that because the cost to do that would be much higher than what you're asking for here? **Mr. Dupree** said two things. One, the review of those cases is going to come through the universities and so that takes away that need for law firms. I will tell you that I have had law firms say they are willing to screen with those universities some of the cases that are there so that in fact is being tapped into. Concerning ultimately whether or not a case has—there's been a constitutional violation of wrongdoing there, I can't part that out. That sits with the chief law enforcement officials so that's not something I can give out. To give you a process on how this will work, the universities will review these cases or whomever, it comes through them, they screen it and that takes a two to three-month process. One they go through them, let's say 10, we expect for about 3 of those 10 to hold water. Once they have that, they will then bring it to my Conviction Integrity Unit. My Senior Attorney at that time will then take the case, review it, have our investigator to investigate it themselves along with the assistance of our secretary at which point if the investigator and my Senior Attorney are in agreement with the screeners who did this and say there is something, we then bring in two community members who are from the Community Liaison Board as well as one Defense Attorney who will sit together to review the cases. Ultimately, they will submit their, if you will, conclusion to me to make that decision. **Commissioner Murguia** said all of those people that you talked about, the universities and the Community Liaison people and all of those people are doing all that for free? **Mr. Dupree** said yes, for free, which is why I'm only asking for the $162K.

Commissioner McKiernan said at this point I think Commissioner Markley and Commissioner Kane are on the right track. We figure out how we can stretch the payments, we ask Mr. Bach to bring us a proposal back on how we can incorporate the $162K into the budget. It's a $376M budget overall. I get it, that's not all General Fund money, but I am confident that given the importance of this we can find the relatively small dollar amount it would take to fund.

Commissioner Murguia said well, my last question was exactly that. Have you had contact with the State and asked them if we could make payments over three, four, five years? **Mr. Dupree** said no, I have been in contact with them and I will be in contact with them first thing in the morning specifically to ask about the amount. The way that it works is that we don't just send them a check, here's $300K just use this x, y, z. What we do is we receive a bill of $10K for this person and so on and so forth and we just have to pay it. If I tell the Attorney General's Office, listen, we have budgeted $300K for the next six months concerning this, work accordingly, then I'm sure we can work that out. What I can't say to them is do not properly work this case to receive justice for the family and for the victims because we have this budget. **Commissioner Murguia** said no, I'm not asking you to do that. What I'm saying is, can you make an agreement with the State that regardless of how fast they work a case, or they do their business, but then we pay them over time for the work they've done. **Mr. Dupree** said I believe we will be able to work the process out because they don't pay the bills. You see what I mean? They are not paying it out of their budget and then we're reimbursing them and so they work according to the fees or the fines or the financial ability that we have. If we say to them we have $300K to work this, that is what they will work, and the State is used to working with small counties who quite frankly go bankrupt and don't have the funds and so they know how to work a case according to that. If that is something we want to consider, I'm sure I can work with them for that to happen. **Commissioner Murguia** said great.

Commissioner Townsend said I want to ask another process question about the Conviction Integrity Unit and how the cases will come to you. I understand they will be funneled through the recommendation of the universities. We're only talking about convictions that have taken place in Wyandotte County, correct? **Mr. Dupree** said correct. **Commissioner Townsend** asked how would someone who wants to avail themselves of this opportunity do that? Their lawyers would have to go to UMKC or how does that work? **Mr. Dupree** said their lawyers can either go through UMKC or they can come directly to my office at which point they would communicate with my Senior Attorney concerning this matter. I would then, or my Senior Attorney, could then send the case or deal with the case directly with that university to go through that screening process. As a former defense lawyer, I've got to tell you a vast majority of my clients said they were innocent, so we want to make sure it's not just a lot of folks saying hey, I didn't do it, that will waste our time.

Commissioner Markley said I just wanted to make one more comment. Some of you know I'm usually the last person to ask for changes to the budget, but I want to make clear that Mr. Dupree did come to us very early in the process with this request. This is not that we heard the request tonight or making a change, just so my consistency cannot be impeached, he came to us very early on and made this request to us and he is here making it a second time tonight.

Commissioner Johnson said I'm still dwelling on the word impeached. I want to appreciate the fact, Mr. D.A., that you have a couple of grant funded items in your budget. I'm concerned—I'm not concerned, I just want to know how long those grants are for. Will they expire? Are they for a certain amount of time and how much roughly are those, the Victims Advocate and the Domestic

Violent and Sex Crime Attorney? **Mr. Dupree** said I believe the amount total was about $107K and they are yearly, and we were, again, looking back just approved again for a reup of those funds. It's on a yearly basis. **Commissioner Johnson** asked you apply annually and then you find out whether or not you get those. **Mr. Dupree** said yes sir. It's $108K on one and then $59K on the other that every year we request for and they approve and that comes from the state of Kansas and we have been approved for those. In fact, have been asked to request more. I will state that as I have pushed out for the grant funded positions rather than coming back to the Commission asking for more positions, likewise we will look for grants concerning the Conviction Integrity Unit and they are out there, but one of the issues is you can't really request it unless you have it. So, my focus again to start it up and then I can chase after some of the grant funds to really build it up and really do what we need it to do. **Commissioner Johnson** said I'm in agreement with the firm of Markley, Kane & McKiernan and Bynum that we should try to find a way. I also would appreciate the fact that you look for other funds, you've gone outside the box and you've also looked for ways to cutdown initially a request. I like the recommendation as it's been presented to us, Doug, so I know we have full confidence and you can figure this out amongst other things you have working.

Commissioner Burroughs said, Mr. Dupree, I want to thank you for a very pointed presentation, very well prepared. I appreciate the personal courtesy of reaching out to the Commission members and educating us early and to what you anticipated you needed to be successful in your endeavors on the Integrity Unit. I would just state the $500K that we're talking about in this budget should not be held in difference to your department. That is money that the former administration caused this body to have to spend. The Integrity Unit is the issue that I really believe is significant. The financial aspect we're going to have to pay, the money is going to have to come from somewhere, but the Integrity Unit allowing you to do the job you have been elected by the people of this community to do, I just really appreciate the professional courtesy and the manner and your presentation this evening. Thank you.

Mayor Alvey said I think that concludes this presentation. **Mr. Dupree** said I would like to say thank you all for your time and the opportunity to let me speak to you.

Mr. Bach said the next section while we're allowing for a little bit of transition, but I will invite the representatives from the Downtown Shareholders to come forward. I believe Jason Norbury is here and we will recognize them as they come forward. They are here to talk about the Self-Supported Municipal Improvement District.

Jason Norbury, Downtown Shareholders of Kansas City, Kansas, said we're going to start by letting Tim Ryan the Advisory Board Chair have a quick statement and then I will unfortunately deal with the numbers part on the backside.

Tim Ryan, Advisory Board Chair, said the SSMID Advisory is very excited to see the amount of changes and improvements taking place in our neighborhood. We would like to thank the property owners as well. They have also been so committed to the district for so long. They've also seen the progress that we've already accomplished and can see big changes and improvements ahead of us. The property owners in the district took it upon themselves years ago to increase the taxes, make changes and give the neighborhood an opportunity to grow into a clean and safe district that you see today. The Advisory Board appreciates the commitments made by the Unified Government and others to support that work and we feel it has been an unqualified success.

We would now like to make even more progress on improving the district. The owners committed to the downtown neighborhood—the owners commitment to the downtown neighborhood has increased the cleanliness and safety by allowing a more walkable culture. We've been committed to making sure that everyone can benefit from the impact. As a resident and former employee in the downtown area, I've noticed the progress from safer property and cleaner environment. The steady progress of cleaner and safer sidewalks has lent itself to improve sales and public opinion of our downtown. We have much to celebrate from what we have become. At this point we have come to realize that hope for future prosperity and progress in our downtown will require continued commitment and resources to create the necessary culture we desire.

The Advisory Board has a strategy and plan in place to make that culture possible. The Advisory Board in conjunction with the Downtown Shareholders would like to use resources to enhance and create public space in downtown for the benefit of our residents, businesses, property owners, and downtown employees. Accepting the Advisory Board's recommendation of a voluntary contribution of $125K, which is a $25K increase from recent years, would allow the Advisory Board to help excelerate that creation and improvement and enhancement of our pocket parks while allowing for some other further relief of our property owners who face one of the highest property tax burdens in the Unified Government. This stronger commitment from the Commission will allow for a faster timeline for these improvements while allowing the continuation of our clean and safe program. A clean and safe and attractive downtown reflects well on the entire community. Being a resident of downtown and someone who works here in downtown has really spent a lot of time over the last eight years in our community, I've honestly seen so much progress take place I wouldn't like to see us slide back any further. I don't think that we will. I think there is a lot moving forward and we really just kind of want to try to excelerate things as fast as we can to continue the progress we've made.

Mr. Norbury said for those of you who I've not really spent any significant time with, my name is Jason Norbury. I'm going to still claim—I'm the new Executive Director for Downtown Shareholders and I serve as the Administrator for the SSMID. I want to thank you guys for letting us come today. I know we're kind of a small fish in what apparently is a much larger pond just listening to District Attorney Dupree's presentation ahead of us and I would like to take a moment to thank the staff who have been very helpful with taking the numbers that we provided and attempting to translate them into something usable to present to you and something that we can all understand.

On Monday you had voted to set a maximum mill levy that kind of allows for this conversation we're having today, and I want to say thank you for that. I want to kind of get into why I think that's important that you did that. Our contract with the Unified Government requires that we submit a budget to the Unified Government by May 15th every year. Unfortunately, that budget is based on, of course, property valuations which aren't finalized until June 1st. I will also as a side note, note that we will be working with Patrick in the Legal office to make an amendment to that contract to help fix that, so we don't have to have this conversation every year.

When we submitted our budget in May we did that based on some estimates that we had made on what the assessments would be. We got some preliminary numbers from the Assessor's office, guessed that the number would come down a little bit with appeals and then based our number and that was the proposed mill levy number that we gave in that budget of 11.0257 mills. However, built-in to that assumption was our recommendation that the Commission approve $125K as their voluntary share to the SSMID up from $100K from prior years; however, the assessments came in and not only were they a little bit higher than our relatively conservative estimates, we had the additional step of having to subtract 901 N. 5th St. or the University of Kansas Health System Strawberry Hill Campus building will be coming off the tax rolls in 2019 and so we will obviously have a reduction with that. The Health System has been very supportive publicly so far of making a contribution to the SSMID. We've discussed with them essentially how to offset the change in the position of their building. I haven't heard a final number yet, but that is also in process.

On page 42 of the budget has the document that I could find the Notice of Budget Hearing with the summary on there and the staff took the number we provided for the mill levy estimate, applied that to the valuations and then I think subtracted out some numbers. My math says, and I want to be with this, assuming that the other contributions hold steady from our proposed budget in more detail that would—having a mill levy of 11.0257 would require making the numbers work on the expense side a contribution from the Unified Government of just over $111K. This is the deferential that pops in because of the change in assessments from what we had assumed to what had come in. This is not something I think that the budget has meant to say but I wanted to point it out that just taking the numbers on this page and pushing them forward would leave about a $12K gap between what the staff has recommended and where we are in terms of the income on that. However, fortunately Mary Collins who couldn't be here this evening, she is driving back from St. Louis; did a lot of math for me and created an Excel spreadsheet that I could operate which is impressive.

If the Commission were to adopt our recommendation of $125K voluntary contribution, I believe it would allow the Commission to lower the mill rate for the SSMID from the recommended of 11.02 or last year's 12.6 down to a mill levy of approximately 10.35 mills. I will leave the final calculations to our finance staff because they are way better at it than I, but that was our calculation. If the Commission were to choose to go with the staff's recommendation of 100 that would mean the mill levy would need to be about 11.65 mills to make that work and so that $25K works out to about 1.3 mills as it comes in.

We think that the Municipal Improvement District has done a very good job over its existence. The Commission in its wisdom voted to continue it two years ago and we are proud of the work we've been doing and the budget we put forth allows us to continue that but has already created some room over time with the appreciation of the property values to begin work on improving some of our public spaces and making downtown a little bit more inviting.

The first one of these we're calling a pocket park. We have been exploring, making some improvements to the little cutout area on the southwest corner of 7th & Minnesota and we're kind of working through the process with our pictures and talking to Security Bank although it is UG property and we will be working with city staff to make that a reality. That's going to be a multiyear project to finish. As it turns out it's expensive to do construction, but we think this support from the UG will allow us to push that forward while also giving what is essentially a 2+ mill break to the property owners from their 2018 mill levy to 2019. Any questions you have, I am happy to answer as we go forward.

Mayor Alvey said if I understand as it was explained to me earlier with Tim and others, the $125K was in a way the agreement that the Unified Government had with the Downtown Shareholders and we've never really fulfilled that at the $125K level. Is that correct? **Mr. Norbury** said actually, Mayor, that number was originally I think assumed to be $150K and given the financial climate in 2007, 2008, and 2009 that number initially dropped to zero and then the Commission has over time put it up to $100K and it has been there for several years. **Mayor Alvey** said so now you're asking to move—**Mr**. **Norbury** said yes, and I know, Mayor, you've spoken quite at length about the desire to utilize the increase in property values to give some relief to our owners. I know the Commission has put forth as a goal a 2-mill decrease on the City mill levy and we're asking for something similar here.

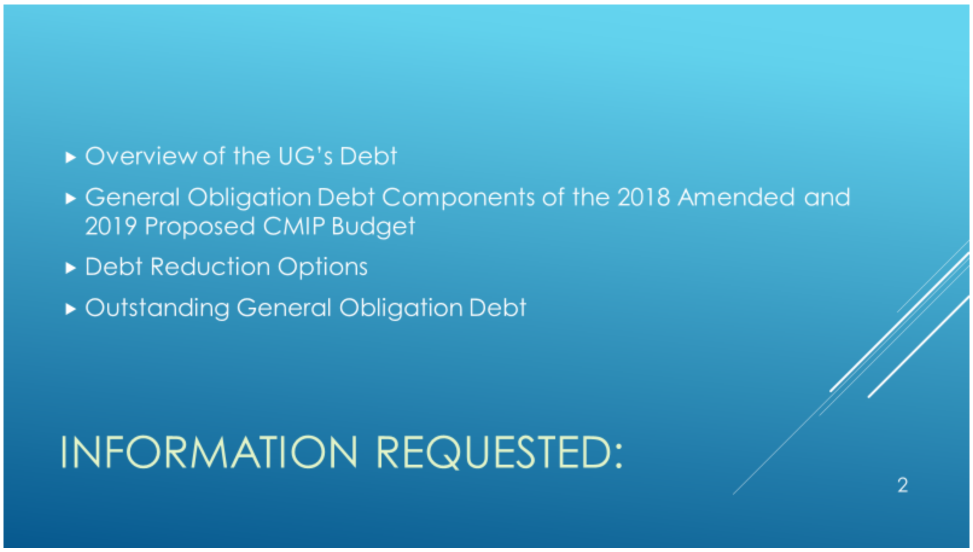
Commissioner Bynum said it's true that back in '07, '08 when the Municipal Improvement District was forming, it's my understanding that early commitments prior to the recession were for higher dollar amounts as the UG's share. **Mr**. **Norbury** said right. I think the UG's share was initially 150 but I wasn't here although I was a bankruptcy attorney during the recession, so I know how much pain that put-upon property owners and governments all over, but yes, the initial amount was higher, and we've been working our way there I think as the County and the Unified Governments finances have stabilized and improved. **Commissioner Bynum** said if Kathleen can crunch her numbers and agree with what you've landed on with your spreadsheet, I would be inclined to be supportive of what you're asking for.

Mayor Alvey said okay, thank you very much.

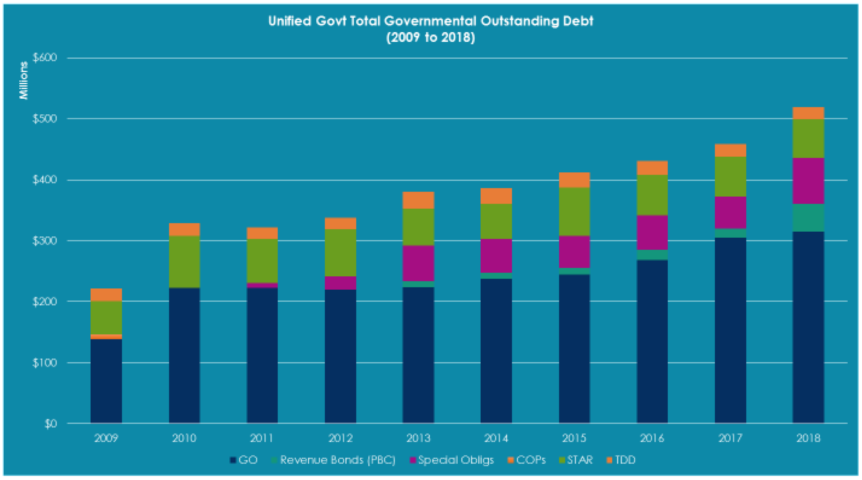
Mr. **Bach** said the next section we have is regarding debt. We have a different handout for you. We didn't have all the information when we printed all this in a slide. We needed to add to it so you have a different copy coming around to you or you have a different attachment if you're doing it on the electronic side. One thing I do want to note, we're going to go through and this is really intended to answer a lot of the questions and get into the discussion you all have raised regarding debt or different ways we can fund or pull—maybe try to defer some future debt or get away from it.

One of the things I talked about with debt was the Public Building Commission. We are not having that discussion tonight in regard to the County revenue flow as it goes to the PBC for the Juvenile Center. We will have that discussion in coordination with Monday night's presentation and that flow of it. In case you were looking for that as we go through that, that's not part of tonight's discussion, that will be part of our CMIP discussion and we will take it from there.

With that, I'm going to recognize our Finance staff, Kathleen VonAchen, our CFO, to start the presentation.



Kathleen VonAchen, Chief Financial Officer, said this evening we're going to answer a couple of information requests that we received from all of you. First off, we're going to do a little overview of all the UG's debt. Then, talk more specifically about the General Obligation Debt Components of the 2018 Amended and the 2019 Proposed Budget. Then, we're going to go over the debt reduction options available to us and then talk about our outstanding General Obligation debt.



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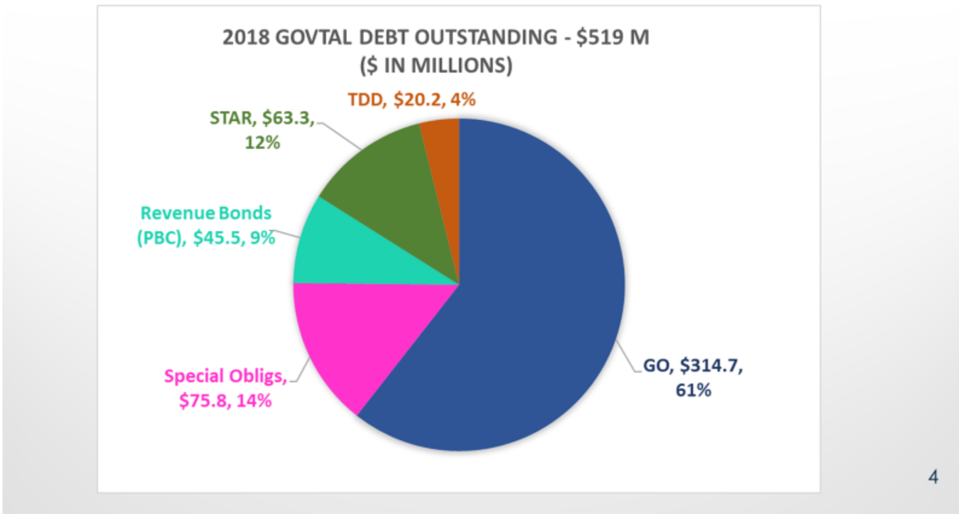
As you know, we have quite an extensive and diverse by debt portfolio which is made up of both governmental debt that's supported by sales taxes and property taxes and those sorts of tax revenues. There's also another component that's supported by sewer charges for services and storm charges, but tonight we're only going to talk about the governmental side.

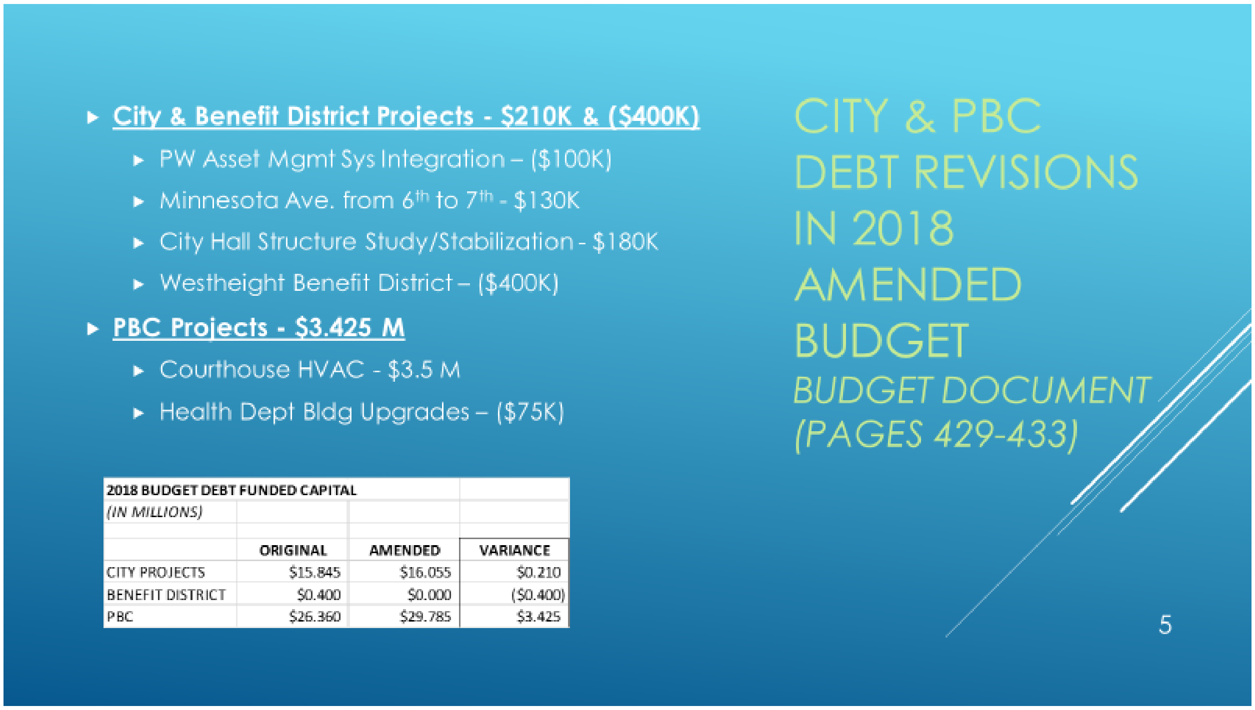
Our total governmental debt is shown here. It is broken up in different categories and I'm just trying to give you a bigger picture because often times when you talk about debt, you're all thinking about all this navy-blue section and that's the General Obligation Bonded Debt, the City and the County General Obligation Bond Debt. That's basically we put a full faith and credit pledge on all revenues coming into the City, but in reality, how we do it administratively is we have a separate Bond & Interest Fund and that's where we record the revenues from the specific dedicated property tax mills, 16+ mills on the City Project side and 2+ mills on the County side. The other categories here are those colored ones. We have the Revenue Bonds for the PBC which is this kind of navy-blue color through here, well actually, I meant to say green, the greenish-blue column right here. They are called revenue bonds because the pledge is that we're dedicating resources from the County General Fund to make the lease payments so they're kind of lease revenue bonds. We will talk more about that later.

This pink part is the Special Obligation Bonds. Those are Economic Development related bond issues that are supported by the sales tax revenue of the specific district. This green part above here are all the STAR Bonds you've often heard about also supported by the sales tax revenue of the specific district. This TDD which is Transportation District Bonds, those are also sales tax revenue supported by the revenues generated in the specific district. This just gives you the context of the governmental debt that we manage.



In 2018 the current budget, this is our current outstanding debt through the end of fiscal 2018 and this is the pie chart. Basically, it is the information found in this last column only represented in the pie chart. You can see that 61% of the governmental debt is General Obligation Bonds and then 9% is our Revenue Bonds from the Public Building Commission which is dependent on payments from the County General Fund. The rest of the percentages are for the revenue bonds or the various Special Obligations and Economic Development Bonds that are supported by sales tax in the specific Economic Development districts.

Again, what we're going to focus on is this navy-blue area and a little bit of this light-blue area.



2018 BUDGET DEBT FUNDED CAPITAL (IN MILLIONS)	ORIGINAL	AMENDED	VARIANCE
CITY PROJECTS	$15.845	$16.055	$0.210
BENEFIT DISTRICT	$0.400	$0.000	($0.400)
PBC	$26.360	$29.785	$3.425

The question that was asked of us was how has the debt requested in the budget document, for example, how did it change from the Original 2018 to the Amended and then also what are we proposing for 2019. You can from that on page 429-433 of the budget document, but we're going to summarize it here for you.

First off, we're only looking at the City and PBC Debt Revisions. First off, City and Benefit District Projects. The City projects funded by debt only changed by $210K in this Amended 2018 Budget and then for the Benefit District it was reduced by $400K. We're going to talk a little bit more about the benefit districts at the next presentation following this debt presentation. Some of the shuffling of the projects included the Public Works Asset Management System Integration of $100K was taken off. That's mainly because—I was going to have Debbie do this slide and now I remember why.

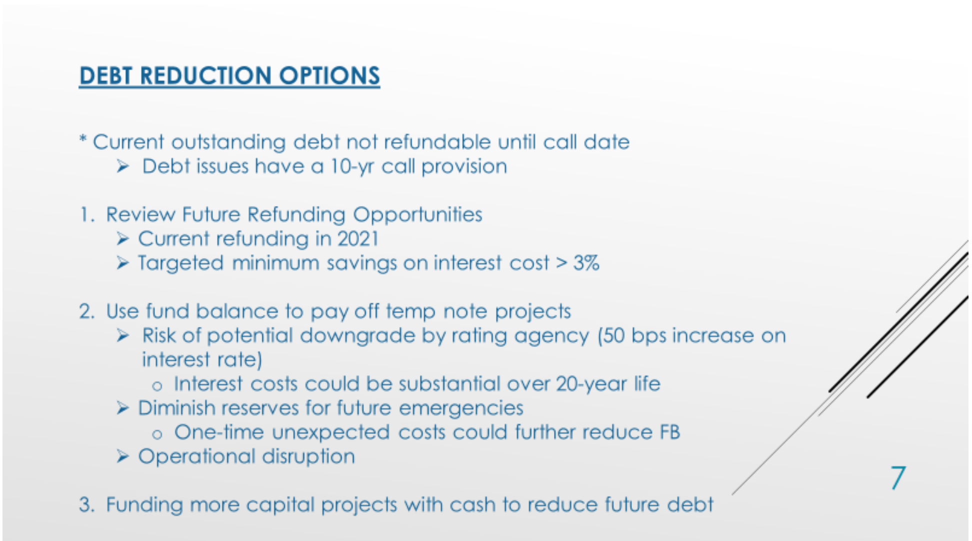
Debbie Jonscher, Deputy Chief Financial Officer, said I don't know the specific reason why they took it off, but I don't think they were ready to move forward with this project, so they reduced it. We added the Minnesota Avenue 6th to 7th Street as well as a study for the City Hall Structure/ Stabilization. Both of those were added in 2018 and then the Westheight Benefit District was budgeted originally at $400K and that was taken out for the Amended Budget. We will have more discussion on that piece later.

On the PBC Projects we wanted to show we had change of about $3.4M for those projects and the Courthouse HVAC system we funded that with a PBC bond. Originally in the budget it was split over multiple years, I think two to three years. We determined as we were getting ready to bond it that it's not cost-effective to bond just a portion of the project each year. It's better to bond the entire project. If we were doing a temp note, we could do a temp note each year but since we're going to a full bond it's more cost-effective to do the entire project. What we did in the Amended Budget since we bonded the whole project this year, we simply moved all of the budget to 2018 Amended. The Health Department Building Upgrades, they were not ready to move forward with that project so the $75K that was in 2018 was moved to 2019 with the remainder of the project.

This slide shows the highlights for the 2019 Proposed Budget. The City projects total $13.5M and we've listed out several of the larger projects that are included there with the largest one being Leavenworth Road at $4.25M.

On the PBC Projects we have $7.075M included and there are three projects that are the three largest projects included there. The Courthouse Roof Replacement, we funded a portion of that in the PBC issue in 2018 but I think there was an additional amount that was needed. The

Juvenile Facility an additional $2.7M and the Health Department Upgrades at $3M plus the 75 from 2018.



Next, we wanted to talk about—there have been some questions about how do we go about reducing the outstanding debt that we have so we want to talk about some of the options. The current outstanding debt is not refundable until the call date. All of our provisions have a 10-year call provision written into them, so you can't pay off or call upon prior to that date. We do review future refunding opportunities. In fact, on the next couple slides we will talk a little bit more about that.

Mayor Alvey said on that first asterisk, it's the structure of the bond, the agreement of the bond is not refundable. It has nothing to do with the change in the tax law that eliminated—okay. **Ms. Jonscher** said no, the ability to do advance refunding wasn't an effect of the tax law. On tax-exempt issues we cannot do advance refunding any longer. We can still do current refunding's and we will talk about those issues that are available for that.

Ms. Jonscher said our next refunding opportunity is in 2021 so we will be reviewing those opportunities with our financial advisors. Per our policy that we have a targeted minimum savings on interest costs of at least 3% in order to move forward with the refunding. We could use fund balance to payoff temp notes. We currently have about $62M outstanding in temp notes, about $32M of that is General Obligation projects. The others are Sewer or Stormwater projects. We do have the ability to take fund balance and payoff those projects rather than moving them into permanent financing. One of the risks of doing that is the potential downgrade by the rating agency which we estimate it could be at least 50 basis points increase on the interest rate which that could be substantial over 20-year life if we were to get downgraded. It diminishes Reserves for future emergencies, one-time unexpected costs could also reduce further fund balance thereby reducing our Reserves.

Commissioner Johnson said you said if we pay the temp notes off early, it could result in a potential downgrade. **Ms. Jonscher** said if we use fund balance to pay off those temp notes. The temp notes are all issued for a year so at the end of that year we either renew the temp note for another year or if the project is finished, then we would move it to a permanent financing under a General Obligation Bond.

Ms. Jonscher said the last one is funding more Capital projects with cash to reduce future debt.

REFUNDING OPPORTUNITIES – TAXABLE ISSUES

Eligible for advanced refunding

Issue	Original Issue Amount	Refunding Option Date/Maturities	Amount Outstanding at time of Refunding
2009-B	$1,180,000	8/1/19 (2020-2029)	$745,000
2010-B	$10,780,000	8/1/20 (2021-2026)	$5,750,000
2010-C	$7,770,000	8/1/20 (2021-2030)	$4,685,000
2010-D	$19,415,000	8/1/20 (2021-2030)	$12,335,000
2010-F	$10,785,000	8/1/20 (2021-2030)	$6,900,000
2010-G	$2,530,000	8/1/20 for full amount	$2,530,000
2011-C	$2,570,000	8/1/21 (2022-2026)	$1,130,000
2013-B	$5,225,000	8/1/23 (2024-2031)	$1,800,000
2013-D	$4,285,000	8/1/23 (2024-2028)	$1,820,000
2014-B	$1,465,000	Not subject to optional redemption prior to maturity	$0
2015-B	$3,800,000	Not subject to optional redemption prior to maturity	$0
2016-C	$2,870,000	8/1/25 (2026-2028)	$765,000
2017-B	$4,810,000	8/1/26 (2027-2037)	$3,015,000

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Here are some of the refunding opportunities we have. This is a listing of all the taxable issues that we currently have outstanding and these are eligible for advance refunding's. We have a list of all of them, what the original amounts were and at the call dates what the balance outstanding would be at the time of the refunding. For instance, the 2009, it was issued for $1.18M. The first ability to refund it would be in 8/19 and the amount that would be outstanding at that point would be $754K. **Ms. VonAchen** said the next three slides including this one, the amounts include Sewer and Storm Debt, just so you know.

REFUNDING OPPORTUNITIES – TAX-EXEMPT ISSUES

NOT eligible for advanced refunding

Issue	Original Issue Amount	Refunding Option Date/Maturities	Amount Outstanding at time of Refunding
2011-A	$18,500,000	8/1/21 (2022-2031)	$11,430,000
2011-D	$12,770,000	Not subject to optional redemption prior to maturity	$0
2012-A	$15,200,000	8/1/22 (2023-2032)	$8,920,000
2013-A	$15,225,000	8/1/23 (2024-2033)	$7,650,000
2013-C	$9,950,000	Not subject to optional redemption prior to maturity	$0
2014-A	$16,480,000	8/1/23 (2024-2034)	$10,275,000
2014-C (County)	$10,015,000	8/1/23 (2024-2029)	$4,475,000
2015-A	$29,655,000	8/1/24 (2025-2035)	$17,610,000
2015-C (County)	$5,070,000	8/1/24 (2025-2029)	$1,900,000
2015-D	$20,615,000	Not subject to optional redemption prior to maturity	$0
2016-A	$26,825,000	8/1/25 (2026-2036)	$16,955,000
2016-B	$19,675,000	8/1/25 (2026-2028)	$4,990,000
2017-A	$21,995,000	8/1/26 (2027-2037)	$14,300,000
2017-C	$12,990,000	8/1/26 (2027-2029)	$4,630,000
2017-D	$37,130,000	8/1/28 (2029-2030)	$12,205,000
2018-A	$34,025,000	8/1/28 (2029-2038)	$20,450,000
2018-B (County)	$1,450,000	Not subject to optional redemption prior to maturity	$0

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Ms. Jonscher said this slide shows all of our tax-exempt issues. These issues are not eligible for the advance refunding but would be eligible for a current refunding. As you can see, the 2011-A is our next issue that would be eligible for current refunding in August of 2021. The amount that will be outstanding at that time is $11.4M

Mayor Alvey said I would just add to that there are efforts underway to amend that portion of the tax law to bring back the advanced refunding opportunity for tax-free Municipal Bonds.

Ms. VonAchen said I would also like to point out that, again as she mentioned, we wouldn't want to refinance a bond issue unless there was interest savings to be incurred. We could partially pay down. You know we could pay some of that down and then refinance the rest.

REFUNDING OPPORTUNITIES – PBC ISSUES

Issue	Original Issue Amount	Refunding Option Date/Maturities	Amount Outstanding at time of Refunding
PBC 2013-A Emergency Communications	$9,915,000	8/1/23 (2024-2028)	$3,790,000
Taxable PBC 2015-A Amphitheater	$780,000	8/1/20 (2021-2025)	$415,000
PBC 2016-A BPU Office Building	$6,775,000	Not subject to optional redemption	$0
Taxable PBC 2016-B UG Medical Clinic	$1,830,000	Not subject to optional redemption	$0
PBC 2018-A Juvenile Justice Facility	$24,430,000	8/1/27 (2028-2038)	$17,015,000
PBC 2018-B Courthouse and Adult Jail Improvements	$8,710,000	8/1/27 (2028-2038)	$5,915,000

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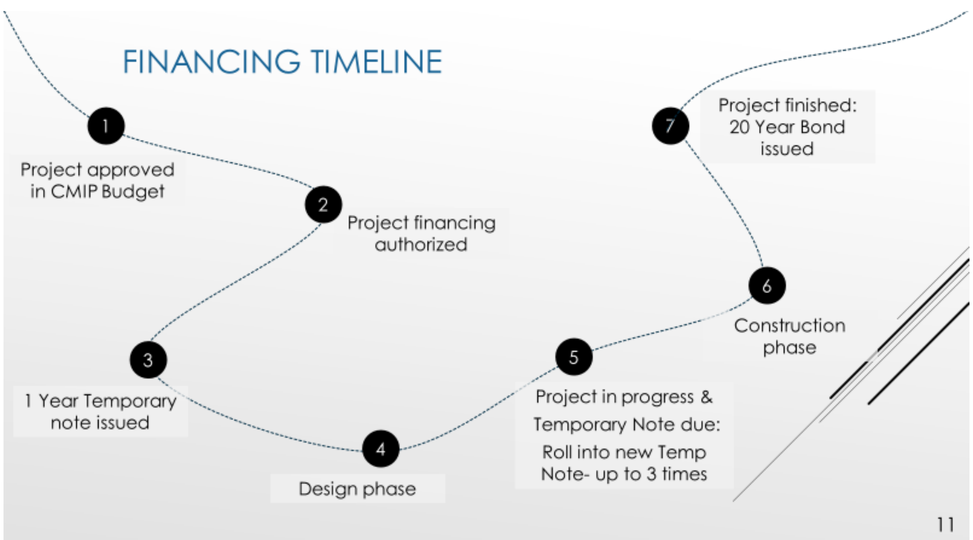
Ms. Jonscher said this slide shows the refunding opportunities for our Public Building Commission issues. These are all the issues that are outstanding currently. The oldest one we have is the PBC, the 2013-A on the Emergency Communication System. The first opportunity there would be August of 2023.



This shows our financing timeline. When a project is first put into the CMIP and it gets reviewed and approved—when we talk about the $15M limit that we have on City Debt Projects, this is the timeframe that we're looking at. When we put in projects we want to keep the City total for new projects under $15M so when they come into the budget—for 2019 the City debt total right now is $13.5M in new projects. Then a project goes—we do the financing authorization. Currently in the past we've done that in November. We bring all the projects to you and get them authorized for the total and then we issue the one-year temporary note. Then, the design phase of the project begins. If we get to a point where it's been a year, as I said, we would either reissue the temp note for another year or if the project was completed then we would roll it into a permanent financing. You would then have the construction phase and finally when the project is finished you would have a 20-year bond issue.

I did want to note that when we do the permanent financing it doesn't necessarily mean we're going to have a $15M bond issue at that point. As we have every year some projects only are a temp note for a year, some of them may be a project temp note for three for four years. The longest you can have a temp note outstanding is four years. At that point if you have a project that has been out in a temp note for multiple years, it could be financed with other projects so the total that's actually financed into a permanent financing could actually be more or less than 15 years depending on which projects are ready to be bonded at that point.

Projects	Amount
11th Street Bridge over Jersey Creek	$ 520,000
ADA Modifications- UG Facilities 2018	100,000
ADA Pedestrian Ramp Improvements, 2018	800,000
Arterial/Collector Resurfacing, 2018	800,000
Elevator Upgrades City 2017	100,000
Elevator Upgrades City 2018	150,000
Facilities Parking Maint & Repair-City 2017	350,000
Facilities Parking Maint & Repair-City 2018	550,000
Fiber Connectivity Projects	1,000,000
Fire Station	4,000,000
Holiday Drive Bridge Replacements	400,000
Hutton Road - Cleveland to Leavenworth	2,000,000
Industrial District Rehab, 2016	250,000
Industrial District Rehab, 2017	500,000
Leavenworth Road Improvements, 78th to 63rd	750,000
Memorial Hall HVAC	2,750,000
Metropolitan Bikeway Improvements	100,000
Neighborhood Street Resurfacing, 2018	1,800,000
New Boilers Municipal Office Building/City Hall	750,000
North 34th Street Box Culvert	380,000
Parallel Resurfacing, 82nd to 89th	500,000
Pedestrian Access to Transit	100,000
Police Tow Lot	5,000,000
Priority Traffic Signal Replacements 2018	800,000
Riverview Ave Bridge Replacement	5,000,000
Route 107 Bus Stop and Station Upgrades	760,000
Safe Routes to School, Group D	300,000
Safe Routes to School, Group E	530,000
Safe Routes to School, Group F- White/West and Willard	100,000
Urban Renewal Project - Demolition	1,000,000
Wyandotte County Lake Park Roads Repairs	200,000
Wyandotte County Lake Waterline Study & Repair	475,000
Grand Total	**$ 32,815,000**

TEMPORARY NOTE PROJECT LIST

***2018 temp note issue $65,020,000 includes $31,660,000 Sewer/ Stormwater projects and $545,000 cost of issuance fees**

12

This is a list of our 2018 Temp Note Series. All the projects that we've listed here are financed by the 16+ mills that are included in the Debt Service Fund. These are all General Obligation projects.

They do not include the Sewer & Storm Water projects. Up there I have a note, the total temp note issue for 2018 was $65M, $31.6 of that was Sewer & Stormwater projects as well as additional cost of the issuance fees and I'm going to turn it back over to Kathleen.

Ms. VonAchen asked are there any questions on that part of the presentation.

Commissioner Walters said I remember we talked about this a couple months ago and I do remember the $15M goal of new debt issued and I also remember someone saying that we retire on average $22M per year which led me to believe that our debt amount should be going down, but it's continually going up. What am I missing there? **Ms. VonAchen** said the $22M figure, that may have been—was an average of—it was basically taking the $65M number and dividing it roughly by three years or three. The $65M includes $31M in Sewer so if you're going to talk about $15M a year in City projects and compare it with one-third of the temp notes, then it needs to be apples to apples, so the temp note amount outstanding at the moment is $32M. If we were to retire this $32M evenly over the next three years or permanently finance it, it would be about $10 or $11M a year. **Commissioner Walters** asked when you use the term retire, do you mean convert from temp note to permanent financing. **Ms. VonAchen** said I do, I'm sorry, I apologize. I meant permanently finance. **Commissioner Walters** said oh, well that could be a misunderstanding because when I think of retiring debt, I think of paying it off. **Ms. VonAchen** said I meant unwind the debt. **Commissioner Walters** said unwind the temp notes. **Ms. VonAchen** said yes and make them permanent. But before we were talking about unwinding the temp notes, making them permanent, we were referring to this total number here. **Mayor Alvey** said that was an important clarification. **Commissioner Walters** said yes. Well, I see that over time we are gradually adding more and more debt each year; good times, bad times, any time, it's all just kind of going up on a level rate.

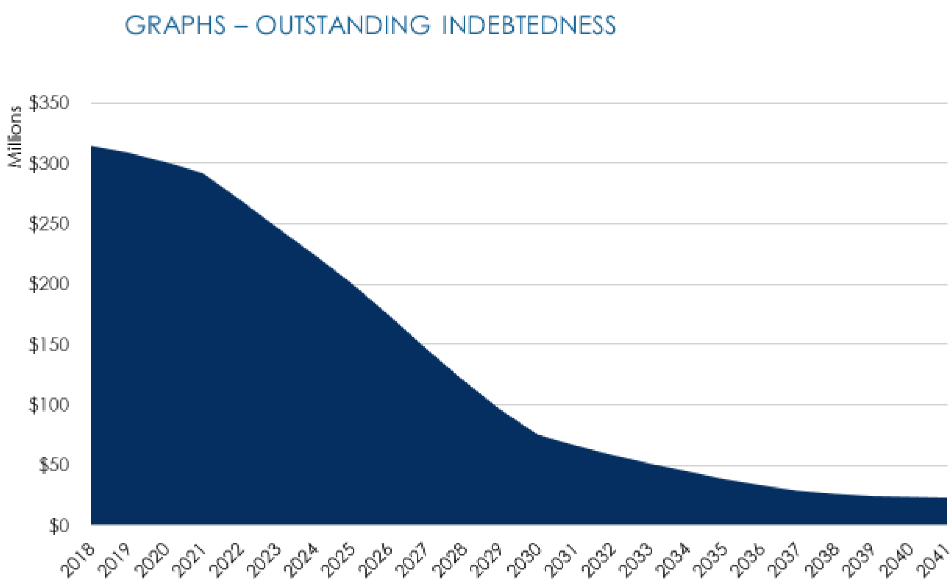
I think it's incumbent on our Finance Standing Committee to really tackle this issue because I really don't think this is sustainable that we can just continue to go up and up and up. As you can see, just in 10 years the total debt has gone from about $220M to $520M roughly I guess, based on this chart you're showing. That's fairly sizeable in 10 years. Revenues are up, we're cutting taxes, but we're increasing our debt, so I think we've got to juggle that a little bit better than we have in the past 10 years.

Just a very minor question, one of the things you put on there increasing the jail budget by $2.3M. I think we had a conversation about this a couple weeks ago where there was a presentation made on the jail and it was—we've got cost overruns of a couple million dollars and the statement was made by Commissioner McKiernan, I believe, that the whole project was based on a specific amount of money that would be saved which would generate funds to pay for the project if it was accomplished within the original budget. I know you made the request that we go back and try to figure out how to get back to budget. Has that decision been made that we're not going to do that and that's why we're being asked to increase the County debt by $2.3M? **Ms. VonAchen** said the CMIP has the additional $2.7M for that project as a placeholder but we plan to talk more about that project on Monday as well as how its impact on the County General Fund because a PBC Bond issue is paid for out of County General Fund operating resources. **Commissioner Walters** said correct. **Ms. VonAchen** said that's a discussion point that we plan to have with all of you on Monday.

Commissioner Johnson said I just wanted to touch on that. I think as I have been contemplating this, you know we can't have it all. You can't reduce mill levy and retire debt at the same time in my opinion. I might be looking at a very simplistic manner. I think as we look forward into the future that we might need to look at the debt retirement. I think we've been true to our word to the public in terms of lowering our mill levies, our tax rate, our property values are going up and I think we need a little time to see how the market lag plays out and really look to the future in terms of how do we strategically reduce the debt that we can reduce if it's temp notes, whatever the case may be, because I agree with Commissioner Walters, we just cannot sustain ourselves by continuing to increase our debt load. At the same time, we need to weigh that against fund balance. I mean it's all to me in a—it all works together in my mind from a very top level. Now, how you make that work, that's where I look to Doug, to Kathleen, and to your staff to figure that out but it seems to me there should be a level by which we can maintain an adequate cash reserve balance, pay down debt, knowing that we can't continue to reduce the mill levy. At some point I think we're just going to have to make a decision about which direction we need to go and I think we've done for three years now—it appears that we're doing another mill reduction, but I don't know that we need to continue to go down that road. I think we're setting ourselves up for some tough times if we do that.

Commissioner Murguia said I have been here over a decade now, Commissioner Johnson, and I can maybe shed some light and maybe Commissioner Kane would want to comment in this. This has been an ongoing frustration of Commissions for over a decade and my opinion, and I'm sure our financial team can verify this, is what happens is our Administrator prepares a budget to reduce our debt and to reduce our mill levy and for years at the last minute people line up, they want projects, there's political pressure, and the Commission has authorized those projects. That money has to come from somewhere and so they end up getting debt financed. Everybody politically has their pet projects that they want to see happen. It also creates a very bad reputation for us because I'm out there telling my constituents there is a process to follow if you want curb and sidewalks, for example, you can form a benefit district which we will get to. You can do that. They follow that process and that project continues to get bumped back further and further and further and those are people willing to pay additional taxes through a benefit district to see those improvements while other projects, like major construction infrastructure projects that are happening right now, we're never brought up until two years ago. They're already under massive construction and they are 100% paid for by government tax dollars and there is no investment by those people that reap the direct benefits. I'm very frustrated by that and I know a lot of you are still relatively new but that's been our history as it seems like it's been a lot of political will which has driven our debt up. That's just what I've seen in the past 11 years that I've been here. I will give you a good example of that when we get to the next agenda item.

Commissioner Johnson said I agree, I understand what you're saying. **Commissioner Murguia** said that's what happens. At the last minute we—just last year we added or two years ago we added $500K for a program that really nobody had been briefed on at the last minute and no one wanted to say no. Good program. There's tons of people out here that do good things. There are people all over our county doing amazing things, but at the last minute they're moving projects through. **Commissioner Johnson** said I get those requests too so I'm probably one of them. I just think overall, we really need to be mindful of our debt load. It's just growing. **Commissioner Murguia** said I'm not typically one to bailout Mr. Bach, but in this case I feel like the County Administrator right now—I tell you we say lower the mill levy, it's a priority, it's on every survey that we get, nobody wants to pay more taxes, get the mill levy down and follow the process and get in line and when you want something, you bring it up for your district and you get in line and the person behind you falls in line behind you, it doesn't work like that. It's not fair, it's not just, it's not what our government is supposed to be doing and these last minute projects come flying in and for whatever reason, for whatever the relationship is with the political body and the person doing the talking, they've always approved those line items. Then it's left to Administrator Bach to figure out how to pay for them and then we're all mad at him when our debt load is high. It's our own fault. At the end of the day, we're voting for those projects.



Ms. VonAchen said this graph shows you the current Outstanding Indebtedness as of today.

Projects	Amount
11th Street Bridge over Jersey Creek	$ 520,000
ADA Modifications- UG Facilities 2018	100,000
ADA Pedestrian Ramp Improvements, 2018	800,000
Arterial/Collector Resurfacing, 2018	800,000
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TEMPORARY NOTE PROJECT LIST

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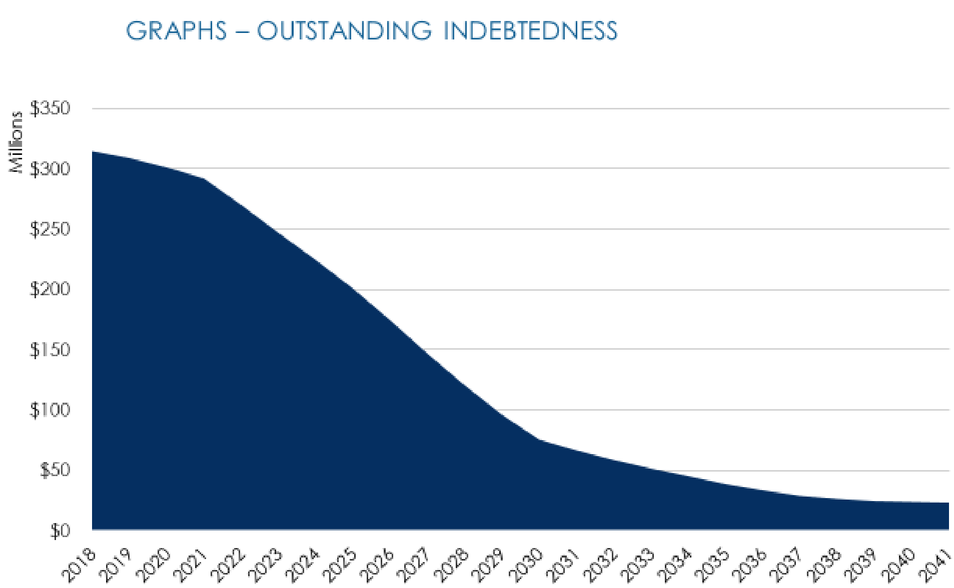
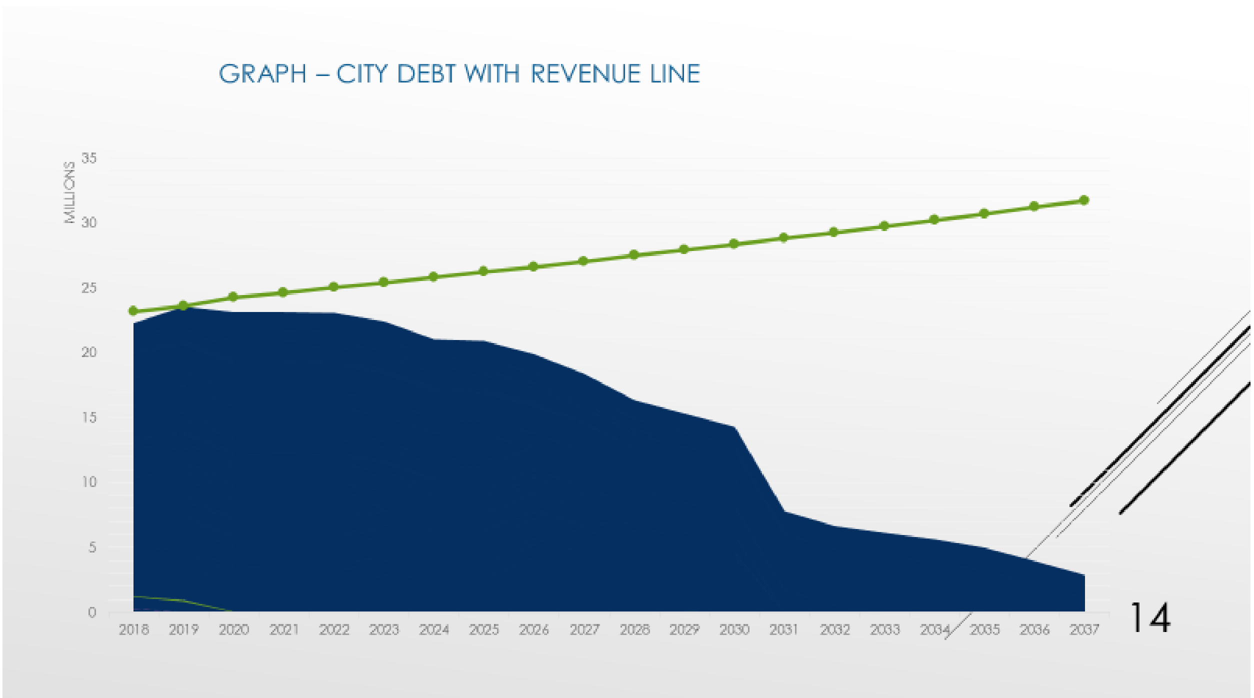
12

It does not include what's proposed for debt for 2019, but it does include '19, '20, and '21 basically one-third of this amount. We're assuming that for each of the next five years we will unwind one-third of this amount.

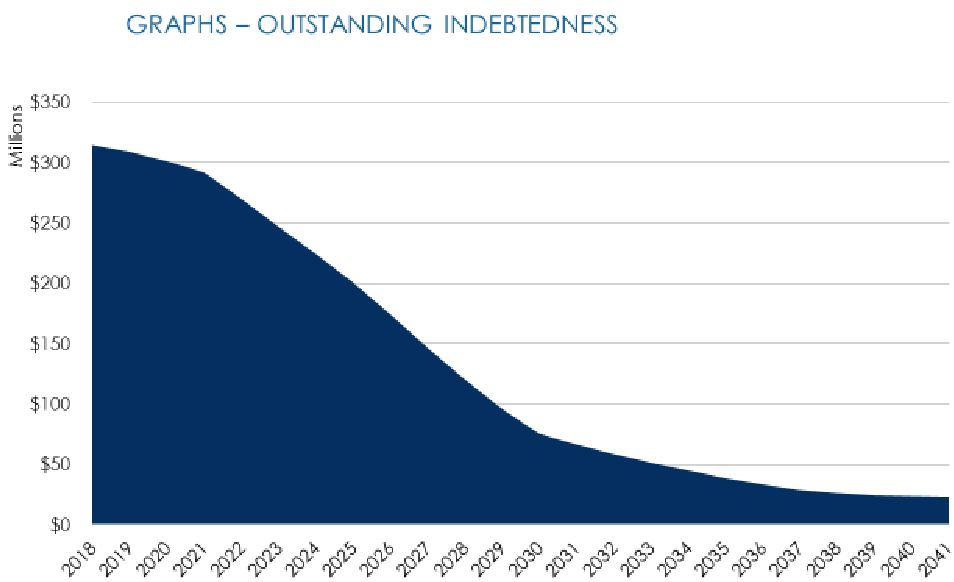


So, adding no new debt at all except for what we have outstanding, this is how it looks. If we were to not issue any more debt, no more $15M per year, then this is how our debt reduction would naturally happen.

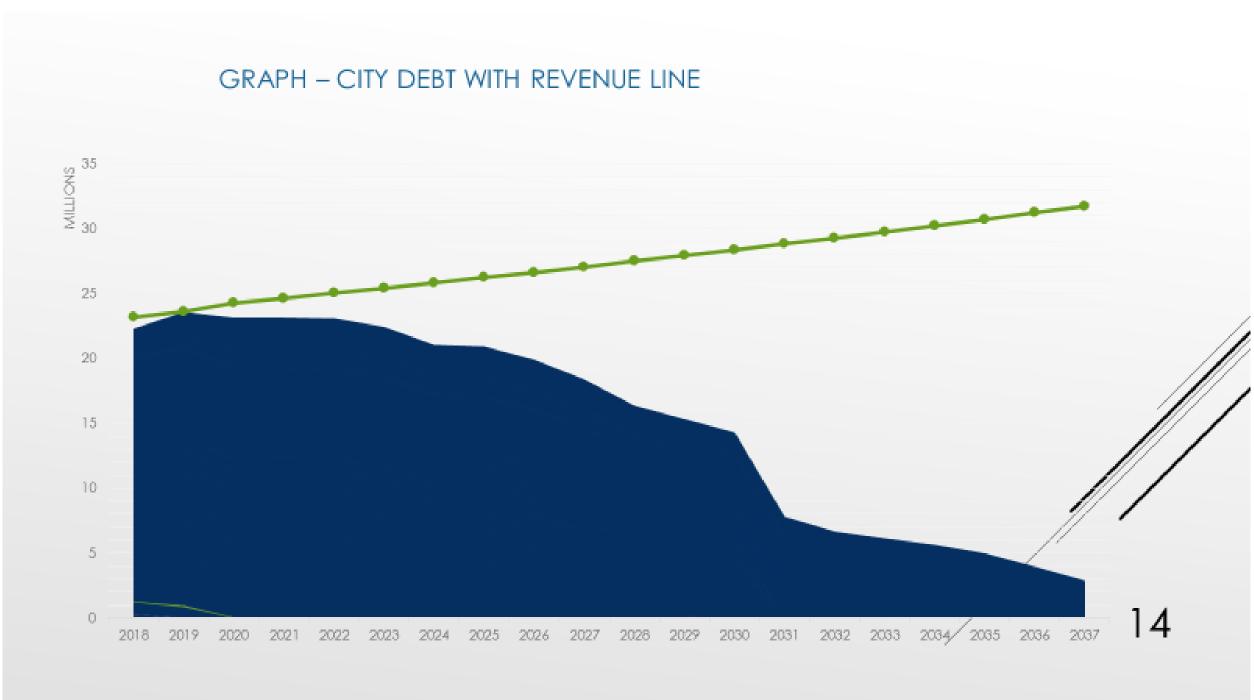
I would love to put the Revenue line on here, but the Revenue line is an annual number where this is the total liability, you understand, total liability of the debt. This is General Bonded Indebtedness, just the governmental side of it, and it totals around $320M if you add in the 2018 bonds we issued in March.



Now we're back to the graph that you've seen before. This is Annual Debt Service. Every year we pay principal and interest. The resources we use to make those principal and interest payments on the GO debt come from those mill rates.

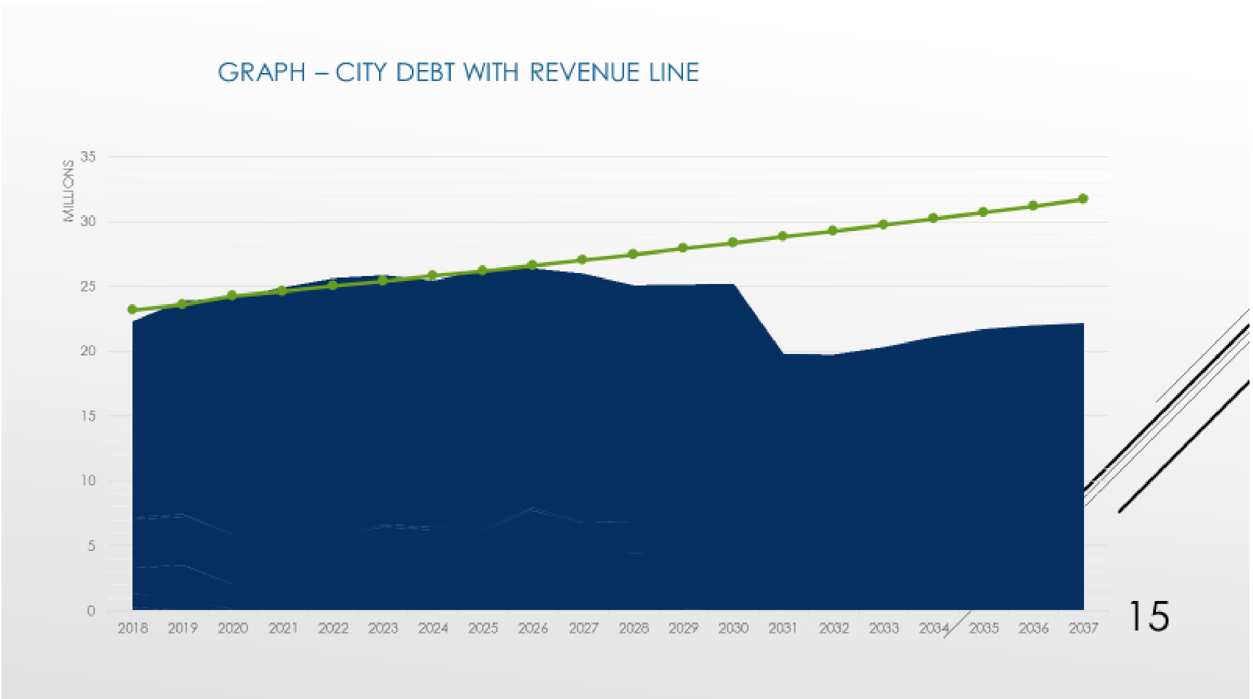


This number here is the outstanding bonded debt for the City and the County combined.



This here is the City project debt, debt service and this is the mill rate. This is the amount of money we expect to generate from the 16 mill every year. If we didn't add any more debt, we would have this margin. It's up to you. Do you want to add the $15M per year and increase this Annual Debt

Service and eat into this margin or do you want to use this mill or all these resources to either—to offer more tax relief.

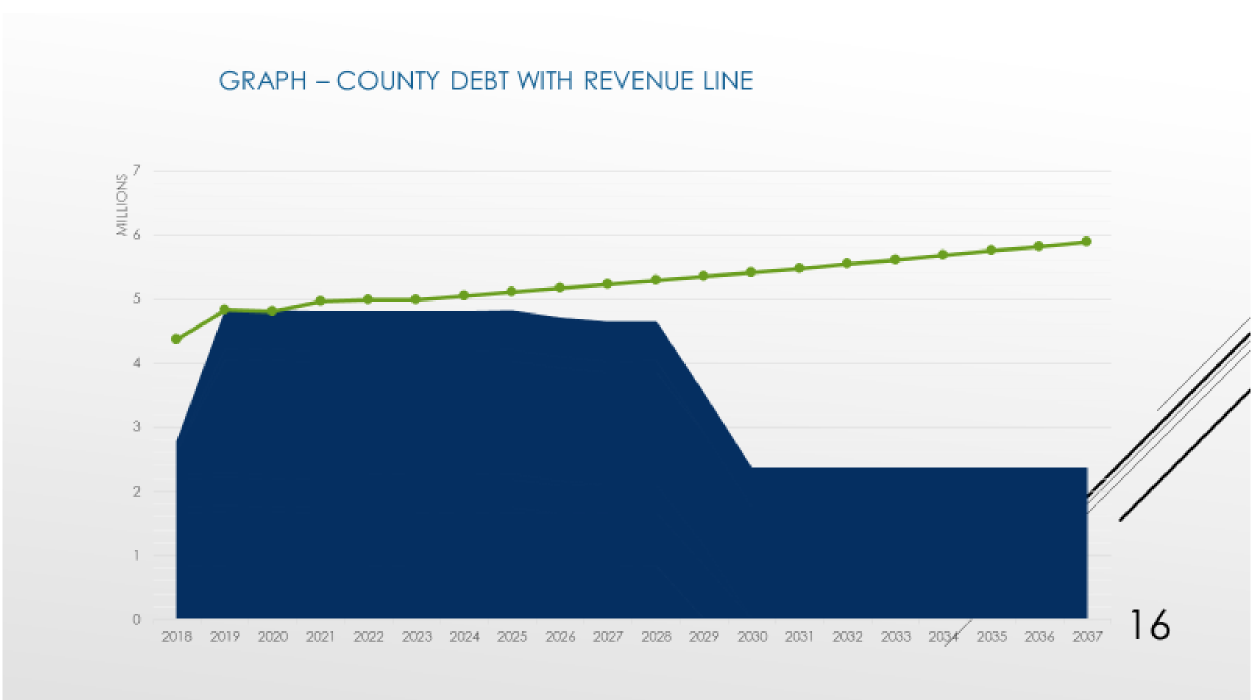


This adds in the 2019 Proposed as well as factors in the Debt Service on the temp notes. You can see that right now our revenue projection has—that we're eating—there is some fund balance in this fund by the way. We're a little bit exceeding here but these are revenue estimates, so it very much depends on what happens year over year with the revenue. **Mr. Bach** said, Kathleen, this adds in our '19 projection and then it assumes $15M in new debt projects every year going forward. **Ms. VonAchen** said yes.

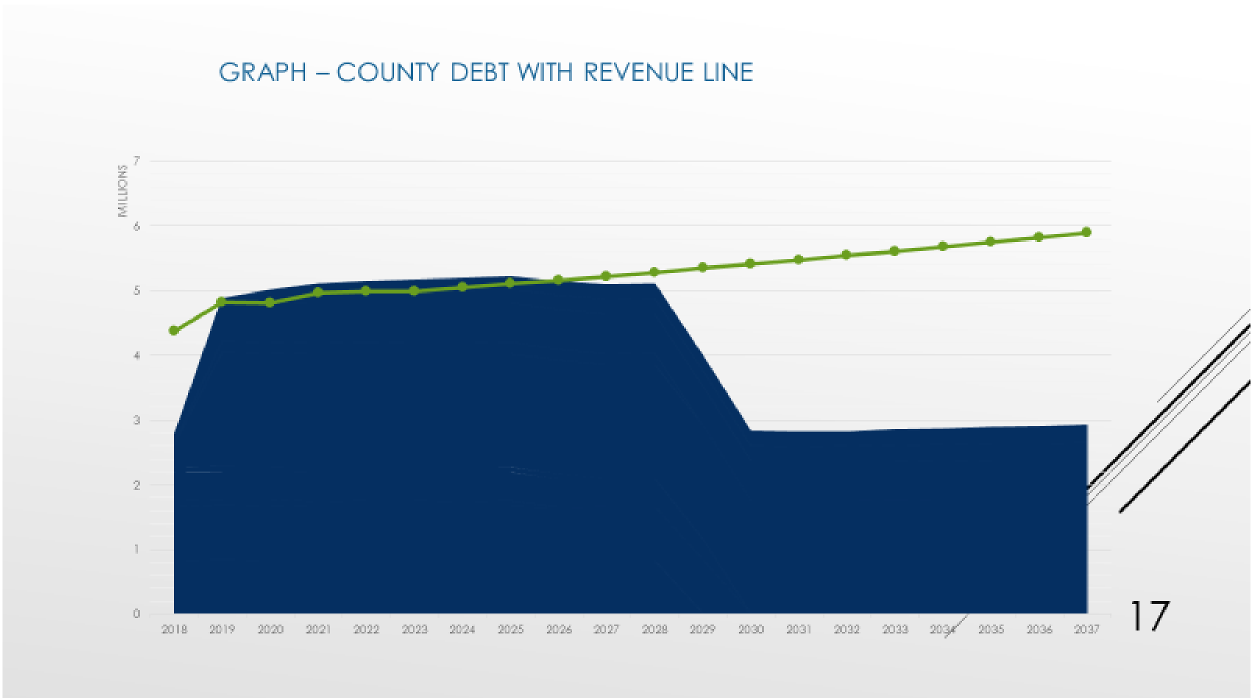
Commissioner Burroughs said if I follow your graph, we're looking at 2026 before we're even at almost a breakeven point because you have to look at that little anomaly there at 2024, but after that we're eating into either Reserves or just getting prepared for a little bit of what I call breathing room in 2026. So, we're eight years away from being what we consider a balanced revenue and debt reduction system. **Ms. VonAchen** said it's balanced. What happens is, then you have margin at this point and that's because we're paying off debt, you know the debt service is dropping off. See, it's the prior years the amount that we borrowed was growing. Right now, the $15M per year is actually a lesser amount annually than what's been issued in the past.

Mr. Bach said that kind of goes, Commissioner, back to a decision we made a few years ago when similar graphs like this were put forward and you looked ahead and said if you keep issuing that amount, it's going to go way above and that means you will have to dedicate more mills to Debt Service. That's where we came back to the $15M number that if we got there, at least what you have as dedicated mills should cover the cost of that debt. Our $15M in projects should cover the cost of the debt going forward and you know it takes a long time to get there but at least you put yourself on a sustainable pace because as she said it's balanced. I mean there is a little bleak there, but we can build some fund balance up and should be able to and that's assuming—what did you do a 2.8% growth rate on revenue? **Ms. VonAchen** said yes. **Mr. Bach** said which is her 10-year number that she looked back over in the past decade and that's our average. If it gets higher than that, we're better. If not, we will work with it.

Commissioner Burroughs said the cost of debt is going to rise because each time you issue new debt you've got a higher interest rate now and our bond rating plays into that savings so I'm just looking out here eight years and a lot can happen in eight days let alone eight years in reference to how to resolve our debt reduction. At the same time, designate those mills to do that. I mean we have a couple of options available, but I'll wait to discuss that at a later time. Thank you for that clarification.



Ms. VonAchen said likewise, we also are showing you the same graph only on the County side. Here's if we didn't issue any more.



This includes the unwinding of the current Temp Noted County projects. I don't think we've added any more County projects. There's not an annual amount that we add to this. This looks like we're a little bit in trouble, but I did want to mention that in 2017 we transferred $1.7M in Contract Inmate Bed savings to the fund balance of this fund and then we did budget the same amount in '18. The debt service for the Juvenile Center doesn't begin until '19. This fund has roughly almost $3M in extra reserves to cover some of the debt service shortage that you see here. This is an annual line. It's a revenue line. Do you understand that, that explanation?

Commissioner Philbrook said why would we even want to look at this one if it's not realistic because we have to retire or not retire, sorry, refinance or unwind. We have to unwind the debt regularly anyway or not? So, the difference between this one—**Ms. VonAchen** said no. What I'm saying—I will repeat. This represents the annual debt service here and this is the annual revenue. What I'm saying is that in '18 or in '17 we also, not reflected in this green line, we also transferred $1.5M that was from savings from having not—not have those contract beds and then we did the same in '18. **Ms. Jonscher** said I was going to say the line is just the revenue generated by the mill levy that's dedicated to this fund and so the additional transfers of savings from the County Jail are in addition to this amount. **Ms. VonAchen** said that will more than cover this shortfall that you see here. **Commissioner Philbrook** said so I understand this one. When you go back to page 16 and you look at that it's kind of like why do we even have that graph because it's not really realistic because it's not showing this other debt stuff. **Ms. VonAchen** said we just wanted to show you the current and then the future expected. The County is a little different because we don't issue the same amount every year, you know, $15M or—it's dependent on what is needed. I see what you're seeing. That's all we have.

Commissioner Burroughs said, Mayor, just for the sake of debt, what I would like to also see is a total and where we sit on savings and how we built our Reserves. Maybe we look at the total amount we have, interest bearing accounts in financial institutions, to get an idea as to what we have in all Reserves and all cash on hand. I would like to compare it to the debt amounts if possible. **Ms. VonAchen** said every quarter we present our Investment Report that provides all that information. **Commissioner Burroughs** said I understand. I would just like to see it presented so that we can see what kind of money we're looking at in reference to the debt. I mean we concentrated on debt reduction, but what we haven't had a chance to review yet, is the amount of monies we have sitting ideally by. What I would like to do is have a comparison of that as we start working through the budget as to where we are today and where we may be in 30 days or the next quarter if possible. **Ms. VonAchen** said we are working on preparing the 2nd Quarter Investment Report that goes to our Investment Advisory Committee and then goes forward to the ED/F so we were planning on presenting that in August. We can put together some information for a future workshop next week if you would like.

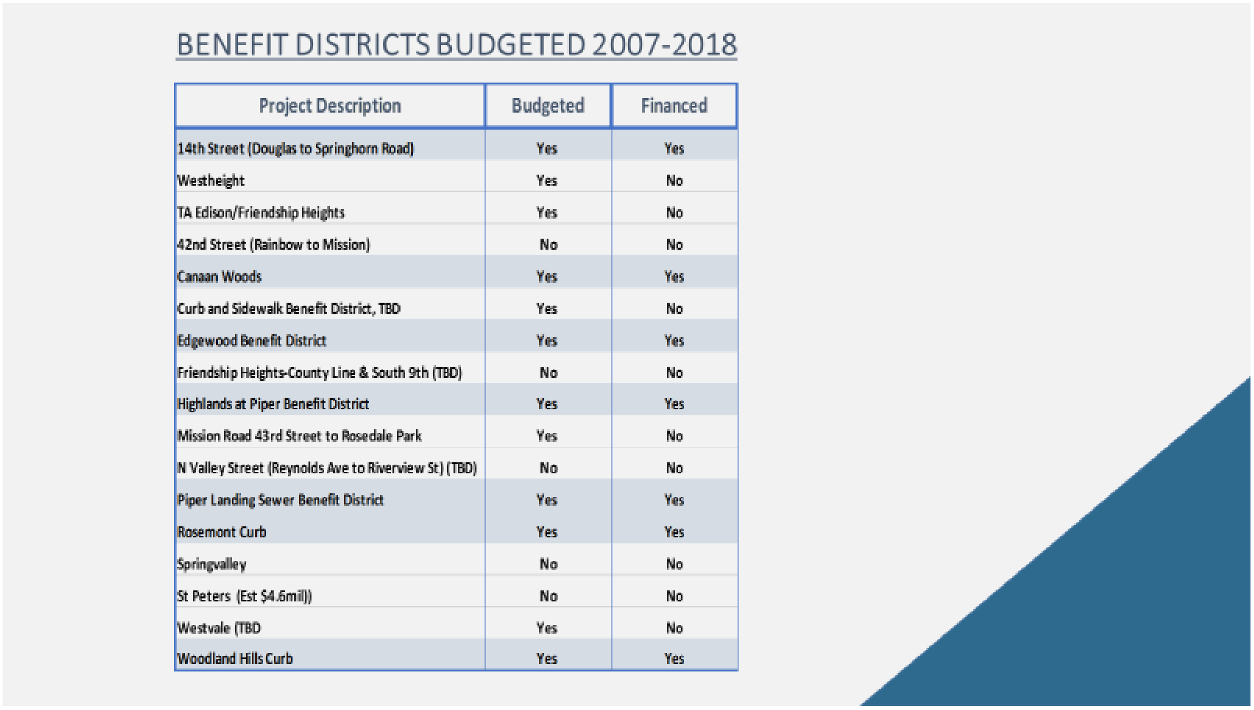
Mr. Bach said, Mayor, I would probably opt to as we look at debt and different options for that as she presented some early on in this presentation that when we go through maybe our Strategic Planning in the fall that there is the opportunity to look at some ways. You know, Commissioner Walters has made the comment about where we're conservative in some of our estimates and sometimes we end the year with more money than we plan. I think we could look at maybe different options where we take that money and try to—you know if we exceed where we have for our minimum reserve level, that any money we have left we go after temp notes or stuff like that so we don't add additional debt in any time and just kind of make that an automatic and that might move us away from well the next year well we had some money left so we go do something new. There could be some different policies we could look at and discuss that might kind of provide that direction and kind of force our hand if we want to consider that. I think it needs to be collectively thought out with other things as we go through that.

Mr. Bach said the next area is regarding benefit districts as requested by Commissioner Murguia and we put together a couple of slides just to kind of set the base for everybody and some of these we're trying to give a little baseline of where we're at. I'm going to have Debbie Jonscher step through these and then we will turn it over to the Commissioner for any questions or anything you want to layout on that. **Commissioner Murguia** asked is the purpose of the presentation to explain what a benefit district is. **Mr. Bach** said yes. We just have two slides.

Ms. Jonscher said the first slide, we wanted to do an overview of benefit districts and what's required for getting them setup. As it says, it's a mechanism to fund Capital Improvements that provide benefits to a specific geographical area. Special assessments are imposed on properties within that area that are used to pay for the project costs. For creating a benefit district there are two options. We can do a petition which this is the most common option and the petition has to be signed by the owners of 50% of—greater than 50% of the land area or greater than 50% of the property owners within the proposed district. Once that occurs then the City would adopt a resolution creating the district.

The other option is a City initiated, can be City initiated, and they would have a notice of public hearing, hold the public hearing to adopt a resolution creating the district, resolutions would be published in the newspaper and then there would be a 20-day protest period. I want to note that if there is a protest petition that is signed by both 51% of the property owners within the district and more than 50% of the owners of the land area, then the City would not be able to move forward with the plan.

Once projects are completed the assessments are levied against the properties in the district to repay the construction cost.



BENEFIT DISTRICTS BUDGETED 2007-2018

Project Description	Budgeted	Financed
14th Street (Douglas to Springhorn Road)	Yes	Yes
Westheight	Yes	No
TA Edison/Friendship Heights	Yes	No
42nd Street (Rainbow to Mission)	No	No
Canaan Woods	Yes	Yes
Curb and Sidewalk Benefit District, TBD	Yes	No
Edgewood Benefit District	Yes	Yes
Friendship Heights-County Line & South 9th (TBD)	No	No
Highlands at Piper Benefit District	Yes	Yes
Mission Road 43rd Street to Rosedale Park	Yes	No
N Valley Street (Reynolds Ave to Riverview St) (TBD)	No	No
Piper Landing Sewer Benefit District	Yes	Yes
Rosemont Curb	Yes	Yes
Springvalley	No	No
St Peters (Est $4.6mil))	No	No
Westvale (TBD	Yes	No
Woodland Hills Curb	Yes	Yes

This slide we put together a list of prior proposed benefit districts that had been in the budget from 2007 to 2018 and I have listed them out here. I've also noted if there was funding budgeted—we did find a couple of years where benefit districts were listed in the budget, but there was not a funding amount set with them. I think maybe they were just put in there as placeholders for future years, so I've noted if they were budgeted. The second column is showing if we financed any of the projects with debt financing.

Commissioner Murguia said I asked for some information in regard to a benefit district that I requested all the way back in 2010. I requested it early last week and I just got it about two minutes before our meeting. It was hand delivered while I was sitting here so I tried to pull together just the important details out of the information I was provided and for clarity I'm going to have to read it to you. In 2010 I requested from the government based on a request I received from Rosedale residents that the T.A. Edison Elementary School area be made a benefit district. That was back in 2010. I requested to get some information about the process. They informed me just exactly what Debbie explained to you. A group of citizens was formed and over 2011 and 2012 they went door-to-door in this incredibly densely populated large benefit district area and they collected all the necessary petition work that met the guidelines that were set out by the Unified Government. The benefit district I requested be added to the budget in 2013. It was added to the budget and it was slated to be funded in 2015. In 2014 it was still slated to be funded in 2015. In 2015 it was mysteriously left off the budget completely. T.A. Edison was missing from the benefit districts. Luckily, I caught it and it was placed back in the budget; however, it was placed back in the budget and funding was pushed back to 2016. In 2016 the funding was pushed back to 2017. It shows that work is supposed to be done this year, and we're almost to August, and nothing has been done, not anything. Not a truck out there, nobody doing anything.

As of a month ago I was informed by our Director of Public Works, Jeff Fisher, that all the work that those residents did in going door-to-door in one of the largest benefit districts that we will do in Wyandotte County, that petition is no longer valid.

I haven't been laid out what our options are. I still haven't gotten over the fact that I'm appalled that we hear all this rhetoric up here about process and particularly I do because all of you that have worked with me for very long know that I don't like process, that I like to get things done when they need to be done and I have been able to do that by raising money privately.

People south of the river pay taxes also and considering that this neighborhood sits in an area of our county that sees more pedestrian walking traffic than any other neighborhood in all of Wyandotte County because it lays adjacent to the University of Kansas Medical Center and Hospital. It's our number one employer in Wyandotte County and, I believe, Mr. Bach told me in the State; that in almost a decade we can't figure out how to match money that our taxpayers who are already, in my opinion, overtaxed are willing to pay more taxes to pay a portion of these improvements. All while, and I'm not going to finger projects or call them out directly, we have done two massive curb and sidewalk infrastructure projects in this City that I never even heard about until two years ago, yet if I drive down the road right now, they're under massive construction. If that's not bad enough, we had to spend more money on those projects because people wanted to remove the utility poles that are in every other area of our urban community. We spent double or triple the amount of money on an area that wasn't on a list, that didn't sign up for anything. The community didn't get together and get petitions signed, they didn't do any legwork, nobody did anything other than one person decided they wanted to do this strip of road and in two years it's under construction. It's probably the highest dollar infrastructure curb and sidewalk project I've ever seen in over a decade that I've been a commissioner here in Wyandotte County.

I understand, Commissioner Johnson, what you say about debt and that's why I was so angry when you were talking about what's happening. I know that relatively speaking you're fairly new. I'm tired of this. There is a thing called fairness and decency. I'm all about raising money. I have raised tons of money. I wrote a check for $675K to this government of private charitable dollars that I contributed to this government that went to Parks & Recreation to improve our parks so all of you would have more money to spend in your districts on your parks.

I asked for this benefit district almost a decade ago and there is nothing. There is absolutely nothing. So, from a staff perspective this is what happens when you're a politician because sometimes I think that staff doesn't necessarily appreciate what happened. No, you don't get calls. Who gets called when something goes wrong in your district, ask any one of these commissioners, it's us that gets called and I'm tired of getting harangued on Facebook about how there are these big infrastructure projects all over this county, all over the place, and this one area is completely ignored when they have offered to pay their fair share of these improvements.

If that petition has expired, I'm finished with this. I'm telling you I'm not going to drop this. We need to start this project and I have no idea the budget is $800K. Let me tell you, I have laid a lot of curbs and sidewalks in the decade I've been up here with private dollars, $800K is probably going to get you about five blocks of curbs and sidewalks. That's all it's going to pay for. This benefit district is huge so there has been no budgeting or no planning for construction and implementation.

To make it even a little more personal, the woman that worked the hardest for me was brand new to Wyandotte County. She moved to Rosedale from Johnson County. She thought it would be a great move, she liked the neighborhood, she liked the urban feel. We recruited someone from a different county. A county that's much more affluent with the lower tax rate. She came here and had a brand new baby and she said all I want to do is take my stroller out and walk on sidewalks with my baby in its stroller. That baby is eight years old. It's not in a stroller anymore. They've moved and completely given up on assistance. She believed in process, she believed in the system and believed that if you followed the rules, this is what was going to happen, and it didn't.

I don't care how this project gets done. I'm not spending one more day out walking door-to-door getting petitions with a group of people and it's my face looking at their face saying yes, I promise you. My Administrator has told me this is how it works. The Commission has agreed this is what our policy is and then somebody gets a wild hair and wants to do a project somewhere else. These get unfunded and we pay 100% somewhere else. You talk about irresponsible spending, you talk about debt, people complain about that; give me a break. We need to fund this project. It's long overdue and I promise you I will continue to make a giant deal about this project until it gets funded and under construction.

This is just completely—it's over by County Line. Everybody in Wyandotte County, the majority of the people live on this side of the river and, Mayor, as a southsider the south side is forgotten. It is completely forgotten and, Commissioner Burroughs, you should know that as well as a southsider. We also have a downtown. It's called Strong Avenue. Every single major thoroughfare north of the river has had new infrastructure curb and sidewalk improvements, multiple times since I've been here, multiple and yet I just spent all last week with volunteer kids that were paid with charitable dollars to use weedeaters to clean out broken up curb and sidewalks on Strong Avenue.

When we talk about the grocery store in the northeast, great, I'm happy for that. I want to see it happen. Then I had to listen to a speech about how we have to improve all the infrastructure around the grocery store. When we brought the Walmart to Argentine not one person said one thing about putting in new infrastructure on Strong Avenue to carry people to and from the new grocery store, not one. We still don't have handicap accessible sidewalks on Strong Avenue yet we've had more development in the Third District than we've had in any other urban neighborhood district and yet we don't seem to care what's around that, but we pay to build a brand new grocery store in the northeast and now we talk about putting all this new infrastructure around it. I didn't hear any conversation about putting new infrastructure around the new Walmart, even though as our finance team and as Doug can say, that TIF will be paid off six years early. That's faster than Village West.

I'm not dropping this. I'm very angry about this. I'm mad that there were shenanigans that went on that got it pulled off the agenda. When you're on a list, you stay on a list. When it's your turn, it's your turn. I get it. I've been willing to take my turn. That's ridiculous so I want it figured out how we're paying for this benefit district. I want these people notified when it's going to happen and how it's going to happen. I'm tired of hearing about it.

Commissioner Markley said, Debbie, can you go back to that other slide. Can the City just initiate one and notify the owners if they don't want, which clearly they do since they went through the petition process, they can show up and protest it if they don't then we have our benefit district, right? We can budget for it, we can go through that City initiated process. That's what I propose to do. **Commissioner Murguia** said in 2017 because you have $400K in the budget for 2017 and it seems to never get spent. **Commissioner Markley** said that's a Doug question. **Commissioner Murguia** said this is 2017 and it's July. Thank you, it's 2018. It was supposed to be spent—I would like to know where the $400K is that was supposed to be spent in 2017. Where is it?

Ms. VonAchen said it would have been debt financed. **Commissioner Murguia** asked what did we spend it on. **Ms. VonAchen** said we didn't. We didn't debt finance it. **Commissioner Murguia** asked why does it say we spent $400K in 2017. **Ms. VonAchen** said because it was planned.

Mr. Bach said I can recognize Brent Thompson with Public Works who I think had worked on the benefit district a little bit. **Brent Thompson, Public Works Department,** said to answer some of your questions, we have been doing work on that. We have a Safe Route to School project that runs down 10th Street so at the same time that we were doing that we engaged a consultant to look at this area to see what it would take just for sidewalks, mind you, because I know they want a curb and storm. Since we were doing sidewalks for the Safe Route to School we wanted to see what it was going to be like.

We spent about $50K with the consultant. It started, I believe, in 2016 and turned in a report in '17 with four options and different—it basically had a large boundary and the cost of the sidewalk and so forth was taken into each residence and so forth. Options running from anywhere from $200 and sum assessed each year to the taxes to $600 to the taxes. Looking at that, that increased some of them by 25% so that's not even the road and storm. That's kind of where we were and that's where we are right now. We're looking at options—it's over $2M to put the sidewalks throughout there.

Commissioner Murguia said somebody should have said that in 2010, almost a decade ago. **Mr. Thompson** said I agree. I understand where you're coming from. **Commissioner Murguia** said you know I'm not taking that. The deal is you weren't here, so this is not directed at you and our Public Works Director we have now wasn't here, but it was clearly a runaround. We did exactly what the Public Works Director told us to do. I'm not taking any excuses. It's been almost a decade, a decade. It took you guys two years to do Leavenworth Road. I mean one day we're talking about it and the next day the trucks are out there. That's great. I waited my turn.

This is almost a decade. I hear you, Mayor. Whether it was a federal grant or not, the grant money is coming from these taxpayers that are willing to pay additional taxes to improve their property. **Mayor Alvey** said no, I understand that. I understand. The difficulty now is if you cannot proceed with the benefit district because you have to have the consent of those that will be taxed and obviously legally no longer obtained and so it puts the entire burden back on the UG if we move forward on it. **Commissioner Markley** was inaudible. **Commissioner Murguia** said I don't care how it's done. It just needs to happen and maybe next time then if the UG has to bear the entire costs, maybe next time they won't do this ridiculous runaround. I get people make mistakes, everybody makes mistakes, and we all have to pay for them, right? Why is that any different? I'm saying it was a mistake, it was irresponsible; whatever. I've heard enough excuses. It's been almost a decade. Completely unacceptable, completely.

Commissioner Johnson said, Commissioner Murguia, I might pile on with you because I saw a Westvale line item that's not on there and I think you said that you were going to talk about that a little bit later. **Someone** was inaudible. **Commissioner Johnson** said before I do that, I want to make it clear because I might get a phone call. The grocery store that I think you're referring to is not in northeast that's getting ready to be built. It's just a block outside of northeast and I don't know if I'm going to get a phone call about that or not, but it's not in northeast so I don't want to bear the blame for that one.

I do want to talk about the benefit district that is in the Fourth District. Actually, I saw two of them, Westheight and Westvale. **Ms. Jonscher** said Westheight and Westvale were both previously budgeted. It looks like Westvale was budgeted in multiple years. I'm not sure the reason why, but it looks like it was probably pushed out. Westheight, I believe, the same thing. Westheight was budgeted originally at $400K in 2018 and in the Amended it has been taken out. **Commissioner Johnson** said I guess the reason why I'm questioning that is, she has made it very clear that there is a timeline on this whereby if it continues to be pushed out—**Commissioner Murguia** said your petition is dead. **Commissioner Johnson** said I could be hearing the same thing. I don't know how I'm going to react then, but I think it will be somewhat like that.

Ms. Jonscher said I don't know any of the process on where they are with either one of those projects. **Mr. Thompson** said I don't know about the Westvale or Westheight myself. I've just been part of the T.A. Edison and what I knew about that and sit down with the—

Commissioner Johnson said I'm going to get calls about this so I would like to get some updates on those two please.

Mayor Alvey said it would seem to me the process ought to be that if there was a benefit district proposed that we would appropriate the money for that pending approval by the residents on their part of it so that the money is already ready to go if they should so choose to go ahead with it. The way it's going now, we get them to commit, all this work happens and then the money is not there. Again, if it's going to be effective, the money has to be there to back it up.

Commissioner Kane said Ann does a better job of expressing herself than I can ever do because I get excited like she does and when we waste money like we did on Leavenworth Road because not all of it, but at least $5M is a waste and we don't have the money to tell everybody we're going to beautiful this one mile area when you could have done what you did on Merriam Lane and saved all that money. I feel your frustration because I was blocked on the fire station, just like you were blocked on getting your curbs. When we don't unite to promote all of Wyandotte County, not just the east side, south side or the western side, it's all of them and this goes in—I don't disagree with you as far as staff goes because staff will come up with something such as the grass cutting thing and it's killing me. We don't want excuses. We want action and I'm glad she doesn't get as mad as I do because it's just not right. When we have committed to do something and you do it right as a commissioner and you say here's what the goal is, I've got to do this, you get all the signatures. You come back, and you assume as a commissioner you told staff and it's over and the next thing you know you see a project up there and it's pushed out, it pushed out and it's pushed out; the fire station was pushed out for almost 13 years, so I feel your frustration.

Commissioner Walters said I have a question. What do you mean when you say budgeted on this chart? **Ms. Jonscher** said that it was put in the CMIP with a specific amount to be funded, financed. **Commissioner Walters** said funded and financed by revenue from the special benefit district. **Ms. Jonscher** said right. When we have a benefit district we budget for the full cost of the project and then we pay back the full cost of the project, but what happens is the property owners are—an assessment is levied against their property and they pay that back annually with their taxes. We budget the full cost of the project. We don't just budget our portion. We budget the full cost. **Commissioner Walters** asked what do you mean by our portion. **Ms. Jonscher** said I believe in a benefit district the property owner pays a portion, I don't know what that split is, I don't know if it's 50/50 or if it's something else. The property owner pays a portion of the debt and then the Unified Government pays the other—**Commissioner Walters** said the benefit districts that I have been involved with, they pay all of it unless the City decides to pay some of it. Do we have a policy that we pay some it?

Mr. Thompson said like the sanitary, we'll put in the sanitary and then we have that sanitary sewer district. That's the most common one that we do. What we're talking here was storm, sidewalks, and curb and gutter is really completely different. When I just said that we were going to levy—the taxes are going to go up $500 a year just on sidewalks, well we start adding curb and gutter, they're not going to want to do it. At some point we have to realize that. We put stuff in the budget and I understand they need it. We have a lot of stuff in the budget, but we get to a capacity, so we have to make decisions on what are we going to be able to complete that year and what gets moved out. A lot of times that's just how it happens. It's not that we don't want to do something, it's just that we don't have the staff, the time and the ability to do it. I have one engineer who has 18 projects.

Commissioner Walters said it just occurs to me that we don't do benefit districts very well. There's a process that was laid out on that chart. I don't know how you gather signatures if they have no idea how much money they're going to have to spend and once the signatures are obtained, the City Council or the UG Council in this case has to take action to establish the benefit district. Was that ever done? **Mr. Thompson** said let's just put it this way, if a neighborhood wants to do it, it sounds great, right. We want to get all this, so we go through the process and we spend $50K to assess what we're going to do in this and then we tell them we're going to hit you with a $1K a year on your taxes, we don't want that. Now, we've just spent $50K of taxpayer's money on something that somebody doesn't want. **Commissioner Walters** said that's why I say—I mean you're getting the cart before the horse if you establish a benefit district. **Mr. Thompson** said but we don't know what it's going to cost until we do some of the work-- **Commissioner Walters** said I don't know how you could get signatures—**Mr. Thompson** said and at the same time when you do sidewalks if I put a sidewalk on your side of the road, am I going to want to pay the same amount as you are.

Commissioner Murguia said, Brent, sorry Commissioner Walters, listen it doesn't take a $50K planning study to go out to T.A. Edison and look around for you guys to say this is a big job and the cost per household is going to be ginormous and we need to make sure they understand that before the petitions go out. You don't have to pay someone $50K to do that and I had multiple conversations with Bob Roddy about this is a big job. It's going to require sewers, sanitary, the whole bit; are we still good to move forward with this benefit district? Absolutely. In fact, I could probably and that's why I've been working with IT to dig up my old emails from 2010, 2011 and 2012. I'm digging up those emails. I was very clear about what I said to him and you don't have to pay $50K to a planner to come out and see drainage ditches like you see all over Commissioner Markley's district, all over Tom Burroughs district, all over Turner where the Mayor lives; that is going to be a lot more expensive job than just laying new curb and sidewalks. He knew it from the start, he knew it was a huge project, he was the Director of Public Works, he told me to get the petitions; we did what he said. I know you weren't there. **Mr. Thompson** said I was not. **Commissioner Murguia** said you're just responding, but I'm telling you I was there and I'm going to get those emails and I'm going to tell you he told me to move forward.

Mr. Bach said I can probably offer a little bit of a historical thing on—you talked about the policy. When the 50/50 Program came into play, and it was set to be a 50/50 because probably the perspective on it was a little bit different at the time. We had our projects in place, but the curbs/sidewalks were generally thought to be the responsibility of the homeowner or if they wanted to advance them beyond where we were. The Commission made the decision if a neighborhood got together and said they would do a petition for this and pay for half of it, then we should put this into a 50/50 Program. I don't remember exactly the amount, but I think we had kind of set an amount where a few hundred thousand and then we might have raised it to $500K or so and say we would finance this amount of money out of all our debt funded projects to go towards that. So, we kind of set ourselves at a little bit of a cap, and I'm speaking from memory to remember how some of that worked, I wasn't as involved with the 50/50 Program. As I recall, some districts came forward, they were planning to work on them, but they never completed their petitions. But we would build out a budget because we were doing, just as you said, let's anticipate these in advance so if somebody goes through and gets it done, we're going to get it done in this year and this year and work through it like that and then the districts wouldn't get it done or they would have some changes to it or things would happen and that’s how they would get pushed out. That’s kind of where the 50/50 Program came from and why it was done that way and I think over the years the emphasis, and Commissioner Murguia always loved this effort, that we treat 50/50 like a grant so it helps to better a neighborhood so we should advance or do more of those. We haven’t had a lot of those just come pouring in from the residents wanting to spend that money. **Commissioner Murguia** said you do here. You have the petition, you’ve had it forever. I’m saying it’s on you to fix it now. I don’t care how it happens. T.A. Edison, I need to see curbs and sidewalks there.

Commissioner McKiernan said I’m curious; on this project it was curb and sidewalk and storm sewer? **Someone** said Uh-huh. **Commissioner McKiernan** asked what was going to be the resident’s contribution. **Commissioner Murguia** said this is all that happened Commissioner McKiernan. I was new at the time. I was elected in ‘07 so I was only three years in to being a commissioner. I went and had a sit-down conversation with our former Director, Bob Roddy, and said this area, T.A. Edison, large group of organized citizen residents that want to do curb and sidewalks in their neighborhoods, how do they do that. He looked at the area, he went out there, he’s an engineer and said you should form a benefit district. I said that’s great. He said they pay 50% or I think he said 46/60. It was along those lines. It was a split. He said it’s going to be a big project and I said that would be great. I said what do I need to do to that. He knew the condition of the ground, he knew there were no existing sidewalks, he knew there were just drainage ditches, he knew what the situation was, and he said absolutely a benefit district will cover this. If you can get them to sign off on it, and why it took so long, why it took us really one year overlapped from ‘10 to ‘11, why it took so long is because you have to go to each and every door, find each and every property owner and they have to understand what they’re paying for and what they’re signing off on. Then we got the petition to them and they determined that we had a valid petition at the time. It’s a very cumbersome process and why a lot of residents don’t do it, it’s a big undertaking to go door-to-door and explain that. You need skilled people out in the field being able to explain how you’re going to be taxed and what your portion of it is versus what someone else’s portion will be. That was all looked at in advance.

Commissioner McKiernan said in this benefit district the Unified Government was going to pay some of the cost and the residents were going to pay some of the cost. **Commissioner Murguia** said correct. **Commissioner McKiernan** said it was going to be an extra big cost because it wasn't just curb and sidewalks but also establishing storm sewers in the area. **Commissioner Murguia** said that was known from the beginning before we ever stepped foot on the ground. **Commissioner McKiernan** said so the residents at that time knew that it was going to be a big cost and still said—**Commissioner Murguia** said thumbs up.

Commissioner McKiernan said this illustrates for me one of things that I've been recently frustrated about and that is the moving target nature of CMIP because I have been able to go back and look at our CMIP budgets for the last several years and I've seen T.A. Edison move around a little bit. For example, in 2014 it was scheduled for 2018 and then it got moved up and then it was budgeted for this year. The budget that we approved last August had at least some amount of money. **Someone** was inaudible. **Commissioner McKiernan** said $200K seems like a pretty small amount of money for what's going to be a giant project, but still there was something budgeted and there was something that was $400K budgeted the year before that I guess we didn't spend. While I don't have any experience with a benefit district, I do get frustrated by the fact that when we vote on these budgets we vote on dollar amounts in lines and there is an expectation that that's what we voted on and that's what we spend. That's what we shoot for at least.

I know I made a mistake last year when I didn't track the initial Proposed CMIP to what I finally voted on. If I look at what I voted on, or at least what I think I voted on last year, there is money that's there in that line that I guess we're not spending and that does cause me a concern because that's what I authorized by my vote for us to spend.

Commissioner Murguia said we had $400K last year that never got spent and now we have another $400K this year that has not been spent and we're almost to August. It doesn't sound like, based on the report I'm getting, that money is going to be spent.

Commissioner Townsend said I have a question. The $400K we're talking about, was that money set-aside to actually be spent and I'm also still confused about what is the total amount of the project expected and will the constituents still be willing, once you know the amount, to pay half whatever the cost is? **Mayor Alvey** said it would seem to me to that question I'm not sure you could ask them because if we didn't follow the process, the process is now—it's no longer valid. You would have to go back and get their consent again. **Commissioner Townsend** said I understand that because I understand Commissioner Walter's—I was just listening to this and it's almost the cart before the horse. In the scenario that Commissioner Murguia talked about, how long does it take for a benefit district to expire? **Mr. Bach** asked you mean once the petition comes into place, my opinion was it had to be enacted within five years. I don't know if you know, Ken. **Ken Moore, Chief Legal Counsel,** said not offhand. **Commissioner Townsend** asked what was that. **Mr. Moore** said I don't know offhand what the time period is. **Mr**. **Bach** said there are factors that come in. Someone moves out of the district, people change, such like that. We will have to verify that number but that's what I recall.

Commissioner Murguia said given the fact that this is on the agenda tonight, and nothing against Ken or anyone else, and that there are so many questions that nobody knows the answer to just tells me even more that nobody is paying any attention to this project.

Commissioner Philbrook said can I ask that we actually get the stance of substantial evidence of what and how the hell we can make this work, and I don't mean your particular project, I mean if somebody is going to go out there and ask people to sign—it's not easy because we've been working on CID out on State Ave. for eight years, I don't know. But, what I'm saying it's very difficult to get people to sign on the dotted line to do this and I understand exactly what you're saying. If we don't know what our guidelines are upfront and how long we have to put these things into effect, then we're just out here floating around in a bunch of goo. **Commissioner Murguia** said they do have, they knew—**Commissioner Philbrook** said but they don't tell us. We don't know. **Commissioner Philbrook** said but they don't tell us. **Commissioner Murguia** said oh, yes. **Commissioner Philbrook** said we don't know. We don't know. **Commissioner Murguia** said I hear you and to me that's a separate complaint. The deal is I don't want to wait—I know how that game gets played too. **Commissioner Philbrook** said I don't mean it that way. **Commissioner Murguia** said I just want to make it clear, I don't want to wait for them to come up with a new policy and a new program and start all over again and another decade passes. **Commissioner Philbrook** said I want to understand what the heck guidelines they were operating by including now. That's what I'm saying.

Commissioner Markley asked is there any reason we can't budget the funds and then go through the City initiated process to make it all legal and at that point, I know there has been some concerned expressed that the residents may not want to move forward once they see what the price tag is, I mean if we can layout those options for them, they will have the right to come protest it and say now that I see it's going to cost me 200 bucks or 1,000 bucks or whatever it is I'm not interested anymore. I think fulfills all the requirements. It gets us our district, it gives the residents the chance to backout if they're not the same residents or they don't want to do it anymore and then we have it budgeted.

Commissioner Townsend said I think Commissioner Markley's suggestion would address the concerns that I have. I like the idea that we can do a benefit district but with knowledge of what we're talking about now, so you don't have this kind of vacuum because how else are we going to know what we're talking about. **Commissioner Murguia** said the only problem with that is that each property owner depending on the width of the front of your property is going to be different. Do you know how long it's going to take them to figure out in the urban core a house that's 25 ft. wide versus the house that's 50 ft. wide versus the house that's 75 ft. wide or the guy that has a 50 ft. lot next to his 50 ft. size house. Each person's rate that they will pay will be different based on the amount of new infrastructure placed in front of their house and for the size of this benefit district the amount of time it will take to determine that, that should have been done a long time ago. I appreciate what you're saying but at this point in the game we need to do this project so chalk it up to a mistake and people need to pay attention and chalk it up to a bad policy. I can only vote on policy that's brought in front of me, so this policy has never been in front of me and it's been in effect for years.

Commissioner Townsend said I would still like to know how much money we're talking about and start from there. **Mayor Alvey** said we will have to establish that. **Mr. Thompson** said I will have staff put a number together by the end of next week and we will see what we come up with for curb, storm and sidewalk through the petition area. We know where that line—it's going to be a ballpark number. It's not going to be broken up into lots, but you can basically take the 110 signatures and the rest—and we can divide that up and kind of have an idea of what that would hit with each homeowner and we will just know that. **Commissioner Murguia** said it will be a big number.

Commissioner Markley said just to be clear, I think you should bring the option with everything, the sidewalk, the storm and the curb and then what would it be if it were just sidewalk just to be clear I think. **Mr. Thompson** said we have the sidewalk taken care of, so we can add the curb and the storm as well and then we will just go from there. **Commissioner Murguia** said great.

Mr. Bach said I'm going to recognize Jeremy Rogers, our Director of Parks & Recreation, to come up. I don't know if he has members of his staff with him, but he is going to walk through a couple of the financial findings that were in place with our Parks Master Plan to set this out and then leave it for discussion from there.

Jeremy Rogers, Director of Parks & Recreation, said for those that were here obviously you remember we did a Master Plan. It took just over a year to complete. That was completed last fall so we're in the first year of implementation. When we had that Master Plan done we went out to the community and the reason it took so long was because our goal was to talk to every Wyandotte County citizen and get their input on parks and so we received a lot of information. All of this information I'm telling you tonight is based off of what the community wants to see in their Parks & Recreation Department.

Some of the findings they found in the Master Plan isn't so encouraging and I'm going to lay that out for you tonight so you guys can see what exactly we're looking at.

The estimated cost to do everything that the Master Plan called for just for the outdoor parks was just over $37M. The Community Center Improvements was $27M and when I say Community Center Improvements I'm not talking about a new swimming pool within a community center or anything like that, that's just to bring them up to speed where they need to be so we can serve the public the way they want to be served. Operational Enhancements is $4.3M and so a total we're looking at about $69M in order to bring our Parks & Recreation Department up to where we need to be.

Breaking it down within the $37M for the parks improvement, here's how it's broken out. Taking care of what we have, enhancing existing facilities, and then, of course, building for the future. Some of those future things that they talked about were trails. That's a big topic. New restrooms and things like that.

COMMUNITY CENTER IMPROVEMENTS PROBABLE COSTS

FUNDING PRIORITY CATEGORIES:

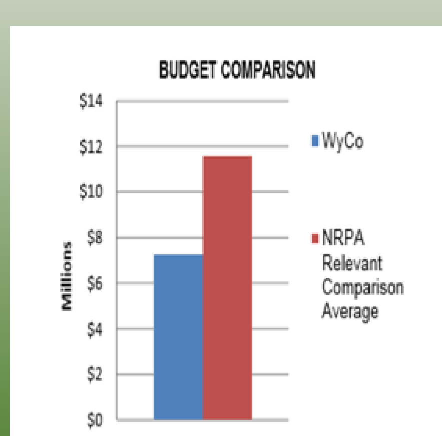
A. TAKING CARE OF WHAT WE HAVE
B. ENHANCING EXISTING FACILITIES
C. BUILDING FOR THE FUTURE

Cost to Repair Immediate Needs	Cost to Fully Renovate all Centers
$ 4,367,020	$ 27,042,503

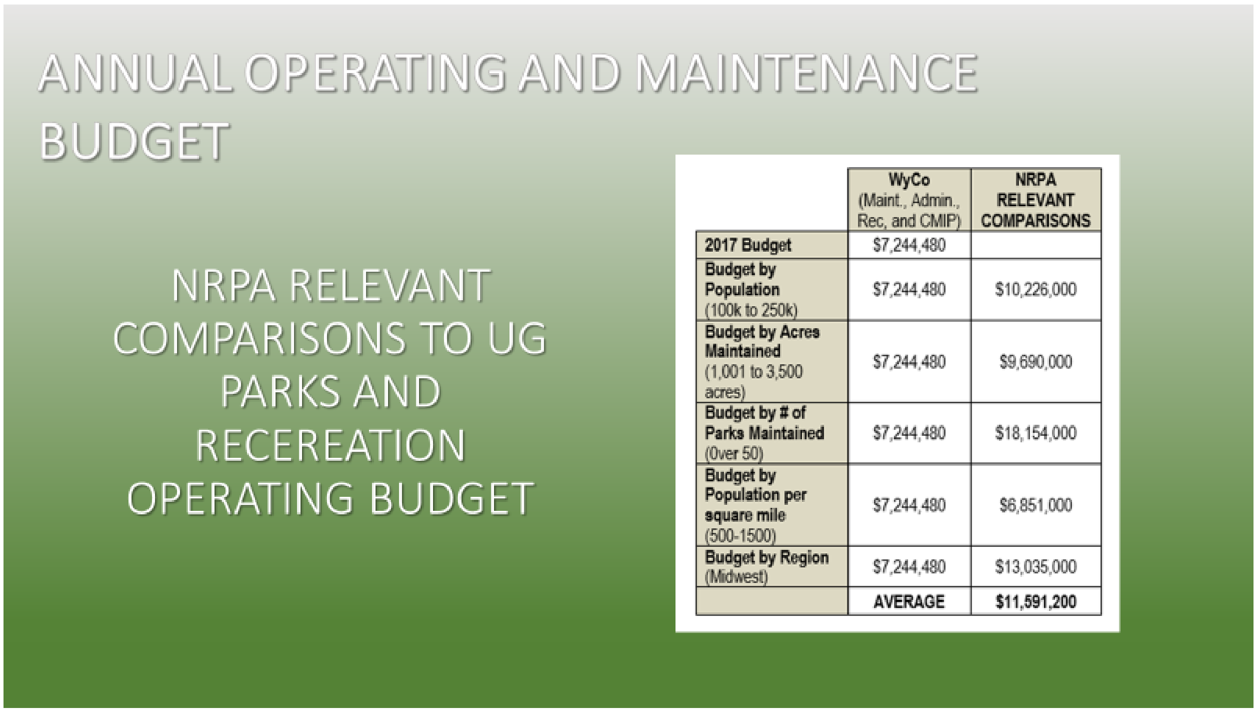
For the Community Centers, here's that breakdown of what that would cost. Like I mentioned earlier, immediately needs is $4.3M. For all the centers it's $27M.

ANNUAL OPERATING AND MAINTENANCE BUDGET

- 2017 OPERATION AND MAINTENANCE BUDGET INCLUDING CAPITAL OUTLAY - $7,244,48
- NRPA RELEVANT COMPARISON $11,591,200
- DIFFERENCE OF $4,346,720.

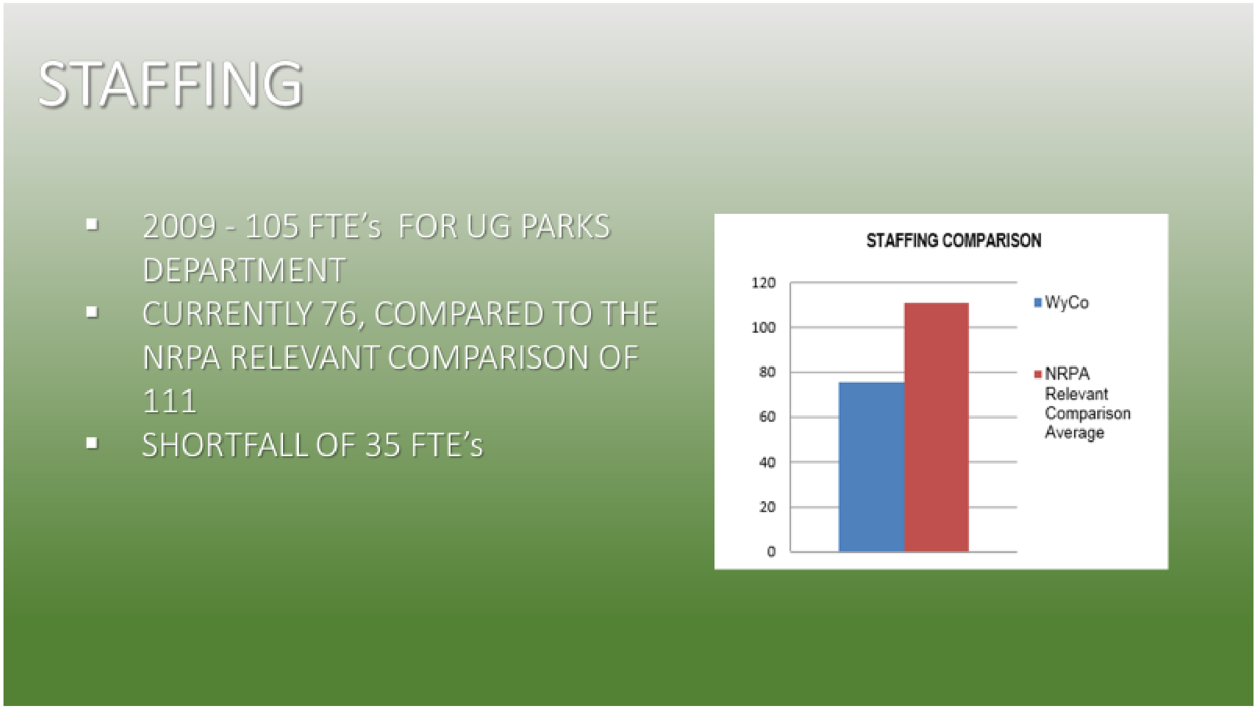


As part of their Master Plan that you guys voted to approve, they compared us to the national average through the National Recreation & Park Association so all of our budgets, all of our statistics were compared to the national average. Our budget, the Operating budget of 2017 at $7.2 is lower--$4M lower than the national average of $11.5 so we are definitely under budget as compared to the national average and I will get into that here within the next few slides.

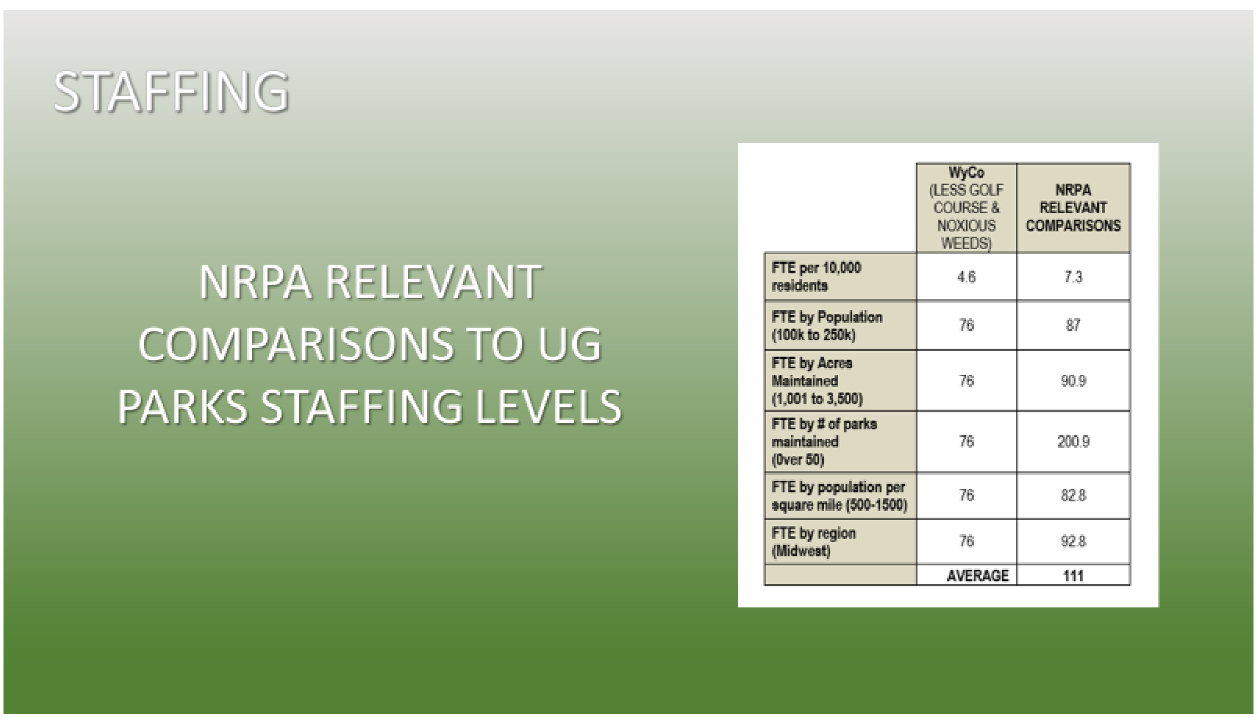


	WyCo (Maint., Admin., Rec, and CMIP)	NRPA RELEVANT COMPARISONS
2017 Budget	$7,244,480	
Budget by Population (100k to 250k)	$7,244,480	$10,226,000
Budget by Acres Maintained (1,001 to 3,500 acres)	$7,244,480	$9,690,000
Budget by # of Parks Maintained (Over 50)	$7,244,480	$18,154,000
Budget by Population per square mile (500-1500)	$7,244,480	$6,851,000
Budget by Region (Midwest)	$7,244,480	$13,035,000
	AVERAGE	**$11,591,200**

This slide is very eye-opening for me to what the NRPA sets as its standards. For a size with the number of parks that we maintain, we have 55 parks, this says our budget needs to over $18M. The parks of our size—a department that's our size with the number of acres it should be almost $10M and then, of course, by population we serve about 165K residents and we should be over $10M. As you can see, we're underbudgeted.



Staffing is a huge issue. We're about 35 fulltime employees short. The National Parks & Recreation Association says we need to have just over 100 fulltime staff and we're at about 76.



	WyCo (LESS GOLF COURSE & NOXIOUS WEEDS)	NRPA RELEVANT COMPARISONS
FTE per 10,000 residents	4.6	7.3
FTE by Population (100k to 250k)	76	87
FTE by Acres Maintained (1,001 to 3,500)	76	90.9
FTE by # of parks maintained (Over 50)	76	200.9
FTE by population per square mile (500-1500)	76	82.8
FTE by region (Midwest)	76	92.8
	AVERAGE	111

Here it goes into more staffing of how many we should have per resident, how many we should have for the number of acres maintained and, again, for every population we are understaffed.

Again, the total recommendation, like I said earlier, $69M and increasing our staff by 35. That's what the Master Plan said we need.

Mr. Bach said this is just kind of the high level to put it out there where the numbers were. Mayor, we just wanted—I know we don't have this fully addressed in the budget but wanted to come back and we don't have it even close to being addressed in the budget. We wanted to put it out there so everybody kind of got a refresher on what we received in that plan from a dollars and cents and numbers perspective.

Commissioner Murguia said, Mayor, I would just like to make the offer, you know we did a number of improvements to the Argentine Rec Center and it was done with charitable dollars so I would make the offer to all of my commissioners that have recreation centers in their area that need improvements to prioritize what you want. I will be glad to turn over the entire fully written grant applications we submitted and personally introduce them to the people that contributed charitable dollars to the Argentine Rec Center to allow us to make those improvements. If you want money from them, I will be glad to make that connection. You can ask them. Unfortunately, it won't do everything but when it's finished there has been significant improvements. I think Jack Webb is here. He is fantastic to work with. We did it in a very creative strategic way. Doug Bach was an incredibly big help, cut through a lot of red tape for us, so if you want some big successes very quickly in your community that involves parks and recs we have great people between Doug and Jack—sorry, I don't work with you a lot—and there are some definite grant opportunities but it's not going to pay $68M but it will get you moving in the right direction.

Mayor Alvey said clearly what we've heard tonight is the needs are so great in our community and also the same need to continue to reduce the tax burden and, frankly, the only way out of this, which we all know, is to grow the tax base. It seems to me that we start looking at expenditures. The expenditures need to be looked at as investments that are going return an improved quality of life which will drive up demand for our neighborhoods. If we can do that, we can draw more people in, maintain the residents we have and grow that tax base, but that's a long-term play.

Commissioner Kane said I know staff tries to help by going out and say we ought to try to do this and we ought to try to do that. Our grass cutting where we're not cutting the rights-of-way and stuff like that only affects a few us and it affects a few us a heck of a lot more than it does other. I think that's something we need to revisit and modify.

Mayor Alvey said so this is the policy that was adopted last year by the Commission to shift the responsibility for maintaining grass cutting on rights-of-way to the owners and, of course, there is a process involved to make those homeowners or those property owners aware that they're not cutting the grass and staff goes out and does that. Those resources were shifted to I think take of properties that are owned by the Unified Government in the Land Bank as part of the SOAR Program and other, the blight reduction. Is that accurate? **Mr. Bach** said yes, I think it was accurate in the sense that we went to mowing more of what was ours rather than other peoples and that's why we moved away or other projects that Public Works is trying to get done. **Commissioner Kane** said I don't want you to stop cutting the grass, the lots that we own. I just want you to start cutting the grass out west. **Mayor Alvey** said I think we gathered that.

Commissioner Philbrook said, Mayor, it's not that we weren't responsible meaning us as owners of property that we were supposed to be taking care of it. It was just the City never made it obvious that we were supposed to. We didn't put that information out for years and we were very sporadic, we were very inconsistent about letting people know they were responsible for mowing their own property all the way out to the street. We just didn't do it and so we did it for years. Now, having said that, I will tell you there are a whole of properties out there that are in my district as well, Mike, that are on the old county roads that I sure as heck wouldn't want to try to mow and I wouldn't have the equipment to mow. Pretty soon what's going to happen is even though we're full of great ideas, we end up paying another price and that is stuff growing out over the roads on the back roads especially north of Leavenworth Road and there are some areas that all of us have. It is frustrating to try to do whatever the heck we think the right thing is, but what is the right thing. That's the hard part of it. We try to do what we think is right so we can put what money we have toward the parks and so on and then we end up not keeping our thoroughfares clean and crisp and nice after investing all this money that you're talking about, Ann, you know on State Avenue and Parallel and all that and not keeping those mowed and some of the others. So, all that money kind of—because it doesn't look good so it's kind of a catch 22 and I don't know what the answer is, but I do know there are a lot of people out there though that are going to really struggle to get those areas mowed that are not easily mowed. **Mayor Alvey** said or even their ditches cut. **Commissioner Philbrook** said exactly. Oh yes, those are going to be fun.

Commissioner McKiernan said just one thing that I want to add and it's a request as much as it is anything. Doug and his assistants have gotten a couple of emails from me in the last couple of weeks where I have been extraordinary frustrated that our process internally seems to take—one of the things that I thought I voted for a budget was that we were going to take care better of our own property. I do think we are taking care of our own property better, but that we were also going to step-up and encourage those private property owners who don't take care of their property to do so or we would cut it for them and we assess.

I have a property I turned in on June 4th and as of today it is not cut and I was under the impression that we had a 14-day abatement and then we were just going to do it and put an assessment. It's eight or nine weeks later and come to find out from the day I turned it in until the day we took our first action on it was 24 days between the day I turned it in and the day we took our first action. My question is, is it a matter of process, is it a matter of personnel, is it a matter of money and what I am really asking is if it's anything that has to do with budget, please tell me today, not for this years' budget, but for next year's budget so that I can advocate right upfront before we even start building next year's budget because I thought that's what SOAR was going to be all about. That SOAR was going to be, we're going to start taking more—better care of our neighborhoods, our city, our county and if you're not onboard, we're going to do it for you and we're going to get you onboard. It's really frustrating when you think you have approved a process that will work and I find out the other day well we're three weeks behind in our abatements. Okay, why? Can we head that off at the pass, please and it was a couple months ago, one of our staff was here and said that we ran out of boarding money in July. Okay, wait a minute, no. We, as a Commission, we as a Unified Government, if we know about the fact that we're running out of money and not accomplishing our strategic objectives, we can do our best to set that budget to accomplish our strategic objectives and I thought blight reduction was one of our number one things.

I really want us to concentrate on blight reduction and I'm asking staff whatever it's going to take, let me know today for this time next year because I will still be here so we can work that into next year's budget.

Mayor Alvey said that seems to have closed the conversation. Thank you very much and we're back here next Monday after Standing Committee.

MAYOR ALVEY ADJOURNED
THE MEETING AT 7:52 p.m.

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Bridgette D. Cobbins
Unified Government Clerk

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