ECONOMIC DEVELOPMENT AND FINANCE
STANDING COMMITTEE MINUTES
Monday, December 2, 2019

The meeting of the Economic Development and Finance Standing Committee was held on Monday, December 2, 2019, at 5:50 p.m., in the 5th Floor Conference Room of the Municipal Office Building. The following members were present: Commissioner Burroughs, Chairman; Commissioners, Townsend, Walters, McKiernan (via phone), and BPU Board Member Jeff Bryant. Commissioner Murguia was absent. The following officials were also in attendance: Melissa Sieben, Gordon Criswell and Alan Howze, Assistant County Administrators; Patrick Waters, Senior Attorney; Richard Mikesic, Director of Revenue/County Treasurer; Reginald Lindsey, Budget Director; Andrea Parra, Deputy County Treasurer/Director of Revenue; Debbie Jonscher, Deputy Chief Financial Officer; Kathleen VonAchen, Chief Financial Officer; Katherine Carttar, Director of Economic Development; and Jay Doleshal, Sergeant-At-Arms.

Chairman Burroughs called the meeting to order.

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

Chairman Burroughs said there are no revisions to tonight's agenda.

Chairman Burroughs said there are no minutes to approve since our September 30th meeting was canceled. So, with that we have eight items on the agenda this evening.

Committee Agenda:

Item No. 1 – 191063… RESOLUTION: FIRST AMENDMENT TO KC FOODIE PARK DEVELOPMENT AGREEMENT

Synopsis: A resolution adopting the First Amendment to KC Foodie Park Development Agreement, submitted by Katherine Carttar, Director of Economic Development.

Katherine Carttar, Director of Economic Development, said I will just give a very brief summary of what this is, and then hand it over to Richard Scavuzzo, who you all are very familiar with at this point. This is the first amendment. The goal of this would be to postpone the closing date for project area one by three months so, from December 31st of 2019 to March 31st of 2020. The final plat for project area one has been approved by the Planning Commission and the Full Commission, and so by all intents and purposes we're kind of full steam ahead on this project. I will let Richard go into a bit more details about the need for this or the request for this postponement.

Richard Scavuzzo, Scavuzzo Food Service, said just a brief update on the project. We are full steam ahead. We have our GC and our Automation firm. We had a kickoff meeting about five weeks ago. They are going as fast as humanly possible. We've hired a brokerage and owners rep, Eskew & Associates. We have done quite a bit of work on phase two, three, and four as far as finding tenants including a possible additional office building in phase four. Really the need for the extension—kind of coincides with the delay on the development agreement from the first vote to the last vote and we're basically asking for that time to be extended is the gist of the reasoning.

Chairman Burroughs said any questions from the committee.

Jeff Bryant, BPU Board Member, asked, so how this would affect phase two, three and four? **Mr. Scavuzzo** said the timeline, the way I understand the development agreement is close of phase one indicates or starts the clock on all the separate phase two, three and four. **Patrick Waters, Senior Attorney,** said if I could just add to that, it would not affect the dates for phase two. The development agreement has a closing date of December 31, 2021 for phase two and this amendment does not touch phase two.

BPU Board Member Bryant said so those three months would basically be caught up during that second phase. **Mr**. **Waters** said correct.

Chairman Burroughs asked are there any anyone from the public wish to address this item. If you'll please come to the microphone and state your name. You have three minutes to make your comments.

Janice Witt, Kansas City Kansas, said so I have a question. I guess it's first off going to go to Jeff. What is the BPU obligation with the Foodie Park? **BPU Board Member Bryant** said as far as I'm concerned, or knowledgeable, there is none. **Ms. Witt** said okay, but they are required to pay their bill, their full BPU bill. **BPU Board Member Bryant** said yes. **Ms. Witt** said you said yes. **BPU Board Member Bryant** said yes.

Ms. Witt said is there any obligations or desire of the Foodie Park, or maybe I've missed it, to find out if there are people in the community who can work hiring jobs that may be available in this project?

Ms. Carttar said if she could finish all her questions and we can answer all at once, that'd be great. **Chairman Burroughs** said well, if you would ask your questions or your comments and then we'll there'll be— **Ms. Witt** said I don't know enough to do that, but if they can answer it, then I can move forward with the next question because I've only got three minutes.

Commissioner Walters said this is not a question and answer session is it. It's a public comment. **Chairman Burroughs** said yes, this is really public comment. If you have concerns about the hiring practices of the company, that's one thing, but ask how many they're going to hire a day, that's not what this is about.

Ms. Witt said okay, so I guess my comment is, is there going to be or is there a plan to establish some employment opportunities for the people of this community. It's not supposed to be a tough question, but apparently it is. What is the intent towards the Wyandotte County residents to—okay, skip it.

I have another concern that's very much specific to this so we won't even involve the Foodie Group. We in Wyandotte County have a problem being heard. We have three minutes, four minutes, however many, to stand up and in that amount of time. We are required to know exactly what we want to ask when it's the possibility that we haven't been given information. If we ask for information through the proper channels, there are times when we are charged for that information and most people are trying to pay their BPU so, therefore, they don't have extra money to give.

So these questions that I'm asking that are not going to be answered at this point, which is fine, I understand, goes back to the point that the people in Wyandotte County have no say, no one to hear us, not one to stand up at a meeting and say, let's just hear these folks. Let's not see an entire group of people who have a concern walk away.

If you call the Mayor's Office to request an appointment, you are then told no. I was, so that leads me back to my concern. I have a presentation. (Ms. Witt played her personal recorded voice mail message.) That goes to the fact that we have no ability to be heard. I called Mayor Alvey's office and requested a meeting. I have never had a private meeting with Mayor Alvey.

At the last Chamber meeting you all were there, Mayor Alvey made a statement that I was standing before the Commission lying; that he had his assistant called me or that he had sent a message to me to call him back; that he was afraid to meet me in private because of some past issue. I have never met Mayor Alvey in private, ever, but he stood in that meeting and accused me of lying because I reached out in order to get information to help make decisions for those of us that live in Wyandotte County to understand the things that are being offered by our Commission. We deserve access.

The elected officials in this community are elected to speak our words, to understand our desires. We are to be heard, and that is failing. This recording that I just gave you is your Mayor who stood at the last meeting, called me a liar.

Chairman Burroughs said, Ms. Witt. **Ms. Witt** said saying point blank that he did not plan to meet with me ever. **Chairman Burroughs** said I would ask that you stay—this is for the Scavuzzo Food Park. I would hope that your comments would be in relation to that subject matter tonight. **Ms. Witt** said they were, Mr. Burroughs, because I was not allowed to ask the questions that I needed to ask in order to move forward. **Chairman Burroughs** said well, in response to not having an opportunity to be heard, you've had an opportunity this evening. We hold public hearings just for this purpose and so, it's not that we deny and we're not listening, we are listening. That's how this project was able to move forward and become a development in Wyandotte County, because the public had a chance through their neighborhood groups and through other organizations that come forward and forces support for the project.

The reference to the Mayor, that's not an issue related to this Scavuzzo Food Park, so I do appreciate and understand you're wanting to bring it forward. If you don't have any other comments in reference to the Food Park, I'm going to ask that we move on to the next conferee.

I think we have another. **Ms. Witt** said I have no problem with your statement; however, we do deserve to be heard, even in regard to Scavuzzo's. Most of this community does not feel that they were heard. So, with all due respect, thank you.

Chairman Burroughs said is there anyone else that would care to speak from the public. Let the record show no one else has stepped forward.

Ms. Carttar said at this time, we are able to respond to the question that was…**Chairman Burroughs** said please do. **Mr. Scavuzzo** said as far as jobs, there's a whole plan for jobs, job creation. This whole project, as far as the Commission is concerned, was based around jobs and bringing a lot of jobs to Wyandotte County. Scavuzzo actually has an after-school program with Wyandotte High, which I believe we have nine students from Wyandotte High in that program now where they come and work at an after-school program with us. We started that program, I believe, three years ago. I think the only people that are—the only kids that are not involved in the program are the kids that ended up going to college. It's a very successful program and we want to engage even more with the Wyandotte community. The jobs we're creating are not jobs that have been trained to yet. Scavuzzo will be doing their own training, and we fully intend to hire from the community.

We've also engaged with the Commission on the transit center and being able to use the transit center to hire people on specific routes so that they will have transportation to our facilities.

Chairman Burroughs said thank you, Katherine Carttar. Anything else you'd like to—**Ms. Carttar** said that's it if there are no questions.

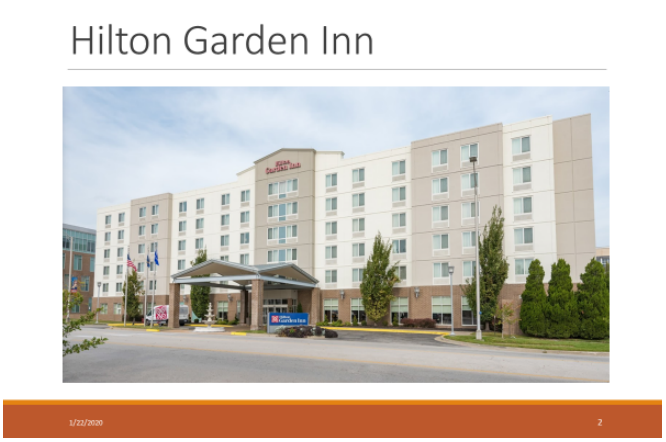
Action: **Commissioner Walters made a motion, seconded by Commissioner Townsend, to approve.** Roll call was taken and there were five "Ayes," Bryant, Walters, Townsend, McKiernan, Burroughs.

Item No. 2 – 191065…ORDINANCE: OMNIBUS AMENDMENT OF BOND DOCUMENTS (PHVIF KANSAS CITY)

Synopsis: An ordinance approving an omnibus amendment of bond documents relating to its Taxable Industrial Revenue Bonds (PHVIF Kansas City Hilton Garden Inn Project), Series 2019, submitted by Katherine Carttar, Director of Economic Development. The UG is not responsible for payment of the bonds.

Katherine Carttar, Director of Economic Development, said on this one, I will go through a brief presentation and then we have two representatives from the Hilton Garden Inn able to answer any questions that you might have at the end.

This is more of a kind of a reminder as the last time we saw this was about a year ago. I want to make sure all the facts are fresh in your mind before a vote.



The Hilton Garden Inn, obviously, right downtown.

Hilton Garden Inn

- Hotel is currently being renovated
- Original bonds of $4 million approved in December 2018 for renovation to the entire property
- Additional work was added to the scope of work
- Project costs have increased to a total of $5.5 million
- Requesting an additional $1.5 Million in bonds

About a year ago, this was approved for $4M in bonds. This is industrial revenue bonds, sales tax exemption only, not property tax; just sales tax exemption for the renovation which is all internal. The work has been started and then as time has gone on over this past year, the scope has increased a bit as well as general cost increase. So, they are requesting an additional $1.5M in bonds as the project cost has increased to a total of $5.5M.

Hilton Garden Inn

- The overall structure remains the same on the IRB for sales tax exemption
- The UG is not responsible for payment of the bonds

So, once again, overall structure remains the same on IRB sales tax exemption. UG is not responsible for any of the payment of the bonds as with all IRBs.

Hilton Garden Inn

Industrial Revenue Bonds of $4 Million were issued for sales tax exemption for construction materials and furniture, fixtures and equipment for renovations to the entire Hilton Garden Inn property.

- IRB Omnibus amendment in an amount not to exceed $5.5 Million for the benefit of PHVIF Kansas City, LLC (Peachtree Hotel Group)
- Requested Action: proceed to Full Commission 12/12

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This is kind of an overview of the ordinance. This is just an omnibus amendment that would change the number from $4M to $5.5M. I have Julie Nelson, who's the Director of Sales, and Patrice Chisholm, who's the General Manager of the Hilton Garden Inn, to answer any questions that you might have.

BPU Board Member Bryant asked what's changed in the scope that requires the additional $1.5M? **Patrice Chisholm, General Manager of the Hilton Garden Inn,** said I think that change in the scope was that all of the renovation just got bigger and bigger, so now it's a complete renovation. They're taking out walls. They're putting in new drywall. They're changing out any of the structure that had any of the mold or anything else in it. The bathrooms are 100% redone. The rooms are 100% redone along with the entire first floor.

Board Member Bryant asked will there be any improvements made to the parking garage. **Ms. Chisholm** said I don't believe that the parking garage is part of our package. **Ms. Carttar** said the UG actually owns the parking garage.

Chairman Burroughs asked any other questions.

Commissioner Townsend said what I'm trying to understand, was it the scope that changed or once the renovations began, there was more that needed to be done as part of the renovations. **Ms. Chisholm** said I think it was both. **Commissioner Townsend** said okay. **Ms. Chisholm** said I think that the prices increased a little bit, and the overall scope increased. You know walls were taken out. They were literally redoing every inch of that hotel. **Commissioner Townsend**

asked the walls were taken out from where. What are we talking about here? **Ms. Chisholm** said they redid the drywall, anything that was mold or old that needed—all of the wallpaper came down and anything that was exposed behind the wallpaper. They ended up actually taking out all of that drywall, any of the two-by-fours or the wood structures that needed to be changed. Any of the plumbing that needed to be changed, that was all completely redone. **Commissioner Townsend** asked so, are all of the rooms, the guest rooms, being redone. **Ms. Chisholm** said yes,100%. **Ms. Chisholm** said yes. **Commissioner Townsend** asked and how many guest rooms does that include. **Ms. Chisholm** said there's 147. We had 148, but we converted one to a boardroom. **Commissioner Townsend** said yes, thank you.

Board Member Bryant asked what was the date of the last renovation, do you know? **Ms. Chisholm** said was it 2012; yeah, 2012.

Chairman Burroughs asked any other questions. Seeing none, does anyone from the public wish to address this item? You will, again, state your name and residency and you will be given up to three minutes.

Janice Witt, **Kansas City Kansas,** said I'd like to know if Hilton Garden Inn pays BPU. Do they pay their own BPU bill? **Chairman Burroughs** said if you will pose all your questions. **Ms. Witt** said that's my question. **Chairman Burroughs** said that's it. **Ms. Witt** said when will we know the answer, do we know? **Chairman Burroughs** said no. **Ms. Carttar** said yes, they pay their bill. **Ms. Witt** said okay, they pay their own BPU. **Ms. Witt** said thank you.

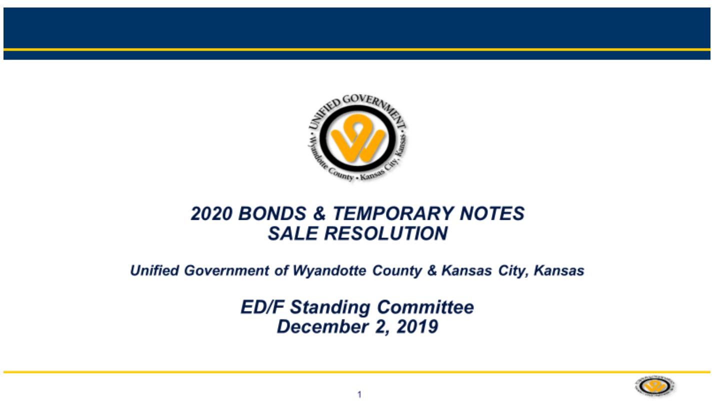
Chairman Burroughs said thank you. Any other questions or comments from the audience? Let the record show no one stepped forward. Ladies, thank you.

Chairman Burroughs said Committee, this is the additional $1.5M on the $4M that's already been structured under the IRBs. The UG, again, is not responsible for payment of the bonds; that falls back on the Hilton Garden Inn.

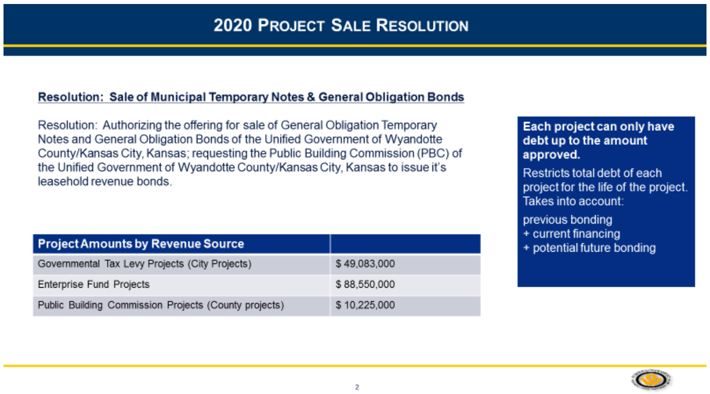
Action: **Commissioner Walters made a motion, seconded by BPU Board Member Bryant, to approve.** Roll call was taken and there were five "Ayes," Bryant, Walters, Townsend, McKiernan, Burroughs.

Item No. 3 – 191066…RESOLUTION: SALE OF MUNICIPAL TEMPORARY NOTES, GOBs, AND PBC REVENUE BONDS

Synopsis: A resolution authorizing the offering for sale of municipal temporary notes and general obligation bonds of the Unified Government and requesting the Public Building Commission issue its leasehold revenue bonds, submitted by Debbie Jonscher, Deputy Chief Financial Officer.

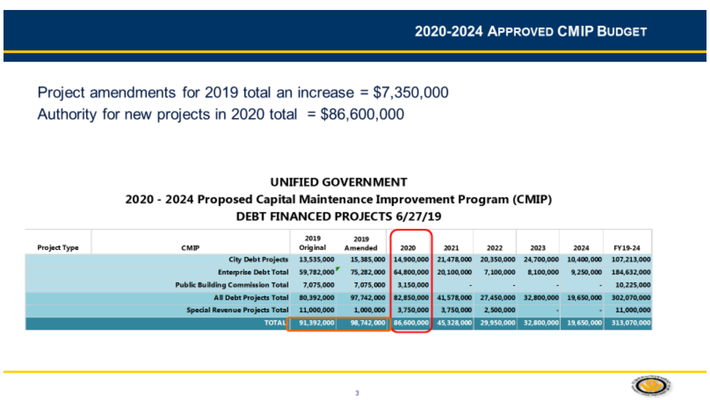


Debbie Jonscher, Deputy Chief Financial Officer, said we have a small presentation. This item is for the sale resolution, which authorizes the sale of the 2020 General Obligation Bonds and Temporary Notes, and it also requests the Public Building Commission to issue revenue bonds. Just wanted to note that all projects that have been included have been approved by the Commission; were included in the CMIP. They could be both new projects that are receiving funding for the first time, or they could be ongoing projects that are receiving additional funding or the funding that they currently have is being rolled to a temporary note or a permanent bond financing.



Project Amounts by Revenue Source	
Governmental Tax Levy Projects (City Projects)	$ 49,083,000
Enterprise Fund Projects	$ 88,550,000
Public Building Commission Projects (County projects)	$ 10,225,000

Here's just a breakdown of the amounts that we have in the 2020 sale resolution. We have the governmental projects, totaling about $49M. These are projects that would be paid back with property tax revenues. The Enterprise Fund Projects total $88.5M. These projects are issued as general obligation bonds, but their primary repayment source is through sewer and sanitary sewer revenues. Public Building Commission projects, which are the county building projects, at $10.2M.



Project Type	CMIP	2019 Original	2019 Amended	2020	2021	2022	2023	2024	FY19-24
	City Debt Projects	13,535,000	15,385,000	14,900,000	21,478,000	20,350,000	24,700,000	10,400,000	107,213,000
	Enterprise Debt Total	59,782,000	75,282,000	64,800,000	20,100,000	7,100,000	8,100,000	9,250,000	184,632,000
	Public Building Commission Total	7,075,000	7,075,000	3,150,000	-	-	-	-	10,225,000
	All Debt Projects Total	80,392,000	97,742,000	82,850,000	41,578,000	27,450,000	32,800,000	19,650,000	302,070,000
	Special Revenue Projects Total	11,000,000	1,000,000	3,750,000	3,750,000	2,500,000	-	-	11,000,000
	TOTAL	91,392,000	98,742,000	86,600,000	45,328,000	29,950,000	32,800,000	19,650,000	313,070,000

This is just a breakdown of the CMIP budget that was approved by the Commission. We're showing project amendments in 2019 showing that increase of $7.3M. We've just noted here the original budget for all of the debt projects was $91.3M. In the 2019 Amended, that went to $98.7M. For 2020, the total for all projects, was $86.6M. We have these broken out by the City Debt, Enterprise Funds, Public Building Commission, and Special Revenue projects.

Chairman Burroughs said, Debbie, may I ask what was the additional $7M for? **Ms. Jonscher** said there were, I think, I might have that and let's see, I don't have the specific projects This was a net change. There was $15M in additional Enterprise, so that would be sewer projects. I think on the City Debt there was only $1.8M, but then the net brought it down to $7.3M. If you'll notice on the Special Revenue projects, the original was $11M and in the 2019 Amended, it's now $1M. That project was the I-70 Interchange Project, which we took out of 2019 and then moved to 2020 and 2021.

Chairman Burroughs said please continue. **Ms. Jonscher** said we did have it. I think there was a project in here that was approved after the budget last year. That was the elementary school that was about $2M. That was probably a portion of this money. It was a road project related to the elementary school. **Chairman Burroughs** said $7M; the increase of the 7M. **Ms. Jonscher** said 2019 Original to 2019 Amended, yes. **Chairman Burroughs** said thank you.

2019 TEMPORARY NOTE RECONCILIATION
GOVERNMENTAL TAX LEVY PROJECTS

2019 Sale Resolution	57,913,226
2019 - GO Temporary Notes	22,980,661
2019 - GO Bonds	14,539,971
Total	37,520,633
Projects Authorized but not issued	20,392,593

2019 - Temporary Notes	22,980,661
Add: 2019 Projects not issued funding	20,392,593
Add: 2019 Reimb Resolutions	1,000,000
Add: 2019 Amended CMIP	(8,150,000)
Add: 2020 Approved CMIP	21,800,000
Add: Project funds approved prior to 2019	-
Subtract: 2020 Reimb Resolutions	(900,000)
Subtract: 2020 PBC Projects	(3,150,000)
Subtract: Funds not included in sale resolution	(4,534,000)
Subtract: Net financing costs from 2019 issue	(356,255)
Total 2020 Sale Resolution	49,083,000

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The next two slides, what I have done is a reconciliation on the temporary notes that we issued. This one is the Governmental Funds and then I have another slide on the Enterprise Funds. What I did here was I started with last year at the same time we issued a sale resolution for the 2019 bonds and notes that we were going to issue. For the governmental projects, we authorized a total of $57M. We issued $22.9M in temporary notes, $14.5M in general obligation bonds, for a total of $37.5M. There were $20.3M in projects that were authorized for debt issuance, but we did not issue the funding, and I did just want to note that these are not projects that are not moving forward.

When we need a project to have budget authority and also debt authorization issued in order to be able to award projects that are eventually going to have debt funding, so we need the authorizations done. If a project is going to take two to three years, we don't want to issue all the funding at the beginning of the project and then just sit on the funds. We issue the projects that we think are going to be spent within the next 12 months. That's what happened here. We didn't issue all of the funding that we were approved for because we knew it wasn't all going to get spent in 2019. Then what I've done here is just taken the temporary note issuance, I've added back in the funding that was not issued, we added in the 2019—I have a little bit more detail on the reimbursement resolutions on a future slide.

Reimbursement resolutions are projects—most of these are annual projects that are in the budget and approved, but they haven't identified the scope of work, so we don't issue the funding until they identify the scope of work, any amendments to the CMIP for 2019 and 2020.

The reason for this credit here is due to that large interchange project since we moved it out of 2019. I've subtracted out the 2020 reimbursement resolutions, subtracted out the PVC projects, and any other funding of projects that were approved that did not have funding included in the sale resolution as well as the finance costs. Which brings me to the 2020 sale resolution for the governmental projects. This is broken out in the resolution that list all the projects totaling this amount. **Chairman Burroughs** said that's actually a reduction. Comments and questions?

2019 Temporary Note Reconciliation
Enterprise Fund Projects

2019 Sale Resolution	97,165,490
2019 - GO Temporary Notes	28,452,317
2019 - GO Bonds	6,658,067
Total	35,110,384
Projects Authorized but not issued	62,055,106

2019 - Temporary Notes	28,452,317
Add: 2019 Projects not issued funding	62,055,106
Add: 2019 Reimb Resolutions	-
Add: 2019 Amended CMIP	15,500,000
Add: 2020 Approved CMIP	64,800,000
Add: Project funds approved prior to 2019	1,000,000
Subtract: 2020 Reimb Resolutions	(1,600,000)
Subtract: 2020 PBC Projects	-
Subtract: Funds not included in sale resolution	(81,222,000)
Subtract: Net financing costs from 2019 issue	(435,423)
Total 2020 Sale Resolution	88,550,000

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This is the same reconciliation done for the Enterprise Funds, same information provided here. We had $97M in last year’s sale resolution. We issued a total of $35M for notes and bonds, meaning that we had $62M in projects that were authorized that we did not issue the funding for. Then the same reconciliation, bringing us to the 2020 sale resolution of $88.5M for the Enterprise Fund which is sanitary sewer and stormwater projects.

REIMBURSEMENT RESOLUTIONS

- Reimbursement resolutions are issued for projects where locations are unable to be determined ahead of time. No money is financed. Usually for emergency type projects.
- Once work is identified, the description is amended and the debt financing reimburses for costs incurred.

2019 Reimbursement Resolutions Authorized – included in Financing	
ADA Modifications, 2019	$100,000
Elevator Upgrades, 2019	$200,000
Emergency Bridge Repair, 2019	$300,000
Fairfax Industrial Area Improvements, 2019	$100,000
Industrial District Rehab, 2019	$300,000

2020 Reimbursement Resolutions Authorized – not Financed	
ADA Modifications- UG Facilities, 2020	$100,000
ADA Pedestrian Handicap Ramps, 2020	$400,000
Elevator Upgrades, 2020	$250,000
Railroad Crossing Improvement, 2020	$150,000
Sewer Main Extension, 2020	$1,500,000
Stream Bank Stabilization Improvements, 2020	$100,000

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This is a breakdown of the reimbursement resolutions. As I said, these are annual projects where we have the projects have been approved but they haven't identified the scope of work, so we don't issue them. For 2019, last year we did reimbursement resolutions for these five projects totaling $1M. This year we are adding them into the sale resolution because they've now identified the work that's to be done.

These are the 2020 projects that are authorized but we're not financing because they haven't identified the work at this time. They total $2.5M. State law—for the debt authorization in order to be able to issue the temporary notes or bonds, we need to be able to identify the descriptions for the work that is being done. Since the work on these projects has not been identified yet—they're authorized, we could issue once they identify. If we needed to issue funds in the future, we can issue that once they identify what the scope of the work is.

Chairman Burroughs said the sewer main extension for 2020, where is that? Do we know? Is that the new fire station? **Ms. Jonscher** said I'm not sure. I don't think we have that detail here and I don't think anybody from Public Works is here. **Chairman Burroughs** said that's fine. I was just—**Ms. Jonscher** said we can get that information provided to you. It could be included in the packet, the information that we've got. I'll check that out. **Chairman Burroughs** said that's okay. I'm just aware of some things dealing with that.

Project Funding not included in Sale Resolution ($85.7M)

Governmental Projects	$ 4.5M
Police Tow Lot	$ 2.4M
Other Projects	$ 2.1M

Sanitary Sewer Projects	$81.2M
Kaw Point BioSolids Digestion	$ 51.2M
Wolcott Expansion	$ 8.4M
Relocation of Sewer Maintenance Facility	$ 6.5M
Plant 20 Biosolids and Rehab	$ 4.0M
Pump Stations Upgrades	$ 7.7M
Other Sewer Projects	$ 3.4M

This next slide is project funding that's been approved that we have not included in the sale resolution. This $85.7M are projects that have been approved but we're not including in the sale resolution because we don't expect the money to be spent within the next 12 months. We've broken this out between the governmental and the sanitary sewer projects. On the governmental side, there's about $4.5M in projects that we're not issuing. The projects are ongoing but they have some funding issued, but we're not issuing all the funding. We're holding off until they need the funding for the project.

BPU Board Member Bryant said so those numbers are just a portion of the total. **Ms. Jonscher** said that's correct—**BPU Board Member Bryant** said on those projects. **Ms. Jonscher** said right. Some of these, for instance, the Police tow lot does have some money issued already on it, but the $2.4M—I think the total authorization on that project is around $5M. We've only issued a portion of it so the other portion, as the project moves forward and we get to the point where we need the additional funding, we will issue it at that point.

Then, on the sanitary sewer, they have $81.2M that we have not included. The largest is the Kaw Point Biosolids project and the Wolcott Expansion. Those are the two largest projects and they do have funding already issued on them, but this is additional funding that was approved in the budget, but we're not issuing the funding at this time. **BPU Board Member Bryant** said the Kaw Point Biosolids, is that contingent upon—I know that there was discussion with Kansas City, Missouri, so the spend will kind of be push and pull between the two cities on when the timing will be.

Kathleen VonAchen, Chief Financial Officer, said that project is currently—the negotiations with KCMO are underway and they're progressing. We don't expect we're going to be spending

$51M next year, likely in the subsequent years. The delay in the Police tow lot is largely related to land acquisition and finding the right spot for that. We are in negotiations with a specific site at this time, but it hasn't been finalized yet.

To answer your question before, in the packet under the Project Debt Authorizations it's in the—well, it has page number 509. That's the page number of the proposed budget but you can find it at the bottom of page 509 related to the Sewer Main Extension 2020 for $1.5M. It lists a number of intersections here, Georgia and Hutton Road, multiple parcels on 10th & Shawnee Drive and Fairfax Drive, 1300 block. **Chairman Burroughs** said thank you for that. I was looking for it but didn't look far enough.

Tentative Calendar

Action Items	Tentative Dates
Standing Committee review of projects to be financed and Sale resolution	**Dec. 2nd**
Finalize Debt Structure for Bond and Note sales	Dec. 9th
UG Commission considers obligation resolutions authorizing obligation sales	**Dec. 12th**
Preparation of Preliminary Official Statement for ratings calls	Dec-Jan 2020
Credit rating conferences	Week of Jan 20th
Sale of Bonds/Notes; Commission considers award of obligations	**Feb. 6th**
Closing, settlement and receipt of funds	Feb. 27th
Redemption of 2019 Temporary Notes	**Mar. 1st**

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This is a tentative calendar for the 2020 bond issuance. Right now, we're at the standing committee. If this moves forward, we, the UG Commission, would consider it on December 12th. Then we're looking at the sale of bonds and notes tentatively on February 6th with a closing date of the 27th. Then at that point, we would redeem the 2019 temporary notes as of March 1st. The action would be to approve the sale resolution for the 2020 bonds and notes.

Chairman Burroughs asked are there any questions from the Committee. Comments? Anyone from the public wish to speak and address this issue? Again, your name residence, and you have three minutes to make your comments.

Janice Witt, Kansas City Kansas, said I have tons of questions about this UG Commission action and a lot of other things that happen within our Unified Government. I make the statement that none of us in this room were offered a packet so that we could look at and understand any of the issues that we are discussing here today. I understand you don't want me to ask questions and wait on those questions, but we don't know what the questions to ask are until we get to see the information. You all are blessed. You get the packet from staff so you all know the issues that are being put on the table. You know the issues that are coming up. Those of us who are in this community, paying the taxes, are given no opportunity to know what those are. I can show you right now request for information, Next Request information, that I've requested from the UG so that I can understand and help my community understand the issues that are being brought forth, even in a positive way, and I am sent a bill for that information.

So, once again, I state clearly how are we, as a community, supposed to ask questions and be heard by the representation that we all vote to have when we have no say. You give us three minutes and tell us hurry up. I understand. You all are underpaid and overworked. You don't get paid the pay that you need to be paid in order to do the level of work that is being required of you and for that I'm sorry. Hopefully, at some point, we'll change the charter and that will change. I will say clearly, it is inappropriate for our Commission, our Board, to expect those of us who live in this community, to ask appropriate questions to get answers in the speed in the time that you, Mr. Burroughs, bless your heart, are demanding that we do. **Chairman Burroughs** said thank you, Ms. Witt.

Chairman Burroughs asked anybody else wish to speak to the issue. Let the record show nobody else stepped forward.

Chairman Burroughs said at this time, this is a resolution authorizing certain public building and structure improvements and providing for the manner of paying for the same. So, at this point, I will entertain a motion.

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

Item No. 4 – 191061…PRESENTATION/RESOLUTION: CASH AND INVESTMENT POLICY

Synopsis: A presentation of the Unified Government's Cash and Investments Policy and a resolution adopting said policy, submitted by Rick Mikesic, Director of Revenue/County Treasurer. This annual review and adoption is required by State statute.

Richard Mikesic, Director of Revenue/County Treasurer, said, Commissioner, with me is Andrea Parra. She is the Deputy Treasurer. She is also the Cash Manager and serves in that role for the Unified Government. We are here to present to you for consideration the amendment to the Cash Investment Policy, and I'll let Ms. Parra discuss that.

Andrea Parra, Deputy County Treasurer/Director of Revenue, said we didn't really have much to present in way of view, if you will. If you want to refer to the packet that we submitted, which is the Investment Policy adopted from last year. The edited version on page 2, is the sole change that we are making this year. It's page 2, Section 6, titled Cash Management Committee delegation of Authority. Two very minor changes we did—some language changing following voting members as instead of listing that language each time after the member. Then we added two non-voting members, which was the Accounting Manager and Cash Manager, who, of which, are part of the committee currently and sit on that board and are there every quarter to assist and report on any changes in that policy.

Chairman Burroughs said if I may, this is just formally recognizing two members to the committee per an audit that was conducted. **Mr. Mikesic** said that is correct. **Chairman Burroughs** said on the finding. **Mr. Mikesic** said the legislative auditor conducted their regular audit of the Cash Management Committee Policy for compliance. It's been a matter of practice to have both the Accounting Manager, as well as the Cash Manager, in the meetings; and they simply made the recommendation that they be formalized and named in the policy as non-voting members. So, it's really just—it's not a change in practice. It's amending the policy to actually match the practice.

Chairman Burroughs said okay. Any questions from the Committee? Any members of the audience care to speak and address this issue? Let the record show that nobody stepped forward. At this time, I would entertain a motion.

Action: BPU Board Member Bryant made a motion, seconded by Commissioner Walters, to approve.

Chairman Burroughs said sorry, Commissioner Townsend, I'm sorry, I apologize.

Commissioner Townsend said I do have one question about this procedure overall, and maybe it is better addressed at another time. In reading this and reviewing the Cash Policy and what the Cash Manager is to do in terms of placing our investments, my question really goes to, what procedure or is there a procedure that deals with how we make sure that any institution who wants to be a fiduciary for us or a holder of these funds gets a chance to do so? Secondly, are there any efforts that the UG cash management person under this policy takes to ensure that smaller, a minority, or women-owned banks for financial institutions get an opportunity to participate in this?

I know there's going to be a presentation later in the year by our Budget Director that will show where these investments are, not by that someone will show us that. I tend to see the same amounts in some of these institutions from year to year, so I'm wondering, how do they get an opportunity if they choose to, to increase their holdings? **Mr. Mikesic** said, Commissioner, two years ago, we noted that we didn't have much diversity in the banks that were expressing interest in our investments when we would go out for bid. This led us to reach out earlier. It was in the spring, right? This spring, we reached out to every banking institution that had a location, a branch in Wyandotte County, and invited them to meet with us so that we could go through our process, our bidding process, and explain how they could become part of that bidding process. We met with every single one of them, I believe, that we reached out to, and we met with all of them.

Some banks simply didn't have an interest because it didn't fit their business model. Some aren't able to take bids in the level that we are bidding the money out for. However, by doing that, we did get a significant increase and interest, and we are now sending the bids to an increased number of banks each time this year.

We will be going through the process again. It's an annual process where we set banks up, but we will be reaching out to them again.

Now, when we send the bids out, we've had a number that say yes, send them to me, we probably won't bid but send them to me. We probably won't bid but send them to me. So, it has to meet their needs as well, but we made a conscious effort to do that to try to ensure that we've reached out and included as many of those as we can. In our interest, or we believe it's our job to do that because the more interest out there, the better interest, more competitive rates that we'll get. **Commissioner Townsend** said thank you. I'm glad to hear there is some procedure in place that's an annual procedure.

Has there been any thought to increasing the range of the outreach beyond Wyandotte County? **Mr. Mikesic** said we have to follow the state statutes, which specifically states that we have to first offer those bids to Wyandotte County banks that have a location, a physical location in the county. **Commissioner Townsend** asked after we meet that, then what. **Mr. Mikesic** said the statues are written fairly structured so that it usually has to fall into that area. There are certain things we can do if the banks located in Wyandotte County don't meet those bare minimums, but generally, they do, and according to state statute.

Chairman Burroughs said again, there was a motion and a second. The motion was to adopt the recommendation put forward that would consider updating our policies to include the Cash Manager and the Accounting Manager as non-voting members of the Cash Management Committee. I believe that is spelled out in the audit. I've had the privilege of reading through the audit as a member of the Audit Committee. I do know that there's some other issues that were in here that will be addressed soon and will come forward with some additional policy recommendations. **Mr. Mikesic** said that is correct, yes.

Roll call was taken on the motion and there were five "Ayes," Bryant, Walters, Townsend, McKiernan, Burroughs.

Item No. 5 – 191068…RESOLUTION: REVISIONS TO SPECIAL REVENUE FUND RESERVE POLICY

Synopsis: A resolution revising the Special Revenue Funds Operating Reserve Policy to adjust the minimum reserve targets, submitted by Kathleen VonAchen, Chief Financial Officer.

Kathleen VonAchen, Chief Financial Officer, said thank you, Commissioner. I don't have a PowerPoint. I thought we would just refer to the documents in the packet which were published a week ago on the UG Clerk's website. The packet for all of the agenda items for this committee were published over a week ago on the UG's website.

What I've included here is some minor revisions to the Special Revenue Funds Operating Reserve Policy. As you know, over the past 18 months, we've rewritten most of the financial policies of the Unified Government. There were a few small cleanup items that we decided to kind of hold off on so that we can discuss in more detail in the future. This is one of them.

In the previous policy, you know, back 10-20 years or so, these Special Revenue Funds had a certain range of expenditures as delegated for its respective reserve. Tonight, I just wanted to propose to you that you consider changing that to make the reserves more consistent with the reserve language in the other areas, such as the General Fund.

Special Revenue Funds, we've talked a lot about that. How governmental accounting works is the state statutes require that if you collect a certain revenue and that revenue is specifically designated for a specific purpose, then you're required to set up a separate fund. If the revenue does not have a statutory specific purpose, then it can be deposited in the General Fund. We have a reserve policy for the General Fund, which is separate from this, and this only deals with all those Special Revenue Funds. Specifically, the changes are found on pages 1 and 2 of the policy. There aren't any other changes elsewhere in the report. They are shown in track changes in red.

Back before, the policy had presented a range. For example, the UG Technology Fund. It said that you should have a range of between 5-10% of expenditures. I felt that was ambiguous or not very direct. What I am proposing is that we change the language so that we maintain a minimum target or minimum level fund balance of a certain percent or a certain amount. That's the change in Section IVA.

The other slight change is that in the General Fund, we're now talking about reserves as a percentage. Rather than percentage, we're talking about reserve targets as a month or two months of operating expenditures. It's a nuance kind of way of approaching it, but it's more illustrative of the need for liquidity in these various funds. In reality, two months of expenditures equals 16.7%. But, in reference to it, in order to be consistent with the General Fund Policy, I'm recommending that some of these target reserves be changed to reference months of expenditures rather than a percentage.

On the second page, briefly, I just want to go over in total what we're recommending. You can see that there's a list of all the Special Revenue Funds. I'm going to kind of lump some of these together so that it's a little bit more understandable.

The Special Levy Taxes, those are Special Revenue Funds that are dependent on a property tax levy. That includes the Developmental Disabilities Funds, the Elections, the Health Department, the Mental Health, and I think that's all of them. Those changes are recommended to change from the existing percentage range of 10 to 15%, to two months of operating expenditures. The reason for that is because each of those county funds support salaries and benefits. The need to maintain a certain reserve level is appropriate if you're paying folks out of that fund. That's the rationale for changing that to the same as the General Fund.

The next category of changes are the three technology funds. That's the UG Clerk Technology Fund, the Register of Deeds Technology Fund, and the Treasury Technology Fund.

Chairman Burroughs said I see no recommendation as to the reserve limit. **Ms. VonAchen** said the recommendation is to take out or to not include those funds in this policy at all. The reason for that is that these are specific funds where they accumulate fee revenues from the respective area in order to spend it on specific capital or equipment acquisitions. It's very specific in state statute.

The second reason is because the state statutes actually allow or actually require that the Clerk, the Treasurer, and the Register of Deeds that they have actual authority over their budgets and, in fact, do not need to include those funds as a certified fund for the Commission's approval. We provide those three funds as part of the budget process for what the statute terms as informational only.

The thing is that some of these funds accumulate funds over a number of years because the acquisition of the software or the equipment is very expensive. Also, the equipment doesn't necessarily deteriorate each and every year on an annual basis. You know, it's acquired and then you utilize it for 5-10 years and then you have to replace it. The thought is that those funds are meant to accumulate funds for future acquisitions. That's the proposal.

Chairman Burroughs asked any questions. **Ms. VonAchen** said I think there's a couple of other changes too.

BPU Board Member Bryant said I have a couple. Your Special Street and Highway went from 3% to 5% in just three months. **Ms. VonAchen** said I haven't talked about those yet. **BPU Board Member Bryant** said okay, I thought you were.

Commissioner Townsend said well, let's just proceed with Ms. VonAchen's presentation**. Ms. VonAchen** said I'm almost done. **Commissioner Townsend** said no problem.

Ms. VonAchen said going down the list a little bit, that Library District, I am recommending that we exclude from this policy because it, as well—the district actually sets their budgets on their own. It's kind of complicated. To set a reserve policy for the Library District when the Library District Board is the one that sets their own budget, it doesn't make sense to me.

The last three remaining items, the Special Asset Fund and the Tourism Convention Fund, I'm recommending be excluded because those are funds that aren't operating in nature. They are actually established in order to collect assets that we have acquired, especially the Special Asset Fund. It's sort of a revolving fund. The amount that's in those funds—the fund balance can be rather large, but it fluctuates from one year to the next, depending on when you acquire the asset and then in the future, what kind of special project was undertaken. It's not an operating type fund.

The last is the Debt Service Fund. Debt Service Funds are not actually Special Revenue Funds at all. They are Debt Service Funds and really, in governmental accounting, the only amount that should be accumulated, or left at the end of the year in a Debt Service Fund, is some residual amount between the amount collected for debt service and the amount spent for debt service. There really shouldn't be much of a reserve in there at all. To set some sort of limit didn't make sense to me either.

The Street and Highway Fund—yes, I did want to talk about that one a bit. The Street and Highway Fund is supporting about 40 FTEs right now; no, about 70 right? I got distracted. Sorry. There's about 70 FTEs in there. I've noticed that revenue source, which is highly dependent on the state which is a gas tax that is collected by the state and then passed on to us, that has been a declining revenue source over the years, so I have some concerns about that. That's why I've recommended two months instead of three.

BPU Board Member Bryant said the Environmental Trust went to 100%. Is it a small fund? **Ms. VonAchen** said I haven't touched on some of these other ones. The Environmental Trust, that fund is actually established to accumulate revenues or resources in order to have those on reserve in case there is some sort of accident with what was previously the landfill and has since been mitigated.

There's a legal requirement that we have to keep an amount of money on reserve in case something catastrophic happens. So, in reality, there really shouldn't be any reserve. It's not really an operating fund. It's supposed to be to keep the money there until the legal requirement ends, which I think is around 2026 or so, maybe 2027.

BPU Board Member Bryant said jumping back up to the Special Street and Highway, is that a very large fund. **Ms. VonAchen** said it's about $7M a year. It has similar functions as the Special Dedicated Sales Tax Fund which is around $10-$11M a year. That supports 50 FTEs. I've recommended that at two months of operating, similar to the General Fund.

Chairman Burroughs said if I may, Kathleen. I have a number of questions and I don't want to take up the Committee's time this evening. I'm going to ask our counsel here what happens if we take no action on this, this evening? **Patrick Waters, Senior Attorney**, said (inaudible) postpone until next month. I’m not sure what the timing of this is, time sensitive or not. **Ms. VonAchen** said I provided you the opportunity to act on it with a resolution should you not have any further questions, but if you did, then you can postpone it to whenever. I’d prefer to have this all resolved prior to the next budget process. **Chairman Burroughs** asked which begins when. **Ms. VonAchen** said I mean for you, sometime prior to April or May.

Chairman Burroughs said, Committee, I know I have a number of questions. I don't know how many questions you all may have. I'd like to know who has—some questions that I have is who has the authority on the Technology Funds to expend those funds? If we've had to, and in the past, include them in the budget. Through your statement, they will now have the agency director or person in charge be able to do that. That's different than what we've been doing in the past. I’d like to know the total of those funds and how much savings has been generated from going from the percentage to two months, or how much more needs to go into those funds.

There's a number of questions I have so, I'm just not comfortable with the information this evening. I would hope that we could have ongoing discussion and find some comfort level with the amount of changes that are being proposed. We just went through these last year if I remember correctly.

Ms. VonAchen said last year, we did not change any of these ranges at all. These remained as they have been for about 10 years. I think it's great to postpone this to January because I believe the Committee's meeting is around the third week of January. By then, we could actually have some year-end, 2019 figures for these specific funds and then you can see what the change would be. **Chairman Burroughs** said I would hate to take this forward to the Full Commission not fully being able to vet this information before us. I know I have some questions. I would entertain a motion that we table these until a further date.

Action: Commissioner Townsend made a motion, seconded by Commissioner Walters, to table this item.

Chairman Burroughs said we have a motion on the table to table these. I didn't make it date certain so that we could bring this forward once we find a comfort level with all the changes. I mean its only one-half page, but I do have some—the language forces me to ask questions. We have a motion on the table. I would ask the Clerk to call roll.

Roll call was taken on the motion and there were five "Ayes" Bryant, Walters, Townsend, McKiernan, Burroughs.

Chairman Burroughs said thank you, Committee, and thank you, Kathleen.

Commissioner Walters asked can I just make a comment also. **Chairman Burroughs** said sure, Commissioner. **Commissioner Walters** said I'm glad you brought that up. I also have some questions. I'll just let you know what the subject matter of my comments might be in preparation for maybe a work session coming up. When we reviewed these last year, my recollection was a lot of these funds had excessive reserves. But this policy really only addresses the minimum reserve that they need to have. I wonder if we shouldn't address what we do if we have too much money in these funds. Should we also set a maximum and then some sort of procedure to correct if we have too much.

The other question I have, and this is honestly a question. All these funds that you have taken out of the policy, it kind of leaves us with no direction. We, as a Commission, approved the Library District Funds, for example. I assumed that we don't want to just be a rubber stamp. The way the legislation is set up, it's our obligation to review and approve that fund and all these funds. But, if we don't have any policy on it, what are we supposed to do, just rubber stamp whatever is put in front of us? I think we should have a discussion about that. Those are the subject matters that I might like to discuss if we have our work session. Thanks.

Chairman Burroughs said thank you. We did have a bunch of discussion on those items that were before us. We spent a tremendous amount of time and energy going through the policies and these were the sections that a number of the members had questions about. So, I do appreciate the indulgence of the Committee to postpone this until we get some more answers into the questions that we propose. I may ask the Committee members if you have specific questions, write them down and we'll send them to Kathleen, and we'll have an opportunity at that time to collectively meet and look them over.

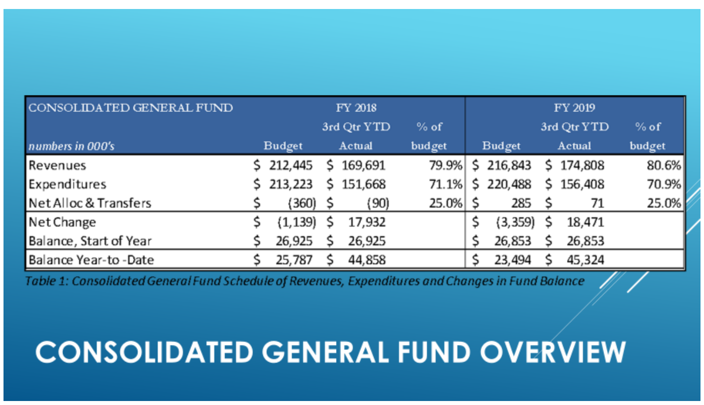
Chairman Burroughs said the reason why I didn't ask if any member of the audience had a question in reference to that is because we weren't taking action. If I may, I'd just like to state that earlier, there was reference made that this information is not available. It is available on our website. You can get on the website, go to the agenda packet, go to your meeting packets, and in will have that information laid out. You can also go into each agency and department and see that information that's coming before the Commission. Commission members do that because we don't want to carry paper around with us all the time. Just as a public announcement, the majority of that information is on our website.

A woman in the audience said it is not here. It is not there. With all due respect, I read, but it is not here. (inaudible)

Item No. 6 – 191062…REPORT: 3RD QUARTER BUDGET TO ACTUAL

Synopsis: 3rd Quarter Fiscal Year 2019 Budget to Actuals Report, submitted by Kathleen VonAchen, Chief Financial Officer; and Reginald Lindsey, Budget Manager.

Reginald Lindsey, Budget Manager, said Kathleen is going to start out. **Kathleen VonAchen, Chief Financial Officer,** said Reginald Lindsey is our Budget Manager. Yes, he's going to be presenting on the expenditure side and I'm going to start on the revenue side, and also give you an overview of the General Fund.



CONSOLIDATED GENERAL FUND	FY 2018			FY 2019		
		3rd Qtr YTD	% of		3rd Qtr YTD	% of
numbers in 000's	Budget	Actual	budget	Budget	Actual	budget
Revenues	$ 212,445	$ 169,691	79.9%	$ 216,843	$ 174,808	80.6%
Expenditures	$ 213,223	$ 151,668	71.1%	$ 220,488	$ 156,408	70.9%
Net Alloc & Transfers	$ (360)	$ (90)	25.0%	$ 285	$ 71	25.0%
Net Change	$ (1,139)	$ 17,932		$ (3,359)	$ 18,471	
Balance, Start of Year	$ 26,925	$ 26,925		$ 26,853	$ 26,853	
Balance Year-to -Date	$ 25,787	$ 44,858		$ 23,494	$ 45,324	

Table 1: Consolidated General Fund Schedule of Revenues, Expenditures and Changes in Fund Balance

This is a Consolidated General Fund overview, which includes: The combined City, County, and the Consolidated Parks Fund all together. This is on the first page of the report we prepare every quarter. As you can see, what we're doing here is we're looking at the current year budget compared with the current year budget from last year. Then, how much we've collected and spent through the 3rd Quarter this year, compared with how much we collected and spent last year.

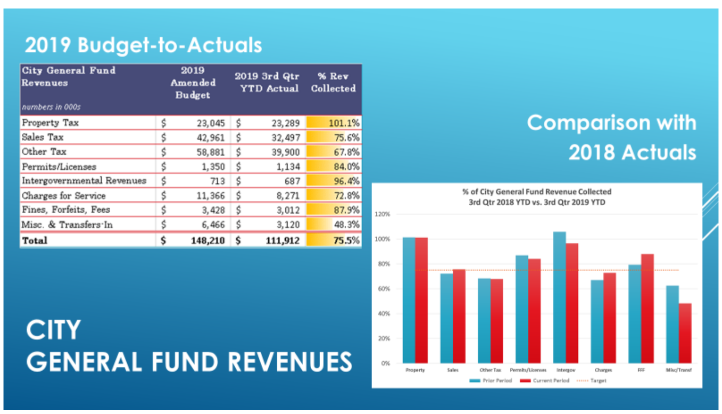
The 3rd Quarter ends September 30th so that's nine months. Nine months out of 12 months is 75% of the year. As you can see, we've collected 80% of our total budgeted revenue so far.

That's pretty typical because we collect property tax early in the year so that's why it's higher than the 75% target.

On the expenditure side, we've spent roughly 71% of the total, which is consistent with the expenditure level through the 3rd Quarter of last year, as you can see here.

Net allocation and transfers are at only 25%, but that's because typically we do a lot of those transfers at the end of the year. We plan to end the fiscal year with a cash balance of $23.5M. At the moment we have $45M in our fund balance. That is because our revenues we collected earlier in the year and anticipated because the revenue collection is not consistent from one month to the next. It’s similar to expenditures. Spending on the expenditure side is slightly below the target at 71%.

The next two slides just segregate the different, the two major funds, the City General Fund Revenues and the County General Fund Revenues.



City General Fund Revenues numbers in 000s	2019 Amended Budget	2019 3rd Qtr YTD Actual	% Rev Collected
Property Tax	$ 23,045	$ 23,289	101.1%
Sales Tax	$ 42,961	$ 32,497	75.6%
Other Tax	$ 58,881	$ 39,900	67.8%
Permits/Licenses	$ 1,350	$ 1,134	84.0%
Intergovernmental Revenues	$ 713	$ 687	96.4%
Charges for Service	$ 11,366	$ 8,271	72.8%
Fines, Forfeits, Fees	$ 3,428	$ 3,012	87.9%
Misc. & Transfers-In	$ 6,466	$ 3,120	48.3%
Total	**$ 148,210**	**$ 111,912**	**75.5%**

This chart has budget-to-actuals with the budgeted revenues. These are the major revenue categories budgeted in the City General Fund totaling $148M. This is the amended budget that was amended in July. So far this year we have spent this level at $112M, which represents 75% of the total. One thing I want to point out to you is that property taxes are at 101.1% of the budgeted level. That is because we collect pretty much all, and then a little bit more of all our property tax at the beginning of the year.

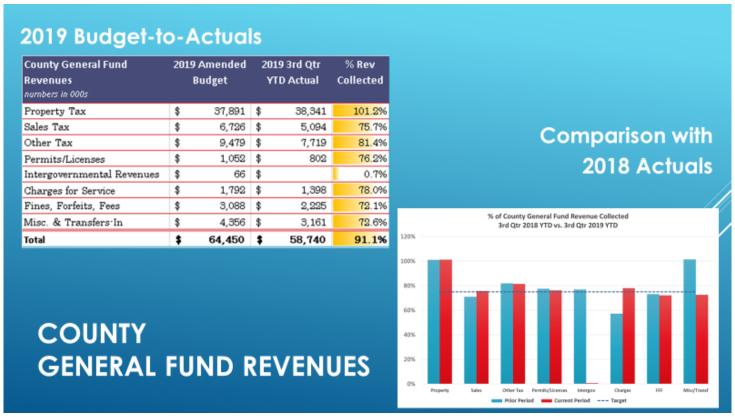
Sales tax is exactly at the target level of 75%. That is because as part of our current amended budget process, we reduce the sales tax estimate down from a higher number, which I can't remember offhand, to $43M. The revised revenue estimate for our sales tax is performing well.

Some other areas you'll see that transfers are down because we often do these transfers at the end of the year, so it's only at 50%.

This chart over here or graph shows this line. This is where the target is. It compares with the level of revenue collection for that same period last year. You can see property tax last year was collected basically 100% and this year as well.

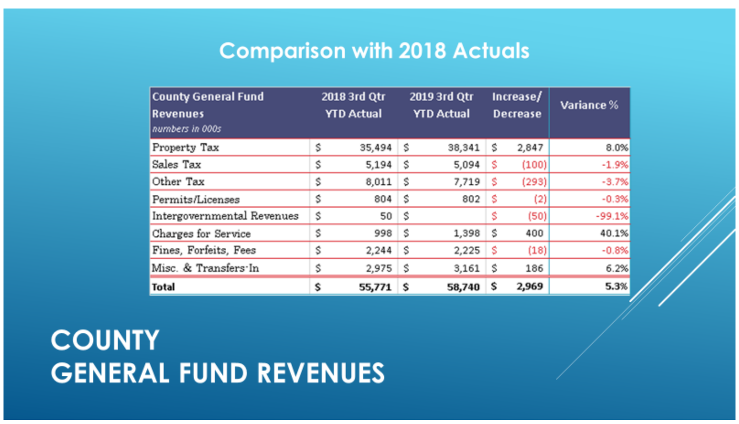
Chairman Burroughs said, Kathleen, if I may, to expedite this a little bit, what we've seen is an increase in revenue already ahead of last year's projections, except for the inner government and this is because it's only the 3rd Quarter presentation. It doesn't include the 4th Quarter. **Ms. VonAchen** said that's correct, yes.

This graph here, this is the data for this graph. This is a comparison of the revenue collections by category for 2018 and then 2019, and here's the difference. **Chairman Burroughs** said, Kathleen, we're still using the $32,497 as a conservative figure because that's what we set in the budget, but we do see revenue coming in a little higher than expected at this particular time. I believe if you look at the previous slide. **Ms. VonAchen** asked now what are you saying? **Chairman Burroughs** said the sales tax, down at the bottom. **Ms. VonAchen** said yeah, $32,497 is how much we've collected in sales tax so far this year. **Chairman Burroughs** said but last year, sales tax was down. We didn't hit our mark this year. You're comparing last year to this year third period. **Commissioner Walters** said but not actual numbers, just percentages. **Ms. VonAchen** said no. This is the budget, and this is how much we've collected this year. This is how much we collected last year, and this is how much we've collected this year. This is how much less we collected during this period. We're down $1M from the amount that we collected last year through September. **Chairman Burroughs** said we're up almost $1.6M total. **Ms. VonAchen** said that's $1.5M, yes, right here. That's because charges for services have gone up.



County General Fund Revenues *numbers in 000s*	2019 Amended Budget		2019 3rd Qtr YTD Actual		% Rev Collected
Property Tax	$	37,891	$	38,341	101.2%
Sales Tax	$	6,726	$	5,094	75.7%
Other Tax	$	9,479	$	7,719	81.4%
Permits/Licenses	$	1,052	$	802	76.2%
Intergovernmental Revenues	$	66	$		0.7%
Charges for Service	$	1,792	$	1,398	78.0%
Fines, Forfeits, Fees	$	3,088	$	2,225	72.1%
Misc. & Transfers-In	$	4,356	$	3,161	72.6%
Total	**$**	**64,450**	**$**	**58,740**	**91.1%**

Ms. VonAchen said now on the County side, its similar but not entirely because the County is much more dependent on property tax then the City General Fund. All the property taxes, $38.3M, has been collected. It exceeds the $37.9M that we budgeted in that category. Sales tax only amounts to $5M, but it's also consistent. It's been 75% target to the budget. As a result, we collected 91% of the budgeted revenue in the County General Fund.

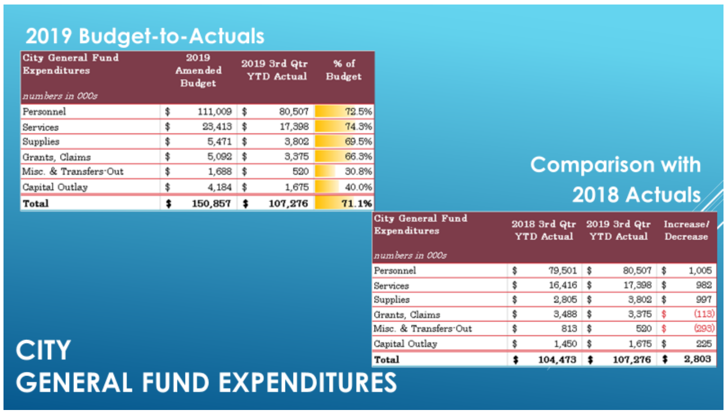


County General Fund Revenues *numbers in 000s*	2018 3rd Qtr YTD Actual		2019 3rd Qtr YTD Actual		Increase/ Decrease		Variance %
Property Tax	$	35,494	$	38,341	$	2,847	8.0%
Sales Tax	$	5,194	$	5,094	$	(100)	-1.9%
Other Tax	$	8,011	$	7,719	$	(293)	-3.7%
Permits/Licenses	$	804	$	802	$	(2)	-0.3%
Intergovernmental Revenues	$	50	$		$	(50)	-99.1%
Charges for Service	$	998	$	1,398	$	400	40.1%
Fines, Forfeits, Fees	$	2,244	$	2,225	$	(18)	-0.8%
Misc. & Transfers-In	$	2,975	$	3,161	$	186	6.2%
Total	**$**	**55,771**	**$**	**58,740**	**$**	**2,969**	**5.3%**

This chart compares 3rd Quarter prior year was 3rd Quarter this year. You can see that, again, here on the sales tax side, it's a little bit different because actually here the sales tax is pretty consistent, slightly lower. **Chairman Burroughs** said we are ahead in total from last year. **Ms. VonAchen** said that's right. We're $3M higher than last year. **Chairman Burroughs** said I would say some of that is probably due to the fact that we didn't lower the mill. **Ms. VonAchen** said yes; that is very true. **Chairman Burroughs** said and the additional interest income, as well as the increase in sales tax, although we're still falling.

There's concern about the overall total that will come in. We took a conservative number last budget, if I remember correctly. **Ms. VonAchen** said that's right, that's a key point. We reduced the mill in 2019 on the City side. That's why the property tax is pretty much the same.

But on the County side was no mill reduction, so $2.8M in additional revenue through this quarter is reflected here. Any questions on revenues before I pass it on to Reggie for expenditures? **Chairman Burroughs** said no. I think it's somewhat good news.



City General Fund Expenditures *numbers in 000s*	2019 Amended Budget	2019 3rd Qtr YTD Actual	% of Budget
Personnel	$ 111,009	$ 80,507	72.5%
Services	$ 23,413	$ 17,398	74.3%
Supplies	$ 5,471	$ 3,802	69.5%
Grants, Claims	$ 5,092	$ 3,375	66.3%
Misc. & Transfers-Out	$ 1,688	$ 520	30.8%
Capital Outlay	$ 4,184	$ 1,675	40.0%
Total	**$ 150,857**	**$ 107,276**	**71.1%**

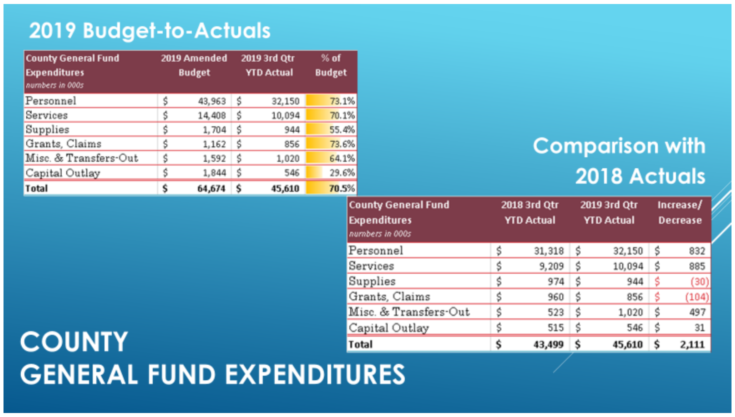
City General Fund Expenditures *numbers in 000s*	2018 3rd Qtr YTD Actual	2019 3rd Qtr YTD Actual	Increase/ Decrease
Personnel	$ 79,501	$ 80,507	$ 1,005
Services	$ 16,416	$ 17,398	$ 982
Supplies	$ 2,805	$ 3,802	$ 997
Grants, Claims	$ 3,488	$ 3,375	$ (113)
Misc. & Transfers-Out	$ 813	$ 520	$ (293)
Capital Outlay	$ 1,450	$ 1,675	$ 225
Total	**$ 104,473**	**$ 107,276**	**$ 2,803**

Mr. Lindsey said per our slide, what we have are expenditures for the 2019 Budget. We have two different views. In the upper left-hand corner, we have budget-to-actuals compared to 2019 Budget to what we have actually spent. Then in the lower right-hand corner, we're comparing the 2019 Budget to the 2018 actuals.

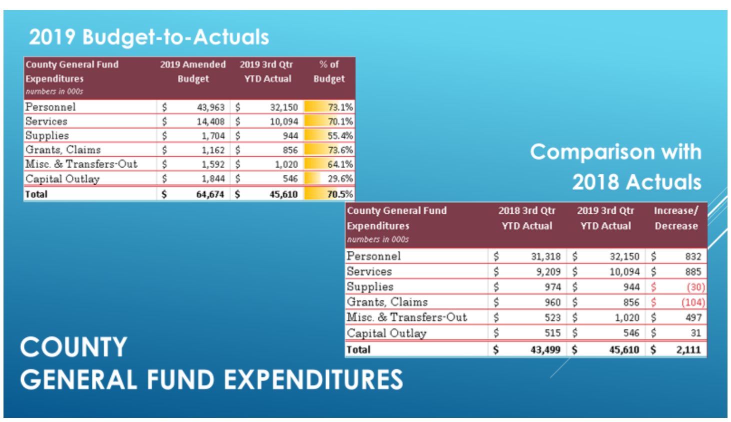
We can see we have a number of categories here in the expenditure budget. We have personnel, we have services, and we have supplies; personnel being our largest category here. Here is where we pay for our salaries also our overtime. Also, these are where we have payouts when people retire or when they leave the Unified Government. Also, this is where we pay our pensions and also any penalties for pensions that we have to pay comes out of here.

As Kathleen covered earlier, the target where we should be at is 75%. For expenditures it was 75%. We should be below 75%. We can see here, percentage of budget spent. Total category is at 71%. We see personnel, which is our largest category, is at 72.5%. Then our services category is at 74%. Here our services is our second biggest category. This is where we pay for our transit contract, also our trash contract, and this is also where we purchase a lot of our software out of.

Then we go down here and look at the comparison with the 2018 actuals. We can see that we have spent $2.8M more than we spent last year. Of course, we do have a larger budget, so that's one of the reasons we have spent more.

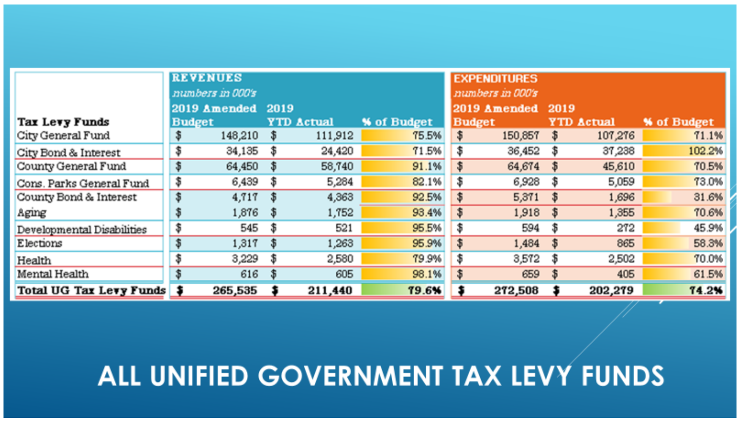


We're going to go to the next slide. The next slide is the County General Fund. Basically, again, in the upper left-hand corner, we're comparing the 2019 Amended Budget with the 3rd Quarter actuals. We can see we have a $64M budget, and we have pretty much the same categories: personnel, services, supplies, grants, claims and capital outlay. Personnel, again, being our largest category. Services being our second largest category. We see both of these are below the 75%. Personnel is at 73% and services is at 70%. Some of the things that we pay out of here are bigger contracts. We pay out our services, for our inmate medical and then our inmate housing is also paid from here.



As we go down and look at comparison to 2018 actuals, we can see we have spent $2.1M more than we spent last year. One of the things that goes on here, again, is the budget is larger so, that's one of the reasons we're up over $2.1M. Any questions on either the City General Fund or the County General Fund?

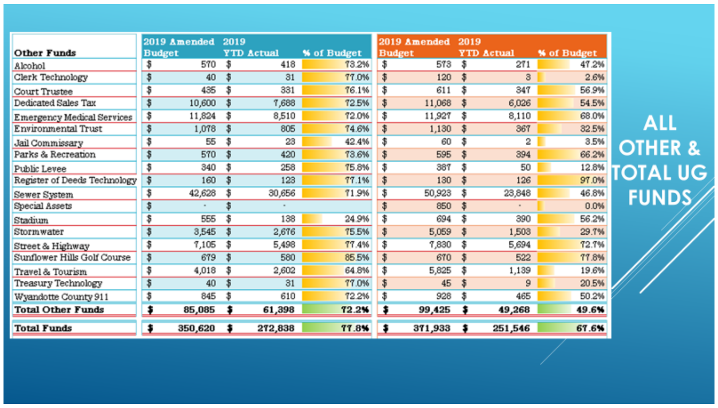
Chairman Burroughs said just the observation that even though we are spending $2.1M, the fact that we did lower the mill and the sales tax has come in to ensure that we have the monies available to continue to spend at the level we're spending. **Mr. Lindsey** said that is correct.



Tax Levy Funds	REVENUES numbers in 000's 2019 Amended Budget	2019 YTD Actual	% of Budget	EXPENDITURES numbers in 000's 2019 Amended Budget	2019 YTD Actual	% of Budget
City General Fund	$ 148,210	$ 111,912	75.5%	$ 150,857	$ 107,276	71.1%
City Bond & Interest	$ 34,135	$ 24,420	71.5%	$ 36,452	$ 37,238	102.2%
County General Fund	$ 64,450	$ 58,740	91.1%	$ 64,674	$ 45,610	70.5%
Cons. Parks General Fund	$ 6,439	$ 5,284	82.1%	$ 6,928	$ 5,059	73.0%
County Bond & Interest	$ 4,717	$ 4,363	92.5%	$ 5,371	$ 1,696	31.6%
Aging	$ 1,876	$ 1,752	93.4%	$ 1,918	$ 1,355	70.6%
Developmental Disabilities	$ 545	$ 521	95.5%	$ 594	$ 272	45.9%
Elections	$ 1,317	$ 1,263	95.9%	$ 1,484	$ 865	58.3%
Health	$ 3,229	$ 2,580	79.9%	$ 3,572	$ 2,502	70.0%
Mental Health	$ 616	$ 605	98.1%	$ 659	$ 405	61.5%
Total UG Tax Levy Funds	**$ 265,535**	**$ 211,440**	**79.6%**	**$ 272,508**	**$ 202,279**	**74.2%**

Current slide shows the other seven Tax Levy Funds that are not the City General Fund or the County General Fund. Basically, this slide on the left-hand side, we have revenues and then on the right-hand side we have expenditures, and kind of have a comparison where the target here on the revenue side is that we bring in more than 75%. We can see we're at 79, almost 80% for all the Tax Levy Funds.

Then on the expenditure side, the target is to be below 75%. We can see here that we are below and we're at 74%. Here we can kind of see too, kind of cover both revenue sides. This is the 2019 Amended Budget. This is 2019 actuals for 3rd Quarter, and then this is the percent of budget. Then over here on the expenditure side, this is the 2019 expenditure budget. The year-to-date for September 30th, which ends the 3rd Quarter. Again, we can see—we do have a City Bond & Interest Fund, which is 102%, which all the spending has been done out of this budget. We can see all the rest of them are below 75.5%. **Chairman Burroughs** said these are some of the funds that we were talking about earlier in the policy.



Other Funds	2019 Amended Budget	2019 YTD Actual	% of Budget	2019 Amended Budget	2019 YTD Actual	% of Budget
Alcohol	$ 570	$ 418	73.2%	$ 573	$ 271	47.2%
Clerk Technology	$ 40	$ 31	77.0%	$ 120	$ 3	2.6%
Court Trustee	$ 435	$ 331	76.1%	$ 611	$ 347	56.9%
Dedicated Sales Tax	$ 10,600	$ 7,688	72.5%	$ 11,068	$ 6,026	54.5%
Emergency Medical Services	$ 11,824	$ 8,510	72.0%	$ 11,927	$ 8,110	68.0%
Environmental Trust	$ 1,078	$ 805	74.6%	$ 1,130	$ 367	32.5%
Jail Commissary	$ 55	$ 23	42.4%	$ 60	$ 2	3.5%
Parks & Recreation	$ 570	$ 420	73.6%	$ 595	$ 394	66.2%
Public Levee	$ 340	$ 258	75.8%	$ 387	$ 50	12.8%
Register of Deeds Technology	$ 160	$ 123	77.1%	$ 130	$ 126	97.0%
Sewer System	$ 42,628	$ 30,656	71.9%	$ 50,923	$ 23,848	46.8%
Special Assets	$ -	$ -		$ 850	$ -	0.0%
Stadium	$ 555	$ 138	24.9%	$ 694	$ 390	56.2%
Stormwater	$ 3,545	$ 2,676	75.5%	$ 5,059	$ 1,503	29.7%
Street & Highway	$ 7,105	$ 5,498	77.4%	$ 7,830	$ 5,694	72.7%
Sunflower Hills Golf Course	$ 679	$ 580	85.5%	$ 670	$ 522	77.8%
Travel & Tourism	$ 4,018	$ 2,602	64.8%	$ 5,825	$ 1,139	19.6%
Treasury Technology	$ 40	$ 31	77.0%	$ 45	$ 9	20.5%
Wyandotte County 911	$ 845	$ 610	72.2%	$ 928	$ 465	50.2%
Total Other Funds	**$ 85,085**	**$ 61,398**	**72.2%**	**$ 99,425**	**$ 49,268**	**49.6%**
Total Funds	**$ 350,620**	**$ 272,838**	**77.8%**	**$ 371,933**	**$ 251,546**	**67.6%**

This particular chart here shows our other 19 funds, which are either Special Revenue Funds or Enterprise Funds. On the left-hand side we have the revenues in the blue here. Here, again, we have the 2019 Amended Budget. We're comparing what was actually spent for the 3rd Quarter. We see a percentage of the budget. What you see in these budgets also, that we are over the target of 75%. We're almost 78%.

Then over here, this is the expenditure side in orange. We have a 2019 Amended Budget. Next to it in the next column, we show what was actually spent in the 2019 3rd Quarter. The target here is that we be below the 75%. We can see down here at the bottom, we're almost at 68%.

Chairman Burroughs said, Mr. Lindsey, if I'm reading that correctly, we plan on spending just under $21M more in 2019 than what we did in 2018 at the same time. **Mr. Lindsey** said well, this particular chart right here doesn't have anything for 2018. This is 2019. **Chairman Burroughs** said I apologize. I was looking as a comparison. I see where we're at. I apologize. Ignore the question. I was looking at another page.

Ms. VonAchen said we are planning the budget at $372M for expenditures, while the revenues are only $350M, so there is a difference of $22M there. That's because many of these, especially the Enterprise Funds and some of these other funds, have fund balance that we're going to be utilizing for onetime items like capital projects and other equipment acquisitions. So, if that's maybe what you were asking. **Chairman Burroughs** said I didn't look at the top to see the amended 2019 comparing that with a 2018 3rd Quarter period, but there is a $21M difference in this budget from last year.

Chairman Burroughs asked any other questions, comments.

BPU Board Member Bryant said, a comment, or I guess a question. Do we really expect to spend another $27M in this year in the 3rd Quarter, 4th Quarter on the sewer system? **Mr. Lindsey** said there probably will be some funds leftover. There will be some more spending when we get into the 4th Quarter. We do end up starting more projects and there will be some more expenditures on some of the projects. **BPU Board Member Bryant** said I know that it's a hot topic to work on it, that's why I'm just wondering why, if we're lagging behind from where we expected to be this year or just have not expended as many dollars as we expected. **Mr. Lindsey** said there will definitely be some funding left over. We probably won't spend the whole $51M.

Chairman Burroughs asked any other questions. Anybody from the public? Are we finished with the presentation? **Mr. Lindsey** said yes. **Chairman Burroughs** asked anybody from the public care to make a comment.

Janice Witt, Kansas City, Kansas, said my concern is that if we continue to give 100% abatements, we will continue to be in a deficit when it comes time to take care of home with our fiscal responsibilities. It is my opinion that Doug Bach has made horrible mis-management decisions and has left our city in a horrible bind. It is my opinion that Doug Bach must go. It sounds to me like these fine ladies and gentlemen right here should be in place to take his position maybe to dig us out of the hole that he has buried us in. Doug Bach must go.

Chairman Burroughs asked anyone else care to speak. Let the record show nobody else stepped forward.

Action: For information only.

Item No. 7 – 191073…REPORT: THIRD AND FOURTH QUARTER BUDGET REVISIONS

Synopsis: 3rd Quarter Budget Revisions $10K or greater and Fourth Quarter Budget Revisions $50K or greater, submitted by Reginald Lindsey, Budget Manager.

Reginald Lindsey, Budget Manager, said there's no presentation on the screen for this. These are documents that you already have. There are two sheets, one for budget revisions of $10,000 or greater for the 3rd Quarter and then one for budget revisions of $50,000 or greater for the 4th Quarter. I'm going to start with budget revisions of $10,000 or greater for the 3rd quarter.

Basically, what we have happened is when we, in departments, want to move $10,000, we have to send a form to the County Administrator's Office to make sure he approves it. If it is over $50,000 and it has something to do with running operations, it also has to be signed off by Mayor Alvey along with our County Administrator.

In the 3rd Quarter, we had four budget revisions that happened. Three of them were from the Police Department and one from the Sheriff Department. The one for the Sheriff's Department was done outside—or the one for the Police Department was done outside of their budgets and it was done from contingencies. **Chairman Burroughs** said but all of these amounts were dealt with for public safety budgets of those agencies. **Mr. Lindsey** said yes. **Chairman Burroughs** said, committee, these are the requests that we made early on of the budget committee earlier this year and we asked these to come by on a quarterly basis as to the end of the year as a cumulative number. So, I really appreciate you doing that because we have a chance to review those independently of being an aggregate number. So, thank you for that work.

Chairman Burroughs asked are there any questions from the Committee.

Mr. Lindsey said then there is a second one which I talked about which is the budget revisions of $50K or greater, which you all requested they come within the time that we request them from the Mayor. So, basically, that's what these are in front of you. **Chairman Burroughs** said the largest one being the $300K. **Mr. Lindsey** said yes, for water pollution. Basically, what we had going on there was the pipe broke that brings oxygen into the plant and they had to bring in oxygen another way. **Chairman Burroughs** said we had, again, the operating for the Police Department, another $50K public safety, health and safety.

Chairman Burroughs said very well done. Appreciate bringing those up. Committee, any questions, comments?

Commissioner Walters said I'd like to know what item 3 on the County General mileage reimbursement for dispatch relocation. Do you know what that might be? **Mr. Lindsey** said yes. So basically, when we remodeled our dispatch center and the workers at the dispatch center had to drive to another location, they were reimbursed for their mileage. **Commissioner Walters** said $40K? **Mr. Lindsey** said yes, so basically each and every employee there is reimbursed. We may not spend that whole $40K, but that is the funding that we put forth.

Ms. VonAchen said it's over the course of a number of months. **Commissioner Walters** said they had to work at a different location. **Mr. Lindsey** said so basically, we're getting a having a remodel done with our dispatch center and the remodel displaces its employees where they have to drive to the Johnson County Dispatch Center. They are reimbursed for driving out to Johnson County Dispatch Center and, as Kathleen said, it is over an amount of time.

BPU Board Member Bryant said I have a question about the oxygen for the treatment of waste. So, has the pipe been repaired? **Mr. Lindsey** said yes, it has.

Chairman Burroughs said, again, this is for information purposes only. Any members of the public want to make a comment about having a comment in reference to this issue.

Janice Witt, Kansas City, Kansas, said I have a question. I know you're not going to let it be answered. I really appreciate you all being here because it is late and we are tired so yay for our Commission. I have a question though on this. This said Police and Fire put in for a change. So, does that mean there was an increase from the budget given to Police and Sheriff, I believe is what we said? If so, what is that amount? Mr. Lindsey said there was an increase to their budgets, but it was done within our budget constraints that we have. It was done for moving money from one line item to another in the Police Department. Then the Sheriff's Department, that was the same thing. **Ms. Witt** said these really wasn't an increase, it was just moved from one place to another. Okay, that I understand.

The next question for you would be, so we we're 70 officers down. Where is their income? Where is their salary being placed in this budget and what does it look like? We should have a pretty significant amount in that on that budget line for employees who are not working. Does that make sense? **Mr. Lindsey** said there are some personnel savings from that, but with us being down, there's also like overtime that we do have to pay, so that would be in our personal category.

So the budget report that we were going through earlier, touched on like personnel and the City General Fund is where the savings would be. When we do have savings when police are not working, there are people that have to make up for that on the police force, and they get paid overtime. **Ms. Witt** said so, those un-hired positions are still being paid to somebody. **Mr. Lindsey** said well, not all, but a portion of it also goes to overtime. **Ms. Witt** said can I get your card and call you so that everybody can go home and I can get that information. **Mr. Lindsey** said I do not have a card on me. **Ms. Witt** said okay, not a problem. Thank you.

Action: For information only.

Public Agenda:

Item No. 1 – 191074…APPEARANCE: TSCHER MANCK

Synopsis: Appearance of Tscher Manck regarding:

- Northeast Master Plan
- BPU bills

Tscher Manck, 212 N. 38th St., said the Northeast Master Plan was completed in 2018, per the website that we're redirected to call the Historic Northeast Midtown Association. On the website it was two links entitled Chester Owens Open Letter and a message from a founder by Dorothy Wakefield, no doubt, two pillars of Wyandotte County, not just the Northeast side. On that website the two links couldn't be accessed; you only get an error message, like a lot of the other things. You get two error messages. Through some investigation I found out that it was because they were unhappy or the letters were not in favor of the Northeast Master Plan or some of the Northeast Master Plan. They felt like that may be some of it was pushed on them by the Unified Government and its representatives. A lot of people feel like it's a regentrification agenda going on, on the Northeast side.

As I read through the acknowledgements and stuff, I noticed that only two people actually live or either owned a business on the Northeast side and it made me think back to the meeting that I had with Land Bank. The community meeting that we had with the Land Bank where it was an economic development representative there who said to me that she was sure that they had reached out to the community for every one of those meetings during the creation of the Northeast Master Plan. My question on that day, and still today, is exactly what community members did they reach out to? A lot of my family lives, a matter of fact, all of my family lives on the Northeast side of town. I went around asking them and some friends that I grew up with, you know, did you receive an invitation. None of us can recall receiving that invitation. So, it begs the question who really had the final say and what was included on the Northeast Master Plan or was the Master Plan already completed before you guys ever asked for the community's input?

We, the people, should have had the final say as to what we wanted and needed in our community, not what other communities wanted and certainly not what appeals to other cultures. This is a historic place for the descendants of former slaves and their families; our first step of freedom. It should represent that history with our art, our culture, our music education including Black History courses, job training, business ownership, all these things will bring employment and homeownership to the Northeast side. As everyone can already see, this area in Wyandotte County lacks a lot of attention and tender loving care.

A new grocery store would have been or should have been the first thing accomplished on the Northeast side of town. However, as we know, it might as well be the last. According to the Northeast Master Plan, the Northeast side produces $36M. I'm not sure if this includes the businesses in Fairfax or not; however, I doubt that.

If the Unified Government invested 15% of that $36M back into the Northeast side just one time and then after that, continue to show the love and attention that it shows all the other areas of Wyandotte County, it will look and thrive just like the rest of Wyandotte County. 15% of $36M is a very small amount compared to what you guys have already invested into like busted and bad investments that have failed over and over again in Wyandotte County. It would seem like that would not be a lot.

The residents of Wyandotte County can see that our officials, some of the past ones, but most of the present ones, now have no problem breaking their backs and bending over backwards to invest in other areas of Wyandotte County and not all those investments have been good ones, yet you still do them. It seems like it’s pulling teeth when we ask for projects to be done in the Northeast side. The Northeast side, as you can see, has been neglected for far too long. What I really can't understand is how we have officials who actually live in those areas, who drive to and from work and not get sad, mad, or even outraged and disgusted for the lack of care and attention shown to the historian, to our historic place, our historic Northeast side. Shame on it all.

Adjourn

Chairman Burroughs adjourned the meeting at 7:32 p.m.

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