STATE OF KANSAS)
WYANDOTTE COUNTY)) SS **SPECIAL SESSION, THURSDAY, AUGUST 4, 2022**
CITY OF KANSAS CITY, KS)

The Unified Government Commission of Wyandotte County/Kansas City, Kansas, met in Special Session, Thursday, August 4, 2022, with eleven members present: Bynum, Commissioner At-Large First District; Burroughs, Commissioner At-Large Second District; Townsend, Commissioner First District (arrived at 5:00 p.m.); McKiernan, Commissioner Second District; Ramirez, Commissioner Third District; Johnson, Commissioner Fourth District; Kane, Commissioner Fifth District; Markley, Commissioner Sixth District; Stites, Commissioner Seventh District; Davis, Commissioner Eighth District; and Garner, Mayor/CEO, presiding. The following officials were also in attendance: Cheryl Harrison-Lee, Interim County Administrator; Patrick Waters, Deputy Chief Counsel; Bridgette Cobbins and Alan Howze, Assistant County Administrators; Brett Deichler, Interim Assistant County Administrator; Monica L. Sparks, Acting Unified Government Clerk; Kathleen VonAchen, Chief Financial Officer; Debbie Jonscher, Deputy Chief Financial Officer; Reginald Lindsey, Budget Manager; Michael Peterson, Assistant Budget Manager; Angie Lawson, Deputy Chief Counsel; Ashley Hand, Director of Strategic Communication; Sheriff Daniel Soptic; Chief Karl Oakman, Police Department; Alley Porter, Commission Liaison; and LaVert Murray, Economic Development Advisor in Mayor's Office.

Mayor Garner said before I call this meeting to order, I want to announce that we have individuals attending remotely as well as on-site. All participants joining by phone should mute their phones when not speaking to avoid background noise. During the meeting, please make sure that you announce yourself by name and title every time you speak so the public that is participating knows who is speaking. This is critical given the number of remote participants and is current guidance from the Kansas Attorney General.

MAYOR GARNER called the meeting to order.

ROLL CALL: Johnson, Kane, Markley, Stites, Davis, Bynum, Burroughs, McKiernan, Ramirez, Garner.

AMENDED NOTICE OF SPECIAL SESSION of the Unified Government of Wyandotte County/Kansas City, Kansas, to be conducted in a hybrid format on Thursday, August 4, 2022, at 4:30 p.m. in the Commission Chambers of the Municipal Office Building for presentation by the Wyandotte County Sheriff and presentation of the 2023 Proposed Budget.

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

Mayor Garner said at this time I will now recognize Sheriff Soptic for a brief presentation.

Sheriff Daniel Soptic said this will be brief. I appreciate the invitation from the Mayor to come back and just answer any questions and follow-ups that you may have to my previous presentation last week. I do have a couple updates that I will share with you guys, so you have that information, particularly as you move into the budget that's being presented and eventually adopted.

If you recall, the two things I brought to you last time was a Cadet Program and a consideration for some pay parity between the Sheriff's Office and the PD. So, I will start with the Cadet Program. I really don't have anything new to add to that, but I would entertain any questions or any follow-ups that you guys may have to that, if there is anything, that you have thought of between then and now.

The other thing was, I asked that you guys look at as you move toward the budget and adopting a budget and a budget cycle, how we could potentially move in some form or fashion to address the pay disparity between my department and the Police Department. We kind of went over how that relates and the issues I have with hiring. I told you there were a couple numbers I didn't have. I do have them now. I can tell you I'm 30 Deputies short and I am 13 Correction Specialists short, so about 43. That's a huge number and so that is definitely something I'm trying to address and that's why I'm here a second time to give you an opportunity to ask those questions.

Last meeting I did not give you the estimated budget impact if you were to do that. It's about $2.2M. It's a big number and I get that. I recognize that and it's not lost on me, but what I will tell you is that's a big number, my shortage is a big number, and it directly relates back to the safety of my deputies, the safety of everybody in that building.

I will just highlight, unfortunately, two articles that really kind of bring that home. August 2, 2022, North Carolina Deputy dies one day after being shot serving papers. He was out serving civil papers, which is something my guys and gals do every single day. Then, July 21, 2022, slain Michigan Jail Corporal's family sues the Sheriff's Office for a wrongful death. Those are things that—unfortunately, we're a business that's dangerous, it's dangerous every single day whether they're in the facility, whether they're working in a patrol function serving civil papers, and I think these two articles drive that point home.

As you look at the numbers and you look at the budget and you look at all those things, that if at any point you think, well, they're a different job, the PD and the Sheriff's Office, 100% they're a different job, but they're not any less dangerous, I guess is what I'm getting at. This is something I want to get to. I want to address it in some form or fashion. I get that's a huge number, again, it's not lost on me. Maybe that's something that's broken up over a period of time to address. If that's the direction you guys decide to go, I would just ask sooner than later because this definitely is impacting my ability to hire and it's, as I told you before, I'm directly competing with the Police Department for the same pool of people, same folks looking to get into law enforcement in some form or fashion.

Those are just some numbers I didn't give you last time, some I didn't have, so I appreciate the Mayor giving me the opportunity to follow-up with you. Again, I would answer any questions that you may have as it relates to that.

Commissioner Markley said if there were one position where we could start implementing a change in pay, would you have a recommendation on where we start that? **Sheriff Soptic** said for us, you know, a Deputy is a Deputy. There is no different—there is classification differences there and essentially one is going to affect the other, so if we adjust the Deputies pay, it's going to go up and adjust the Commanders appropriately, so not really because a Deputy is a Deputy. It's just across the board and that number was figured in-house by Finance and Payroll, that's where that number came from and that was a complete matching all of my staff, my current staff, with current PD salary numbers is essentially where that came from.

Commissioner Ramirez said my question kind of piggybacks off Commissioner Markley's. If you were—because as you said 2.2, that's a big number for us to figure out. As we know our infrastructure is millions more than that that we need to fix and we need to be putting more into. If you were advising us, what would be in your professional opinion as you run the department, should be our first step? **Sheriff Soptic** said I think you look at how big of a bite of that you can take. Again, that's a huge number to try to solve at once, how much of it you can take at once and manage and then come up with some plan moving forward to address it and stick to that plan, whatever it is. Again, sooner than later. I don't think it can be a 10-year plan. It can't even really be a 5-year plan, but to break it up in some way that's a little more manageable, yet still begins to address it and it lets people know that you guys are serious about addressing it and as we look at potential applicants to be able to tell them there's a plan in place, that the Unified Government is serious about correcting this and giving that priority. I think if that's something that we're able to get across to applicants, that helps also. I think just having a plan in place and sticking to it.

Commissioner Ramirez said okay. I will say I'm willing to work with my fellow colleagues in trying to come up with that plan. I know, I agree, it's sooner rather than later, so I will make that publicly to you that I am willing to work with the rest of the Commission to figure it out and see what we can come up with. **Sheriff Soptic** said I appreciate that.

Commissioner McKiernan said thanks for coming back again tonight. This is a question that I meant to ask last time and didn't, so I'll follow up today and I appreciate the opportunity to do it. I know the salary is a big consideration, it's a big number, and it's a big part of the decision that people make in terms of coming to work for us. Are there other non-monetary factors or barriers that we could also, or we should also knock down as we seek to improve our recruitment? **Sheriff Soptic** said as it relates to competition, not necessarily, internal competition because, again, you know benefits are really all the same. The contract, the MOUs vary a little bit here and there, but like I presented last time, all that's really the same; vacation, sick time, benefits is across the board.

Really, the two things that we get—the kind of pushback that we get when we personally recruit, it's always money and then those that don't live here, they always bring up having to move. But, factual internal competition, it's the money. I would have to say benefits-wise, I tell everybody we have some of the best benefits around. I've been an 18+ year employee and I think our benefits are amazing, so that's usually a pretty easy sell, that piece of it.

Commissioner Kane said I know we need to do something. We're up here trying to figure out how much that would cost. He's got a calculator. Give us a bottom line to start with. **Sheriff Soptic** said well, I don't know that I can. I don't know that's for me to say what you can and can't absorb and I haven't even got to hear the budget, so I don't know. They sign their contract. The most recent contract was signed back in December for a three-year contract and so I don't know that it's for me to say what you could or couldn't do, but sure, if you took that and divided it by three, whatever that is, that will get them there before the termination of the contract.

Commissioner Stites said I think since we don't even know what the budget is, I think it makes it tough for us to sit up here and try to figure out a number that makes things work for you. I understand the need, I recognize it and I think that we just need to take into consideration your ask and what it looks like moving forward and how we accommodate and make sure that we're being responsible to those employees like we have done with all the other employees, but I appreciate the presentation. Until we really know what the budget looks like, I think it makes it tough for us to figure out what we can put out there extra right now.

Sheriff Soptic said I think the last thing I would add, I just went back and did a real quick search, if you will, 2018-2022, you know, 12 incidents that really just stick out all related to Correction facilities and either folks being assaulted severely, injured severely, killed. In one instance there were 12 Detention personnel that were severely beaten. It's a hard job to fill, it's a hard job to do and I think the first step is recognizing that it's dangerous and I think once we recognize that and know that, at least maybe in your mind it makes a little more sense when you're looking at that big number. It's a tough job, it really is.

Then, when you look at the Deputy serving the civil paper—I will say I get asked on occasion, can't you take resources from one part of the agency and move them and we've robbed Peter to pay Paul for too many years in my agency. Statutorily there are things that I have to do and that Deputy serving that civil paper is doing something that probably in their state their Sheriff is also statutorily required to do, so I'm just out of people to move around and use other places.

Again, it's a dangerous job as is the Police Department, no doubt about it. We see that every single day all over the country. This is probably just maybe a less known issue and so if nothing else, I bring to light that detention work it's not any less dangerous, it's just different, a different dangerous. In order for me to be able to compete in that arena, pay is definitely a huge, huge obstacle. I really do appreciate the entire Commission listening and being open. Again, thank you, Mayor, and Interim County Administrator, thank you.

Mayor Garner said I've got a few questions for you. I just know from my experience, 32 years on the KCK Police Department and rising through the ranks, I've watched the Sheriff's Department being asked to take on additional responsibilities. I know for a while you had to transport, but that had to drop-off due to personnel. You had no way of doing it and I know that was brought up by Mayor Harrington last week as well, so that's a service that you can't provide any further.

You picked up the parks throughout all of Wyandotte County, which at one time Kansas City, Kansas PD handled, at least within the jurisdiction of the Kansas City, Kansas Police Department, and now you handle all the parks. So, any violent crimes that may occur, not only do you have to patrol, but you have to follow-up on those investigations and take the lead as well.

Now it's my understanding that you picked up Loring, which is an unincorporated area of Wyandotte County, so that's an additional ask for our Sheriff's Department resources that are limited and you're already short so you are in a far stretch. Also, having the necessary patrols in those unincorporated areas as well as being able to be responsive to Bonner Springs and Edwardsville as far as having that Sheriff coverage as well. Am I correct in that statement? **Sheriff Soptic** said yes. When the contract with Loring expired, the Sheriff's Office picked up the coverage when we have people out. We don't run patrol from 1:00 a.m. to 8:00 a.m. and so the agreement is that KCK Police Department is helping out during those hours. Again, it's a fairly small call load. It's been more medical, fire response than anything, but there has been a couple fatality accidents there in the last few years. But, absolutely, that's another pull on an already strained resource.

Mayor Garner said I know you mentioned your civil services that you provide, that's mandatory by Kansas State Statute, but then also I believe you do have a small road patrol that does assist KCKPD. I know when I was on the Police Department it was a valued resource when we blacked out. For those that don't know what black out means, that's where we just don't have any law enforcement officers to send due to the volume of calls from residents and those are prioritized so the Sheriff usually backs up officers or fills in that gap, so you do have a small road patrol that's available for that as well.

There are a lot of resources that are necessary to be able to perform the function of Sheriff affectively and my opinion is that it comes down to safety, not only of the Sheriff Officers, but then you're also talking about safety within our community. So, I think those are two highlighted things I would like to share with this Commission and our Administrator and staff when we consider budgets, not just now, but even moving forward and how being shorthanded not only puts a strain on being able to be responsive to our residents, but also potentially could put not just the officers, but our community at a safety risk when you talk about public safety.

The other thing is, I know you mentioned salaries. One thing that I didn't hear in that number, over $2M, did that include your Command staff as well as your Undersheriff and yourself? **Sheriff Soptic** said it included up through the Undersheriff. I don't know that they included me. Mine was never adjusted even before, so when we did the adjustment back in October, the Sheriff's salary wasn't taken to that 85% then, so that's kind of a whole separate ball of wax. It did go up through the Undersheriff, I believe.

Mayor Garner said I would just like, I know it's probably inappropriate, maybe not so but I know just your character, you're not going to advocate to make sure there's parity with you as well. But, I would like to remind the public and this Commission and our Administrator, that historically the Sheriff is the top sworn law enforcement official in Wyandotte County, but historically the Sheriff and his Deputies have made far less than the Kansas City, Kansas Police Department. Being the top law enforcement, sworn law enforcement official in the county, I think those types of things need to be taken into consideration especially with the type of services that you're being asked to provide and the same safety risk to officers and the public safety concerns from the service you provide to our residents.

I just ask that this Commission and our Administrator take that into consideration. That parity in my opinion, if that's the direction this Commission chooses to go based off the Sheriff's request that we do it from top—or bottom up and just take a look at that and make sure that we're compensating our law enforcement officials in a way that is equitable.

Sheriff Soptic said I will add that as it relates to me that was going to be a separate PowerPoint, if you will, at some point to just kind of look at that. My first and foremost was to get this on your radar, on your plate and I appreciate that and that's something that at some point here in the very near future I will want to discuss, but getting people in and hired has got to be on the plate first, but yeah, I do appreciate that.

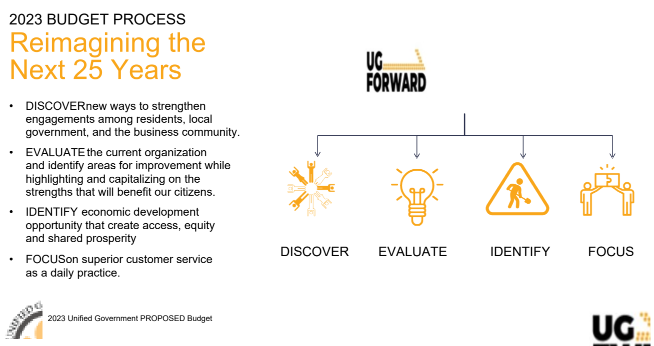
Commissioner Johnson said I appreciate you coming before us this afternoon and I believe that you mentioned this before to us, but I want to know, can you ballpark again how much lower in salary or per person are we than our other jurisdictions like Johnson County or other counties? **Sheriff Soptic** said I know that the Johnson County Sheriff's Office starts—I just had the number the other day, but they start higher than us. I don't know the number off the top of my head. We've talked to some Deputies out there about possibly—**Commissioner Johnson** said I think it would be good for us to be able to see that in terms of numbers and what that looks like. I think that helps shape conversation as we talk about where would we—how can we increase, what can we do. If we had some real crisp numbers that will tell us what we're dealing with, I think that would help to incent us and motivate us as well. **Sheriff Soptic** said I would 100% be onboard and I can provide any of that that you want. The reason I didn't, quite honestly this time, is because while they are a competitor, they're not our direct competitor, you know, as it relates to somebody that does—you know it's required to move here, that takes our pool down even more. It ends up being, you know, the Police Department, but 100% I can provide that.

Mayor Garner said in the interest of time, we've got to wrap up. Thank you Sheriff. I would just like to say that I believe that I can speak for most of the Commission and our residents, just the ones that I've met, we do support Public Safety, our Police, our Fire, and our Sheriff Officers and we do value and appreciate the work that you all do and we thank you all for your service. Thank you for your presentation. **Sheriff Soptic** said thank you all, I appreciate it.

Mayor Garner said at this time we're going to take a short recess and then right at 5:00 we will start with our Special Session on the budgetary items.

Mayor Garner said we are back after that short recess. The second item this evening is a presentation of the 2023 Proposed Budget from our County Administrator, so I will turn the meeting over to Cheryl Harrison-Lee and she will proceed with that presentation.

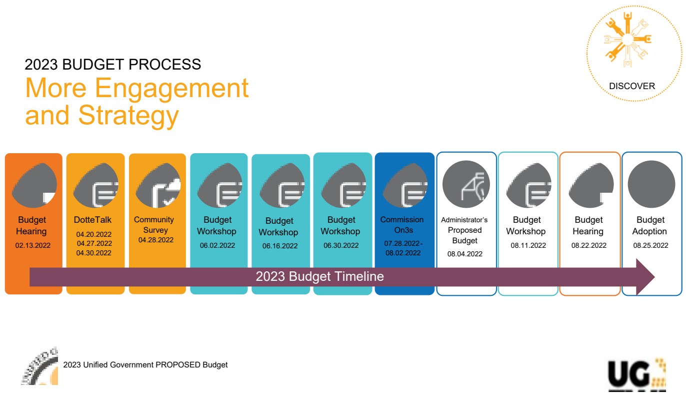
Cheryl Harrison-Lee, Interim County Administrator, said tonight I'm pleased to present to you the 2023 Proposed Budget. Before I start I want to thank our Chief Financial Officer along with the Budget staff along with Alley Porter, Taylor Wash, and the Assistants and our Intern Jeff who worked on the budget and the entire staff who helped provide input through their department directors. We have a lot of people who spent countless hours on this and we could not present this budget to you tonight without all of their help.



We'll first start with our slide that talks about reimaging the next 25 years and UG Forward. As we celebrate our 25 year anniversary of consolidation, UG Forward is our opportunity to reimagine the next 25 years looking at DEIF. D for Discover, E for Evaluate, I for Identify, and F for Focus.

As we look at Discover, we talked about discovering new ways to strengthen engagements. We kick off the 2023 Budget process looking to engage the community and the Commission in new ways.

E for Evaluate, looking at the current organization and identifying areas of improvement, identifying economic development opportunities, and finally F, focusing on superior customer service.



As you can see from this timeline, we have spent a lot of time gathering feedback starting in February. We hosted three Dotte Talk Townhalls, conducted a community survey, lead multiple budget workshops which got us here tonight, and we will spend the month of August getting to adoption on the 25th.

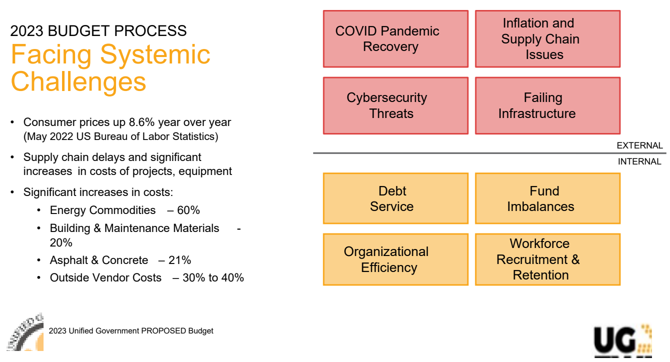
In evaluating the current organization we identified those areas that are opportunities for improvement. We also looked at those areas where we performed quite well. I'll call them centers of excellence. During the first quarter of my interim term I began a process of evaluating the organization with firms who have expertise in local government management who could offer recommendations for improvements.

One of their recommendations that was presented to you previously was to realign the organization to better manage the functions of the departments, to balance responsibilities, and to create an opportunity for collaboration and greater synergy. I'm proposing that we move forward with their recommendation and realign the organization as you see on this chart.

I for identifying economic development opportunities. We previously talked about developing an Economic Development Strategic Plan which would create equitable prosperity that brings community benefit. I'm proposing that we engage in that Economic Development Strategic Plan very soon and staff has been working on the RFP for that strategic plan.

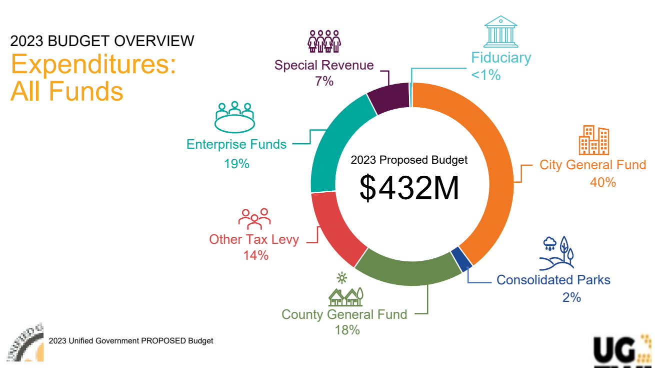
F for Focus, focusing on superior customer service starting with Dotte Leads which is a program that will look at fostering superior customer service that's tangible and measurable through leadership development, equipping staff with skills to identify opportunities for improvement, and empowering staff to take the initiative to introduce change and develop our capacity as an organization.

The 2023 Budget looks to hone in on Commission priorities, prioritizing community needs as we recover from a global pandemic and address systematic issues. Yes, this is a transitional budget. We have many challenges. We're not going to be able to fix everything in one cycle, but we will start the process for long-term sustainability and success.



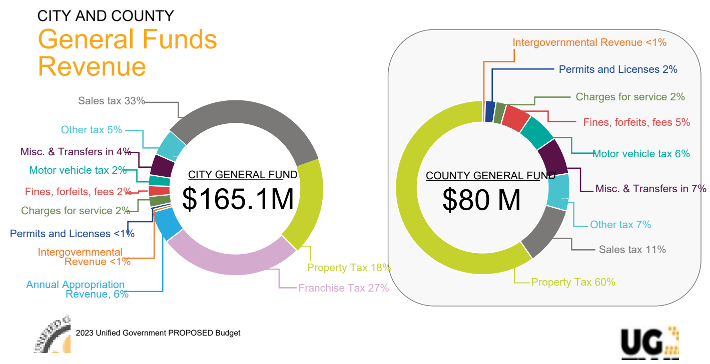
As we talk about the challenges, those challenges are external as well as internal. As we look at our external challenges we have inflation at an all time high as well as significant supply chain issues. We've had the cybersecurity attack, we have the threat of cybersecurity as an external challenge and we have failing infrastructure internally, as well as high debt, fund imbalance and workforce recruitment & retention challenges in todays market. None of these challenges, however daunting they may seem, are insurmountable, but they will take a concerted effort from the governing body to overcome.

At this time our Budget team will preview with you the proposed budget.

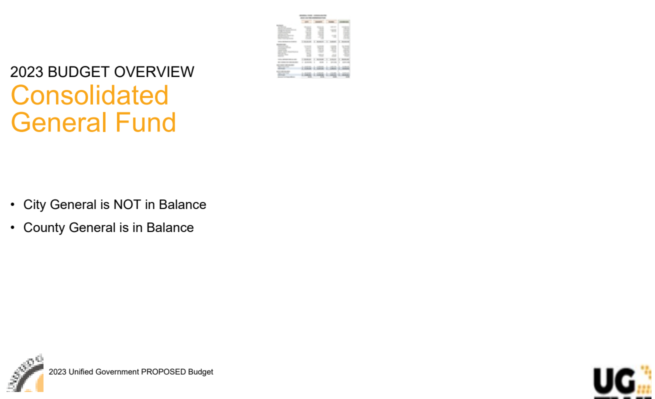


Reginald Lindsey, Budget Manager, said this year we have a $432M 2023 Proposed Budget that compares to a $420M budget that we had last year, which is about a $12M difference. Some of these things that we have built into this budget is we're funding 31 different funds across the whole county. Also, that includes over 200+ services across the whole county. Some of the things that we were able to do were built in a half mill decrease on the County side and we were also able to increase the mill by a quarter in the Parks & Rec Fund.

Also, within this $432M budget we did create a Solid Waste Fund which is about $10M and $8M of that came out of the City General Fund on both the expense side and the revenue side.



As far as the General Funds, the City and the County revenue that we're bringing in is $165M and that compares to $170M last year and on the County side we're bringing in $80M and this includes a half mill decrease and also a quarter mill that was shifted to the Parks & Rec Fund. That compares to $75M last year.



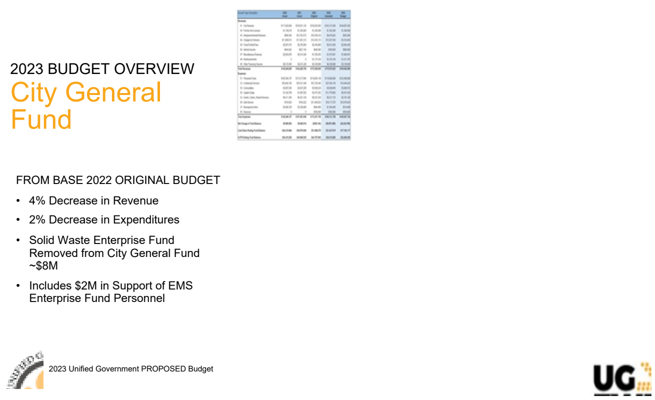
Here we have the view of the Consolidated General Fund. One of the things we have going on with the Consolidated General Fund is it's a $248M expenditure budget and that compares to last year when we had a $255M budget. As you can see, we're looking at the combined totals, we're about $4.47M where we have more expenditures going out than revenues and most of that is made up in our City General Fund which has $4.2M more expenditures going out then revenues coming in. But if we look at our County General Fund, we can see where we have $80M of revenue coming in and $8M revenue going out, so that's a good thing for that fund. In Parks we are at

$277K more expenditures going out than revenues and that's because we're choosing to do a little more spending this year due to some of the things we heard from the community.

Commissioner Stites said half mill reduction on the County side and then you're going to take a quarter mill out of the County side to go to Parks. **Mr. Lindsey** said yes. **Commissioner Stites** asked, how come that doesn't come out of the City side? **Mr. Lindsey** said Parks is a County fund, the Consolidated Parks Fund, and one of the reasons with the City side, it's already in the hole and so we're like $4.2M in the hole on the City side. **Commissioner Stites** said so we're in the hole on the City side, so let's tax the County side. **Mr. Lindsey** said no, that's not the thinking. **Commissioner Stites** said that's sure what it sounded like. **Mr. Lindsey** said no.

Commissioner Ramirez said kind of piggybacking off Commissioner Stites, the quarter mill is a shift, correct? **Mr. Lindsey** said it is—**Commissioner Ramirez** said it's not a new tax. It's just shifting County funds over to the Parks Department. Is that correct? **Mr. Lindsey** said yes, to the Consolidated Parks Fund which is a County fund. **Commissioner Ramirez** said okay, so it's not entirely a new tax, it's just shifting money from one pot to the other. **Mr. Lindsey** said yes. That's a thing you're able to do with a consolidated government.

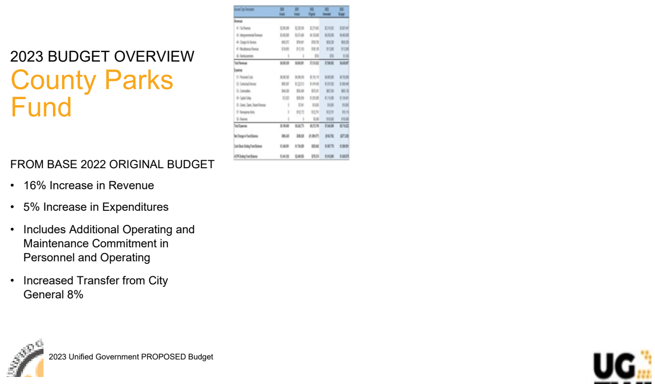
Ms. Harrison-Lee said one of the things we wanted to make sure we did with this budget is we kind of reflected on the Commission feedback with We Love Parks Night and we looked to find a way to be able to provide some funding to parks and so shifting that quarter mill from the County allows us to be able to provide funding to parks for some additional projects that you'll hear from the assistants as we continue the presentation.



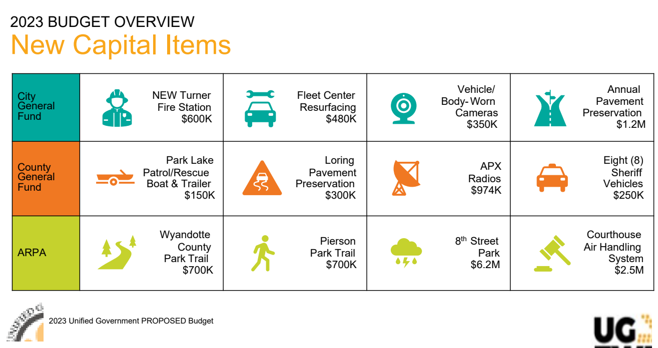
Mr. Lindsey said here we have a view of the City General Fund, and as I touched on before, we see in the 2023 Budget column in expenditures we have a $4.2M net change in fund balance. Sort of some of the things that is made up because we had a 4% decrease in revenue. Also, with the decrease in revenue, we built in a decrease in expenditures and also we moved out $8M for Enterprise Fund for Solid Waste and that came out of both the expenditure and the revenue side.

One of the things we also did was we moved in 16 FTE's from EMS Fund, which amounts to about $2M and basically that was just to help support that fund because it was going into the negative as you can see.

Here in the County General Fund we kind of touched on earlier where we have $80M in revenue going out—or coming in rather and then $8M in expenditures going out and you can see our Base '22 Original Budget, we have a 6.4% increase in revenue and then we also have a 4.8% increase in expenditures. This is kind of where we already touched on where this particular fund had a .75 mill drop, which is about three-fourths and a half mill reduction stays here and then a quarter of the reduction went over to the Parks Fund.



Here's a view of the County Parks Fund and some of the things we have going on here, we did increase the General Government revenues which it gets a transfer from the City General Fund and we increased that a little over $300K for 2023 and then also we had an increase of $400K which was related to the mill increase. Additional $700K just from those two things and then also access value that increased and so you can see we have a 16% in revenue and a 5% increase in expenditure and we're going to include additional operating expenditures in here. We also have new employees to help our park system, help us as far as Recreation Coordinators and also maintenance folks to help keep our parks going.



These are our new Capital Projects across the City General Fund and the County General Fund, and from ARPA funding. So, we have our fire station in Turner that we're going to start building. We've got some costs increase here to some of the thoughts for the cost increase came from City General fund in the amount of $600K. Then, our Fleet Center, we're going to be doing a resurfacing project and it's going to be $408K and then with the Police Department we want to continue to fund their body-worn cameras, $350K a year. Then we have Annual Pavement

Preservation in the City General Fund of $1.2M, but overall in the whole budget we have like $2.2M of new money in this across the whole $432M budget.

In the County General Fund we plan to purchase the Sheriff's Department additional boat and also on the County side Loring work we're taking over services from Bonner Springs that they were doing for us. We want Pavement Preservation out there in the amount of $300K. Then we're going to have a countywide radio project and some of it is funded from the County General Fund. It's about a $7M project (inaudible) across the county for all Public Safety and Public Works and that includes the city of Edwardsville and Bonner Springs and also BPU and also the city of Kansas City, Kansas.

ARPA funding, we have Wyandotte County Parks Trail to be built and then also Pierson Park Trails and then Eighth Street Park where that has been experiencing flooding for years. (Inaudible) the Courthouse Air Handling System.

Commissioner Kane said, Reggie, $150K for a boat and trailer? (Mr. Lindsey was inaudible). **Commissioner Kane** said well, that's what it says. How many boats are you going to buy? (Mr. Lindsey was inaudible). **Commissioner Kane** said $150K for a boat and trailer is wow. I mean I realize you have to have the lights and all that stuff, but that can't possibly cost $150K, in my mind. I think someone needs to revisit that number.

Debbie Jonscher, Deputy Chief Financial Officer, said this next slide is going to cover—we've done a long-range forecast so we're starting with the 2023 Proposed. The first column here is the exact same as what Reggie just showed on the previous slide for 2023. This is the Consolidated General Fund, which includes all three and then we included a four year forecast out for the

Consolidated Fund. I'll just note some of the assumptions that we've included on the revenue side. We do not have any additional changes in the mill from 2024-2027. We do have assessed value built in at 5% per year and other revenues at a 3% to 5% growth and we do realize that this is probably on the conservative side because the increase assessed value for this year was a lot more than 5%, but we don't really know what the future holds, so we've built in our revenue for the forecast a little bit more conservative.

On the expense side for salaries and wages, we have 4% per year built in and on the Capital, it includes the 5-Year CMIP as well as some additional funding for streets with the CPI increase. The feedback we had gotten from the Commission was that we wanted to include more funding for street preservation. In the current year for 2023 we have 25% built in; however, it's not all within the General Funds, so within the General Fund projections we have included 10%.

I just want to note that for the fund balance, if you'll notice for 2023, we're at 19.8%, but with that forecast you can see that it starts dropping. In 2024 we're at 17%, then 13% all the way down to 2027 we're at 7%. I just wanted to note that dropping the fund balance, it can have impacts with not having enough reserves in the event of an emergency or, you know, it can also affect the credit ratings. So, I just want to note that, yes, dropping to that level does go below our fund balance policy.

Commissioner Townsend said I'm sorry, Ms. Jonscher, to interrupt your flow, but I had to ask this question while we were on it. Looking at the projections out for the year shown, one of the assumptions that you made was that there would be no change in the mill rate, right? **Ms. Jonscher** said that's correct. **Commissioner Townsend** said so what we're looking at as this fund balance declines after 2024—well, the decline starts in 2023 and continues to 2027, are we saying that based on these numbers, these expenditures and projected revenues, if we do nothing now or we make the changes that are proposed with the decrease in the mill on the County side, this is what is going to happen? **Ms. Jonscher** said this is what it would be, yes, based on our projections. There's no mill increase. We built, you know, obviously, if assessed value increased higher than 5%, that would change the revenue projections, but right now we just have 5% there, so yes. **Commissioner Townsend** said say that again. **Ms. Jonscher** said what we have built in on the revenue side for assessed value growth is just 5%. We do know that in 2023 the assessed value increased about 13%, so that's why I said our projections are somewhat conservative because we don't know what's going to happen in future years. **Commissioner Townsend** said all right, thank you.

Commissioner Ramirez said to kind of piggyback off of Commissioner Townsend's comments and question, I know every jurisdiction, every community, their real estate—the real estate market is very different across the country, across our metro, it's very different. But is 5% an industry average, would you say? **Ms. Jonscher** said I don't know if it's an industry—you know, if we look at this just for 2023, we're looking at 13%, so that's way above that 5%, but I think if you go back and look at, you know, over prior years we were not that high. I think it was maybe in the 5 to 8%, so we just built in 5%.

Commissioner Ramirez said okay. Again, communities are very different or the market can be different compared to KCMO, Johnson County. Communities are different, values are different and valuations. Are other jurisdictions being this conservative as well, do you know? **Ms. Jonscher** said I don't know that. I haven't seen any of their forecast. If they have a 5-year forecast out, I haven't seen it, so I don't know if I can really answer that question. **Commissioner Ramirez** said okay.

Commissioner Stites said so 13% appraised value increase in one year, which that equates to what in dollars? **Ms. Jonscher** said I'm not exactly sure what—for the General Funds, I believe it was—it could have been around, I believe for the total it was $15M for all funds. I think for the General Funds that might have been maybe $9M, but I can doublecheck that.

Commissioner Stites said a half mill on the County side reduction equates to what in dollars? **Ms. Jonscher** said $800K. **Commissioner Stites** said so $9M we've increased our General Fund and we're going to take a big stab and take out only $800K to give tax relief, I think, is not the direction that I'm interested in and I don't think that's what our citizens were asking for when they begged us for tax relief, not a half mill, not for $800K. What does that equate to per household, that $800K? **Ms. Jonscher** said if you're looking at a $200K home, one mill was $23, so a half mill would be $11. **Commissioner Stites** asked, a month? **Ms. Jonscher** said a year. **Commissioner Stites** said but their appraised value went up what per household? **Ms. Jonscher** said 13%. **Commissioner Stites** said which equates to how much in dollars? **Ms. Jonscher** said for an individual it would be probably $26. **Commissioner Stites** said that's what we used on the (inaudible) going to save, so $200K, it went up how much? **Ms. Jonscher** said $26 a year. **Commissioner Stites** asked, it only went up $26? **Ms. Jonscher** said oh no, that would be the increase in the amount that their—I have to think about that. Let me think about that calculation. Can I get back to you on that? **Commissioner Stites** said absolutely. I'm not going anywhere.

Commissioner Johnson said so overall we're projecting a $4.5M loss in fiscal year 2023 and future losses in subsequent years and it puts us underwater in terms of our policy going forward. We'll be bankrupt if we continue to go down this road. I don't know that is prudent for us as a Commission to see this, to recognize this, and not take some corrective action. This prediction is suggesting that we lose $4.5M in 2023, $4.9M in 2024, a loss of $6.6M in 2025, a loss of $8.1M in 2026 and a loss of $9M in 2027 which drops our fund balance we're projecting down to $11.1M in 2027. I don't know how we can see this and not take some corrective actions. It would be very prudent to see these numbers.

I don't know that I've said this, I'll say it right now. I don't mind going into fund balance, but I think we need to do it responsibly, we need to do it strategically. To continue this way, it's not a way that I can stomach or even approve as it's presented. So, I just need somebody to help me here because I can't get there.

Commissioner McKiernan said I will just say what I've said before and just repeat myself, just as the value for property has gone up, appreciation has gone up, so has the cost of personnel, goods and services that we use to provide services for the people and the families of our city and our county and I still just want somebody to demonstrate to me how the math works because so far I haven't seen how the math works to reduce revenue and increase provision of services.

Commissioner Bynum said I just have some questions. Going back to the potential of the .75 on the County side mill drop and half a mill of it is the County and a quarter of a mill is within Parks. I want to make sure I'm understanding the explanation of the .75 and where it's coming from as it relates to that quarter mill because it's a mill drop, correct? The quarter mill is a mill drop, it's just coming from a different place. **Mr. Lindsey** said it is a mill drop from the County General Fund, but it shifts over to the Consolidated Parks Fund, so in total we took three-quarters of a mill from the County General Fund, but a quarter of it went to Consolidated Parks. **Commissioner**

Bynum said a quarter of it went to Consolidated Parks. **Mr. Lindsey** said yes. **Commissioner Bynum** said on the County side of the ledger, will the residents of Wyandotte County enjoy a .75 mill levy drop? **Mr. Lindsey** said no, it would be half a mill. **Commissioner Bynum** said they would enjoy a half a mill and the quarter mill is just moving. **Mr. Lindsey** said yes. **Commissioner Bynum** said okay. Thank you for explaining that. I was struggling to get there.

A week or so ago we had the Mayors of Bonner and Edwardsville here and made some reflections and requests and Mayor Caiharr in Edwardsville emailed me the bullet points she had said that night, and I imagine we all got them, and some of them I don't think we can necessarily answer tonight. I think they need more time. For example, one of the things she's requesting is allow Edwardsville to leave the Piper/Edwardsville/Turner Library Board and eliminate that library mill from Piper—from Edwardsville residents. I don't know if we have that authority. I think those things might be in state statute. We would all have to go back and have a look at how to eliminate one of the communities out of the Library Board mill levy, which is a separate mill levy and has nothing to do with what we're talking about right here. But I'm just suggesting that we're going to have to do some research about the legality of how that's funded and who should pay for it.

She asked two requests that I would like to understand better tonight. One of her statements is eliminate messy consolidated funds other than Consolidated Parks. What consolidated funds do we have? **Mr. Lindsey** said right now the only consolidated fund that we have is the Consolidated Parks Fund. All the other funds are pretty much either a County fund or a City fund. **Commissioner Bynum** said I'm wanting to understand for her purposes, the people who live in Edwardsville and all of the rest of us, what would be the benefit to either leaving it consolidated, which I think is a function of consolidation 25 years ago, if I understand, or somehow separating.

The second item that I'm seeking information to understand better is, she says audit County departments ensuring programs and community investments only eligible and accessible to Kansas City, Kansas residents are being funded through KCK tax revenue and not County tax dollars. She suggests the Health Department and Parks and some of this is by state statute, is it not? I mean the County Health Department is a County Health Department. I don't know what portion of those are not accessible, or I should say accessible only to KCK residents. That's not my understanding of how those departments function at all. So, I don't know, everyone is just staring at me.

I'm just looking for clarity, I'm just asking for some clarity. She made this request of us and one of the things she's asking for is audit County departments, ensuring programs only eligible and accessible to KCK residents are funded only through KCK and I don't know how to do that. Those are County functions accessible to every single person who lives in Wyandotte County. Am I wrong? Anybody, please tell me. **Mr. Lindsey** said I personally haven't heard of any services that we offer that are just for KCK residents.

Commissioner Bynum said I just want to be responsive to the other communities, but I want us to all be on the same page about what the reality is. The Health Department and Parks or County functions, which are available to everyone. I'm not trying to beat it to death so much as I'm trying to understand the request and I would like future to understand, and I have all this documentation somewhere, because I've had to study it over and over and over again to understand it myself, the state laws that set up our library system decades and decades ago.

Ms. Jonscher said I was just going to comment on the Health Department and the Parks. The Health Department is a County function, so even though it serves residents for both KCK and the other cities, it's still considered a County function and we can pull the statutes on that. I think we already have those. They may have already been presented with our Funds Report, I think, because that is one of the funds that we look at.

I do know for Parks, it was previously a separate—we had a separate City and a County levy and it wasn't changed at consolidation. It was maybe 2008, I think, or something where we did consolidate because there was a separate City and a County levy, but it was consolidated into one County fund. But there is a transfer from the City General Fund to the Consolidated Parks Fund because we do know that some of those parks are within the city of Kansas City, Kansas. **Commissioner Bynum** said okay, that's helpful. That helps me understand it a little bit better and I understand the frustration we are experiencing here in seeking mill levy reduction and I'm looking at you, but I'm just speaking generally to all of us.

We know, we asked weeks and weeks ago what the cost of the new employment contracts, the increased cost of health insurance. You gave us that answer two or three weeks ago and it was around the $12M mark, I believe, so we know that valuations are up 13% and we know that's an enormous number of millions of dollars of new revenue and we also know that every single thing we do is more expensive and the struggle. You brought us what you think is balanced to the best of our ability and the struggle that we have here as the governing body is how can we provide any level of mill levy reduction that's reasonable and practical.

I'm going to say the same thing I said the other day in our small group, if it's $11, I want my $11 and I'm sorry it's only $11, but I want my $11 and I'm just saying that to us collectively because we all know what it costs to put gas in the car and everything else that we're doing these days. So, I'm not admonishing, I'm grateful for the hard work you do and so when I look at you it's not because I'm like it's not your fault because we know it's not. You're bringing us the information and now it's our job to make the decisions. Thank you.

Ms. Jonscher said I did just want to touch on Commissioner Stites, so for a $200K home, the one mill would be $23. With a 13% increase in value, that would bring that home to $226K and now the one mill would be $26 so that would be a $3 increase and that's just for one mill. The City and County mill currently is 70 for 2022, 77 mills, so that would be an amount of $231 for the entire year for the City and County mill. (**Someone** did not have their mic on and was inaudible.) **Ms. Jonscher** said 77. (**Someone** was inaudible.) **Ms. Jonscher** said it's currently 77 mills. We actually have that in a later slide. That's the UG portion. That is not including the school districts, that is just the City and County only. (**Someone** was inaudible.) **Ms. Jonscher** said it's $26 per one mill for a home that's $226K. (**Someone** did not have their mic on.) **Ms. Jonscher** said I actually came up with 231, but I can doublecheck that.

Commissioner Stites said going back to Commissioner Johnson and Commissioner Bynum, we are not, and this isn't a slam, we are not presented a balanced budget. We're presented a budget that shows decrease every single year. We're not able to sustain life any longer. We fold up, close up shop. So, a few months ago or weeks or a month ago, we all sit up here and everybody was just as happy as they could be when we were presented, well, let's give Parks more money, more money, more money; well, we don't have more money to give. Yet here we are tonight presenting a budget that says let's shift money over to Parks because they need it. Well, guess what, we could shift it over and give everybody all ice cream sundaes, but eventually that's going to catch up to us and we're going to have to pay the piper one day and I think that day is here. We're here now, so I'm not in favor of a quarter mill off the City side going to Parks.

We need to look at our whole from top to bottom and figure out how we get our budget balanced and not go down this path that in just four years, three and a half years, we're down to 7% in our reserves. Like you said, that reflects our bond rating, it doesn't give us our fund balance that's required for us to operate in case of an emergency. I'm not in favor of this budget at all. I'm not saying I'm not thankful for your all's work, I'm just saying this—we can't sustain this. I can't do that at my home. I can't sit and say, well you know what honey, four years from now—I'm going to plan this out right now, four years from now we've got to move because we're spending more today than we're bringing in in four years, so start planning.

I mean we need to take that information today and make those changes and take hard looks at things and figure out how we get this balanced, not imbalanced.

Commissioner Ramirez said I will say I agree with everything that is being said. We cannot continue the way we're going. I think last time Commissioner Markley put it perfectly, the reason why we're here is because of us, the Commission, we continue to take out of fund balance with no plan to replace it. So, I think it's time for us to, as Commissioner Johnson said, take corrective action.

One thing that I have been thinking about, and I'm curious about, Commissioners, you can tell me later, we don't have to continue prolonging this, but when it comes to budget time and we're given budget books, I would like the City and County budgets completely in two different budget binders because it is hard to go through that entire huge budget book and try and figure out what is City, what is County. Not this budget cycle, because I know those budgets are probably already being printed, but next year and going forward, two different binders. One for the County budget, one for the City budget that outlines all programs and services that come out of both budgets because right now if a citizen asked, I can give a high level the Health Department, the Parks, the Sheriff, that's County, but specifically I can't give specifics because then I'd have to shuffle through the entire big budget book. So that is a request and, hopefully, something that we can do for the next budget cycle and then moving forward.

Commissioner McKiernan said if we're going to look to cut this down, we've got to look at cost centers. I mean Parks takes a small fractional piece of the budget spending in this budget. If we're going to knock this bad boy down like we say we want to do, you're going to have to look at cost centers. People say they want improved infrastructure. We're going to have to cut that money and these roads are going to have to go to gravel if we want to actually cut it down.

People say that they want Public Safety. We're going to have to cut that down if we want to achieve the kinds of cuts that we're talking about here today. So, I just invite us to stop looking at these little fractional pieces of the expense side and consider that if we want to make big changes on the expense side, we've got to go to our cost centers. I'm sorry, Reggie, I keep looking at you while I say that. I'm not directing this to you because you're just preparing the numbers. Anyway, that's it.

Commissioner Bynum said I think I'm going to echo a little bit of what Commissioner McKiernan said. First of all, a technical question, the required date by which the budget needs to be adopted is what? (**Someone** was inaudible.) **Commissioner Bynum** said I know that's the date. I know August 25th is our planned budget adoption date. What's the law say? **Ms. Jonscher** said I believe we have to have it submitted to the Clerk prior to October 1. Is that correct?

Brett Deichler, Interim Assistant County Administrator, said Commissioner, if I may, that is correct with the idea of RNR, exceeding RNR, you now have the October 1 deadline of getting it submitted after you have your public hearing after August 20th. You have to have that public hearing between—we're going to put it on the 22nd, by rule it's August 20 to September 20 with a submittal to follow before October 1 with exceeding.

Commissioner Bynum said I thought it had pushed into September once we said we weren't doing revenue neutral. So, August 25th isn't mandatory. It's what we've said and I'm not against it, but the reason I was asking is because I was interested in, you know, perhaps spending a little bit more time with the budget. So far we've had this really high level look at it and in the past I think we've taken more time to see what McKiernan might be calling cost centers. I'm just saying, could we just look at departments, where did the increase occur because if we want to give the half mill, which I do, and we did enthusiastically throughout these budget workshops embrace increases for infrastructure, which I know I champion, and Parks and things that we know we want, unless and until we can look more deeply at all the departments, whether they be City or County, we don't know what we might be able to do somewhere else.

All I'm asking is, I would just like to spend more time with the budget detail, and Mayor, I'm happy to be back in person and on the dais, but my opinion only, the fifth floor conference room to me lends itself better to this dialogue. Something about the setup of the room where I can actually make eye contact with my fellow commissioners and we're talking to each other and not at staff, so I'm just suggesting those deeper conversations to me feel more comfortable in the fifth floor conference room.

Mayor Garner asked, does the Commission as a whole, do you prefer to have these in the fifth floor conference room for budget hearings. Okay, we'll make that happen.

Commissioner Burroughs said I'm going to be again the outlier this evening to a certain extent. I've been here for five years and I've asked anyone that's wanted to join me on the financial side to sit down and go through the budget and we've had staff in and I think at one time we had maybe three of us sitting down, and I believe McKiernan was one of them to sit down with us, started working through some of these budgets. But I believe that we can provide services. We may not be able to provide all of them this year, but when it comes to tough decisions, obviously, we have a spending problem if that's what I'm hearing. And if we have a spending problem, then we have to get rid of some of the things that we're spending money on and if that's the case, we need to make those decisions. That is the prudent thing to do, it is the responsible thing to do and I know—I'll share this with you, I see this includes \$2M for the EMS Enterprise Fund. I believe we're operating at a deficit in that fund every year, almost to the tune of a million dollars, I stand corrected, please tell me is that true? **Mr. Lindsey** said we usually go into—try to balance that fund out, so it's not like it's a every year thing. Also, we always had some expenses for EMS over in the City General Fund, so now we are \$2M over. There is already some funding that is over in the City General Fund and so one of the things with a fund like that, with an EMS Fund, you can't always expect it to make its own money. It's going to need some type of support.

Commissioner Burroughs said the reason I bring that up, what kind of funding do we have for that, Reggie, besides just ending balance and the City to backfill that. What kind of revenue do we have to pay for that outside of—**Mr. Lindsey** said EMS Fund is like a million dollar fund. **Commissioner Burroughs** asked, where does it come from? **Mr. Lindsey** said it comes from Special Sales Tax and also from revenues that they collect from the services they provide to the community. It's getting harder for them to collect their revenues. **Commissioner Burroughs** said thank you for that. That was my next comment. If we're not able to collect it, I know there's collection agencies that will pay 50 cents on the dollar to take that over, we would get some revenue in, but we've lost the opportunity to go back and receive the additional revenue.

I mean there are things that we can do that we can even do on a temporary basis to get our house in order and come back and look at things. It was mentioned about the cost of the boat and I understand that it's needed and our other boat is completely outdated and takes on more water than it skips across, I believe, was a comment that was made, but do we need to spend it this year. Do we need to spend $170K on it? The police cars are $31,250 a piece, do we need to spend the $31K on the eight cars that are suggested this year?

These are things we can look at, but you know, I have a question in reference to the revenue loss projection that went into the budget last year. I believe it was $18M into the City Fund or was that a collective amount? **Ms. Jonscher** said I believe it was $12M and I think that was the entire City. **Commissioner Burroughs** said the City was 12 and it was 6 for the County. **Ms. Jonscher** said I think so, yeah.

Commissioner Burroughs said and here we are with a $5M deficit. Where else did we may have lost revenue that the ARPA funds could have backfilled on that. I mean I don't know if that hasn't been considered. I know we had the million dollar plus hit on cybersecurity. We didn't go out and insure ourselves for that, so we absorb that cost, we had the litigation issue which we are dealing with. We have other issues that continue to come forward throughout the year and we still have our Contingency Fund set aside, but we keep using our ending balance to pay things. Since I have been here, I have not seen any cut in services, fees, gone out and renegotiated franchise fees. There are things we can do collectively as a body and we have failed to move forward on that for whatever reason. It's not one person's fault. This COVID really impacted things, but I think from this point—if this budget says anything and from what I hear from my colleagues, there's opportunity here and I've got the experience of 26 years doing budgets that are four times bigger than our city budget and there are ways to make them work. Some of them are normal processes, some of them are painful, but they get done.

I would encourage us just to give that some thought. I'm willing to sit across the table and have those discussions. I love my parks. I'd like to say we have the number one parks in the metropolitan area, but we don't and if we do, it's going to cost us. I'd like to say we have the best roads in the metropolitan area, but we don't, but if we're going to, we need to look at how we're going to pay for those in a different manner. If we're going to levy fees and penalties and then we're looking at policy positions that erase those and reschedule those, we've got delinquent money setting out here. EMS was a good one that we talked about that was hard to collect, property taxes are hard to collect.

I received a notice today, and I'm sure the rest of the Commission did too, in reference from the Department of Revenue and the State that our Assessor was recognized for being in compliance on residential property, but our commercial property was not in compliance. I asked today, how was it we weren't in compliance. What is it? Is it the dark store theory that's going to come into play that we may be able to reassess some of the larger businesses within our community and bring in additional revenue. Those are things we should know as we go into this budget, so that we don't cut too deep, but we don't over budget.

I'm willing to sit down with any of you to run through these departments. I like the idea that if a department exceeds its budget authority, why? Why are their reserves higher than they should be? By policy we've had that discussion a number of times. I think it's important that there be—there's a note in the book why that reserve has continued to build, what services are we not providing or what are we saving the reserves for? If it's technology, then it needs to be put in the budget that way so we have a way of identifying that the revenue isn't being collected and not being utilized. Those are idle funds that need to be utilized in some way, shape or form.

I appreciate my colleagues listening, but I don't see this as a daunting exercise. I see it as a very educational opportunity for us to get our house in financial order and I stand ready to do my part. As I stated, we don't necessarily have a revenue problem as much as we're having a spending problem right now.

Commissioner Kane said have I mentioned I want a park in Piper? Eighteen budgets, I've asked that. But here's something that was in the newspaper I think that we really need to look at. The fire station we're getting ready to build is $11M. The one in DeSoto that has a Hazmat, which is twice as technical as the one we're going to build, is only $7M. There's $4M there, Mayor.

Somebody has fed us a line. How can we build something out there in DeSoto for $7M that's more technical than what we're going to build over here for $11M, because the Fire Department staff has put stuff in there that they want, not what they need. There's a huge difference when we're looking at something and say what do you really need and what do you really want. So, you know, when we're looking at all the things at each department, I'd take a big look at a $4M gap and then ask them what the money is supposed to be for. Then go out there in DeSoto and talk to those guys and say how did you get this done for $7M because they know a whole lot more about what's going on then we do.

I do appreciate this budget style. There's been a lot of input from all of us. I was trying to sit here and not say a word, that didn't work, but seriously, $11M versus $7M, something is dead wrong. We need to take a look across the board about did anybody else overestimate what they really wanted or what they really needed. I think we need to look at that and, once again, did I mention, we need a park in Piper?

Commissioner McKiernan said Commissioner Kane—**Commissioner Kane** said hang on, I'm sorry. Commissioner Burroughs said something and we own the ground, so how much more was it fabricated? I don't mean to get excited, but when I see that and I know the difference between Hazmat and the other stuff and the technical equipment it's going to take to run that out there, we have failed miserably to our community to allow somebody to overestimate so far. Once again, if you look at the big ones they drive, do they have to drive that nice of vehicles, they can't drive a Traverse or something? I mean, how many of you guys besides Harold's got a car like that. Sorry Harold.

Commissioner McKiernan said Commissioner Kane, I told Commissioner Bynum before we started tonight I wasn't going to talk at all. I think it's my fifth time on the microphone so I would just caution all of us, some of us sitting here are old enough to remember a commercial, the tagline was, you can pay me now or you can pay me later, and we over the years have made some decisions to not pay for short-term expenses that now result in things like the Kansas Avenue and the Central Avenue bridges both being closed. We can't forget that as we think about making incremental spending decisions in the short run, we have to always look at the potential long-term implications of not spending that money, because right now, we did not spend money on Kansas Avenue Bridge maintenance on an annual basis, it's closed. We did not spend money on the Central Avenue Bridge maintenance on an annual basis, it's closed.

We can't afford to close any more bridges, which means we can't afford to defer those fairly small amounts of money because they compound over time and they come back to bite us with a $60M replacement.

Commissioner Ramirez said this question is for the Administrator, and my memory is not the best, so I remember in our on-three's the proposed budget at the time was $435,437, but tonight it's 432, so where were the cuts made from what was presented at the on-threes to tonight? **Ms. Harrison-Lee** said I will turn to our Budget Manager, Reggie, to respond to that. We did make some changes in the budget because we did not have the balanced approach in the County Fund at the time, I think, we did your briefing. We've since balanced that. You want to talk about the areas we cut.

Mr. Lindsey said we were able to go back in and look at personnel and recognize that there were some departments that had some overtime things going on and we were able to recognize some savings, which really helped us out. Also, we went in and cut some Capital across the board. Most of the cuts were made in the City General Fund because when we did bring the budget to you all in on-three's that deficit was like $8.2M and so that's where we were able to slice the budget down and there were some other positions we cut out of the budget also.

Commissioner Ramirez said I mean I'm not complaining that we were able to do it. Could we get, not just me, but the whole Commission, an itemized list of what was cut and the amounts, just so I can have for reference. **Mr. Lindsey** said definitely.

Commissioner Davis said I also was holding my tongue, just kind of listening, giving this is my first budget process. A few thoughts off the back, what we're looking at, it's not a budget. I just want to make note of that. We are talking about a forecast here, so that's the other part. We have yet to see within these slides an actual budget which kind of leads me to my next point. Ms. Harrison-Lee, will we see a detailed budget that is itemized? By itemized, I mean department by department and within that we have personnel, all the expenses, we have the revenue and how much that department has, and then we also have the funds. Will we see that? **Ms. Harrison-Lee**

said yes, you will get a budget book. **Commissioner Davis** said okay, awesome, because that to me is the real budget. This is kind of steep—**Ms. Harrison-Lee** said yes, and I do want to call your attention to—I'm glad you brought up a forecast because one of the things we heard a week or so ago was that as our consultants looked at the forecast, they looked back to like the '19 and looked at how, the forecast, they did not believe was sustainable because we've been showing this structural imbalance for a significant period of time.

We needed to have a plan as an organization and have not developed a plan, and so one of the things we've talked is, okay, as you look at this budget—as you look at this transition budget, you will need to develop a budget and a plan to address this structural imbalance in your budget. My recommendation is that, as you develop the next year's budget, that you look at two years at a time so that you have an opportunity to look at that and you look at a long-term Capital Plan as well so that you have some very strategic intentional discussion on how to address the long-term structural imbalances that have been in the budget. So, I'm glad you brought up—this is a fork that this particular chart (inaudible) forecast.

Commissioner Davis said gotcha and same for the CMIP. We will see detailed CMIP that has ARPA and past projects has equipment and has—you know, how much we're spending on streets and other projects, we will receive that as well. **Mr. Harrison-Lee** said we will give you Capital, what those Capital projects are. **Commissioner Davis** said I would like far more detail than what we are looking at here. This is kind of a summary. I'm not really interested in summaries at this point. I need to see kind of where the money is going to make an educated decision on my vote.

Commissioner Ramirez brought up this point, and I want to echo this, we talk a lot about how we're going to spend money, but there was a part in the exercise that was done by Alley Porter and Ashley Hand and had done a great job on this where there was a question about revenue. If we keep only focusing on expenses and we do not focus on revenue and by revenue I do not mean solely property taxes. There are other ways that we can generate funding for the Unified Government. I haven't seen an intent. We've had a whole bunch of special sessions about dreams, about a lot of things that we cannot afford, but we can make real, concrete decisions this budget season to increase our revenue.

I would love for staff to put together and put our minds together of how can we increase revenue without looking at property taxes and without looking at the PILOT. What other things can we do? I agree with Commissioner Burroughs when it comes to beefing up tax collection, but are there other things that we need to take into consideration.

The other thing that I'm very mindful of within this process, this was presented last month to us in the Finance Standing Committee, is that we underspend somewhere between $5-$6M. That's about the five-year average. One of the reasons why I am not so worried about this forecast as presented is because I'm expecting that these projections will not be completely accurate, which is not a bad thing, right, especially when it comes to Capital projects. If the project does not go through, that means money is unspent. I'm okay with that, but I just want my colleagues to realize that these projects are rather conservative.

Have we, and this has been a request since March made any attempt to reach out to the other taxing jurisdictions? Staff, Mayor, County Administrator, does anybody have any update on where other taxing jurisdictions are at this time on whether or not they're going to raise property taxes? Do we have a list—**Ms. Jonscher** said I know we had reached out before we actually started putting the final numbers together, but I think that was before the date they had to certify with the Clerk whether they were going to exceed their revenue neutral and I believe that most of them had indicated that they were not increasing, but I don't—we haven't ever seen the final I don't think. I don't know if that's something we can get from the Clerk or the other agents.

Commissioner Davis said that information would certainly be welcome because if we're going to talk about lowering taxes and we want our residents to feel that $11, even if it's $11, then we have to ensure that our other taxing jurisdictions are in line with that. If not, then quite honestly, nothing that we do is really going to be beneficial for our residents.

The last thing I'll say is this, I think we have to reconcile our priorities here. I think we have a lot of department heads come and present their needs, which is a lot, but it's really, really, difficult to stay on course on what we need to do if we keep entertaining new ways to spend money we don't have. It's just not worth our time, in my opinion. I think the Community Survey and the Commission exercise laid out where the direction is. I think that's where we need to go. I appreciate our County Administrator in keeping us in line because that's how we remain solvent.

Commissioner Bynum said just kind of, Commissioner Davis, to the concept of working cooperatively with the other taxing entities to share the pain, some of the electives have been talking with some of the electives at the other end of taxing institutions toward that effort and some of you know that I kind of keep—several of us have been asking this question for years and we like our dollar bill a lot. We like to show people that we're less than half, so you know, putting our money where our mouth is and reaching out collectively to communicate and cooperate with these other taxing entities, I think at the elected level, is certainly an appropriate line of communication. I keep kind of dreaming that if a school district did a mill and a county did a mill and a college did a mill, now we have three mills and we've kind of got something and we've shared the pain. That's the approach I'm taking, I think, we don't know what they will do until they vote for it. **(Someone** was inaudible). **Commissioner Bynum** said correct, right, but a mill is kind of the same amount for, I'm only using it as an example, the college as it is for the county, right, it's almost kind of close for the KCK School District as it is for our KCK side of our budget. I would think those are fair comparisons, so we kind of know what the dollars are anyway. I'm still willing to keep pursuing that.

There's other tax levies. Again, we have the Piper/Edwardsville/Turner, our own Library Board will set that. We have the KCK school mill that the school district will set. There are other levies, so I'm with you and I think we can have those conversations too. **Commissioner Davis** said if we need to just call a special session to make that happen, we just make it happen. It just take six of us, so if we can get other electives to come in, let's do it. We'll get staff. I'm ready, but we've been asking for this for five months now, it needs to happen.

2023 BUDGET OVERVIEW

Prepare for Uncertainty

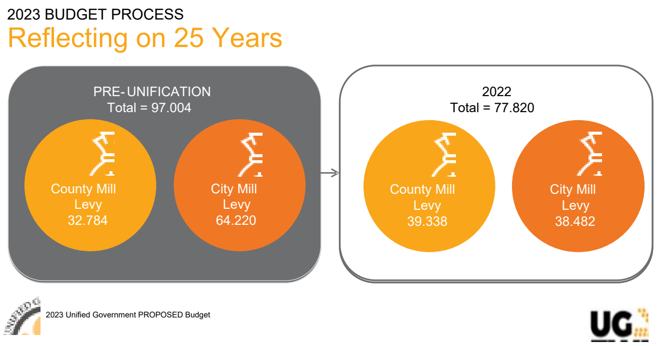
General Fund	CITY	COUNTY	PARKS & REC	COMBINED
Revenues	$155,221,369	$80,264,171	$8,438,997	$243,924,538
Expenditures	$159,456,167	$80,229,469	$8,716,222	$248,401,858
Net Change in Fund Balance	(4,234,798)	34,702	(277,225)	(4,477,320)
Cash-Basis Fund Balance				
Beginning of year	$21,427,915	$12,402,463	$1,567,776	$35,398,155
End of year	$17,193,118	$12,437,165	$1,290,551	$30,920,834
ACFR Fund Balance				
Beginning of year	$36,316,850	$15,443,487	$1,912,800	$53,673,138
End of year	$32,082,053	$15,478,189	$1,635,575	$49,195,817
Reserve % of Expenditures	20.1%	19.3%	18.8%	19.8%

General Fund MINIMUM RESERVES POLICY	
Operating	2 months – 17%
Emergency	1 month – 8%
Total Reserve	3 months – 25%

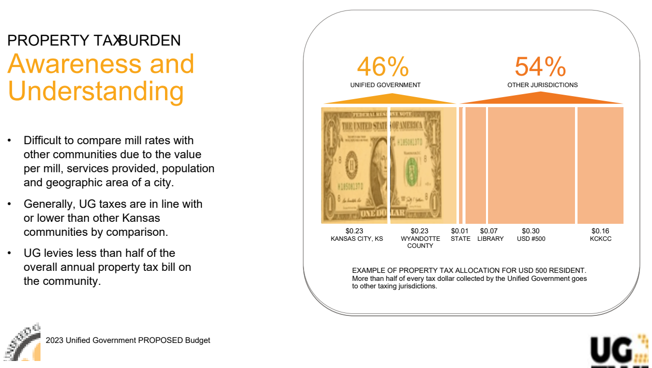
*Use of reserves should be for one - time expenditures

2023 Unified Government PROPOSED Budget

Ms. Jonscher said the next couple of slides, we've talked a little bit about those—so this was just to show what our minimum reserve policy was and we broke out the City, County, and Parks & Rec. We had showed the combined showing for 2023 the fund balance percentage was 19.8%, but it actually breaks out for the City, it's 20.1%, the County 19.3% and Parks & Rec 18.8%.



This next slide, just looking at where the City and County mills have been. Looking back 25 years since consolidation, so pre-unification, the total mill for the City and the County was 97 mills. The County was 32.7 and the city was 64.2 and for 2022 the total is 77.8 mills with the County at 39.3 and the City at 38.4.



This last one, Commissioner Bynum was just talking about, the breakout of the dollar. This just shows that the UG is only one portion of the tax—where your tax dollars go, 46% goes to the City and County and the other 54% goes to the taxing jurisdictions; state, the library, the school district and community college.

PROPERTY TAX BURDEN

Awareness and Understanding

CITY	1 MILL REVENUE	POP PER SQUARE MILE	TAX PER CAPITA	TAX PER SQUARE MILE
Wichita	$3,938,087.85	2,459	$318.48	$783,217
Overland Park	$3,778,438.96	2,619	$279.10	$730,923
Olathe	$2,137,039.32	2,375	$366.42	$870,075
Kansas City, KS	$1,329,255.09	1,224	$334.91	$409,821
Topeka	$1,169,618.83	2,070	$375.04	$776,377
Lawrence	$1,138,458.49	2,933	$384.97	$1,129,299

REAL ESTATE PROPERTY TAX EQUATION

Value Per Mill* x Mills = Collected Tax Revenue

*Value Per Mill = Assessed Value / 1,000

COUNTY	1 MILL REVENUE	POP PER SQUARE MILE	TAX PER CAPITA	TAX PER SQUARE MILE
Johnson	$11,387,996.91	1,250	$490.63	$613,291
Sedgwick	$5,311,195.88	525	$297.79	$156,459
Shawnee	$3,532,284.46	328	$478.13	$156,680
Douglas	$1,523,321.45	262	$592.54	$155,446
Wyandotte	$1,445,590.48	1,058	$344.55	$364,431
Leavenworth	$762,689.33	178	$342.72	$343

2023 Unified Government PROPOSED Budget

Michael Peterson, Assistant Budget Manager, said just for your information, Commissioner Davis, the budget document is posted online currently and we are working to get copies in your office, hopefully tonight, if not, tomorrow, so that is available.

As part of our new budget outreach initiative that we were doing in the spring, we did some community comparisons and so one of the things we looked at was property tax revenue. We frequently talk about the number of mills that are levied, but that's only half of the equation. So one-half of the equation for collected tax revenue is the mill, the other half is the value of that mill and so a $200K house in any jurisdiction is going to be the same, $22. The difference is the amount of tax base that each jurisdiction has, so we went and compared ourselves to counties and cities of similar population across the state. One of the things you can see, comparatively speaking, on KCK, the value of one mill is $1.3M, Wyandotte County, the value of the mill that we found for across all the different taxing entities was $1.4M at the time.

One of the things that stood out to us as a city, we have a much lower—our population density is about half of what a lot of the similar populated cities are, so what that does is even though we're collecting a similar or lower amount of revenue per person for our population, we're actually generating half the revenue that a lot of other similar cities are to support our city infrastructure, like our pavement preservation projects, our Public Safety Departments, our Parks & Rec and so we have half the tax base that other similar cities have to provide those same services.

On the County side, you can see our population density is actually one of the highest. We're one of the more urban cities in the state—counties in the state of Kansas. So, even though our tax burden per capita for our population is one of the lowest and our mill rate is one of the lowest, we actually are collecting more revenue per our land area to support county services, such as the Health Department or Aging Services.

2023 BUDGET OVERVIEW

Commission Priorities

2023 Unified Government PROPOSED Budget

Ms. Harrison-Lee said thank you budget team and Mayor and Commission for the insight and the feedback that you provided. I want to go back to the priorities that we heard from the Commission throughout this process as they overlap with the feedback we heard from the community and what we heard was investing in infrastructure, looking at our streets, looking at trying to add additional revenue to street preservation, also trying to provide some type of relief to the residents of the county. We also heard that you wanted us to look at retaining and recruiting the talent pipeline, retention and recruitment of our workforce, so innovation and resiliency and then, finally, looking at our amenities and investing in our park infrastructure. So as we move to look at this, we will start with investing in our streets.

2023 COMMISSION PRIORITIES

Invest in Our Streets

INVESTMENT

ANNUAL 25% ADDITIONAL STREETS INVESTMENT		
Budget	Incremental Increase	Cumulative from 2022 $8M Base
2023	$2,000,000	$2,000,000
2024	$2,500,000	$4,500,000
2025	$3,125,000	$7,625,000
2026	$3,906,000	$11,531,000
2027	$4,883,000	$16,414,000
2028	$6,104,000	$22,518,000
2029	$7,629,000	$30,147,000
2030	$9,537,000	$39,684,000

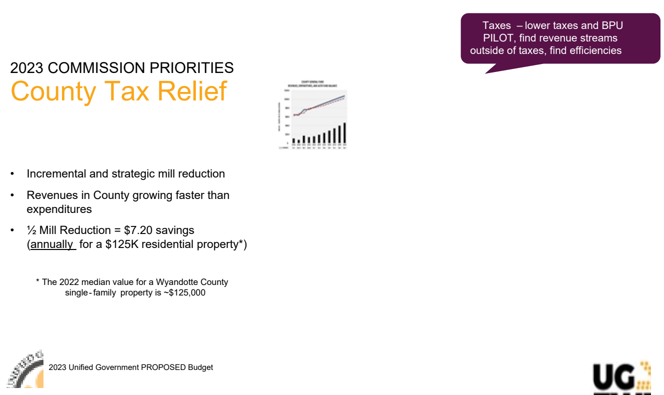
RESULT

- Target: PCI of 65 by 2038

2023 Unified Government PROPOSED Budget

Brett Deichler, Interim Assistant County Administrator, said I'm going to talk about the slide you've seen before, Street Preservation. While maintenance seems to be the—city streets continues to be the top priority with 72% of the respondents ranking it the most important community service priority in all the districts, we've heard from the Commission regarding infrastructure subcommittees that they too were committed to addressing the infrastructure improvements as well. So looking at the various options here, when asked about the best strategy to fund the Street Preservation the Commission selected the orange line, which is a 25% increase to starting it with an $8M baseline through basically 2023. Now, that would only get us targeted to a PCI, Pavement Condition Index, of 65, which is still probably the lower tier of where we need to be in the long-term, but it definitely puts us on a path to keeping us from going into that blue line down here, which is basically ultimate failure.

Using that table here that Michael put together, which I appreciate, you can also see—visualize basically how that 25% investment compounds over the next several years, which by this example equates to roughly $39.6M invested in the PCI program over the next several years. I mean it's really no pun, but the road to improvement with PCI is basically just a physical science, you have to throw money at. It's a cost of being in business, and these are the things that if you let go, they're going to be more problematic in the years to follow because it's what they consider present worth analysis and if you do not take and add or fix or replace now, it's going to cost you more in the future because, as you know, we're in an inflationary—accelerated inflationary environment which is costing more as we speak.



Moving into the next slide, talks about strategic tax relief, but it's very tough. I'll start by saying that the County General Fund is actually in better condition as you've heard tonight, then looking at the City General Fund. So looking forward, the graph shows revenues are projected to outpace expenditures moving forward. Hopefully, as alluded to by Commission here, we can actually build our way out of some of this, which is to take it off the residential rooftops and get more into the Eco-Dev side of things, by being strategic. I think we've heard that from all commissioners. We've also heard about an incremental strategic way of reviewing these, reduction of which is also discussed by our Finance and Budget team here has lead us to do this to what they have as a currently proposed one-half mill decrease to the County Fund.

So knowing that, you know, it's difficult in all facets to do that with a density model we own in residential, we need to be very strategic about what that economic proposal looks like moving forward. And I think that with the collective ideas behind Commission what we state here tonight, we're looking just to do that between now and the next session.

So, with that being said, I will turn it over to ACA Bridgette Cobbins, to discuss the innovation and resiliency in our projected investments in Parks & Recreation.

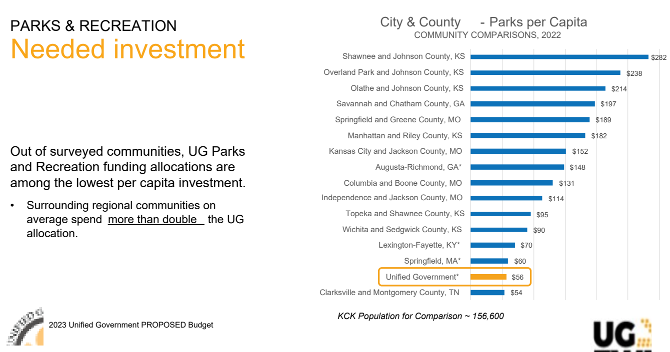
Bridgette Cobbins, Assistant County Administrator, said Innovation & Resiliency is the third Commission priority. We cannot do anything without our employees and in this market, we have to be an employer of choice to recruit, to retain, and to develop the best. Included in this budget are agreed upon union increases in the union or non-union COLA increases. We will need to continue to find other strategies to ensure a competitive workforce. A competitive and classification study will appropriately align our workforce, and it will also preserve the integrity and the currency of staff.

We also heard an Economic Development Strategic Plan that needs to be intentional in attracting and retaining businesses and cybersecurity measures to protect application, information and operational security. By hiring a grant writer, we will be able to capture federal grant dollars and this position has the ability to pay for itself when we're seeking grants that are in line with our goals.

Seven million dollars in ARPA funding will assist us with the continuous while stabilizing our community.

In our Parks & Recreation, that was our last priority that we heard from this Commission. By shifting a quarter of a mill to our Parks, we'll be able to provide funding for multiple positions. This would also be visible in the community by being open more hours at our community centers and hiring a Park System/Asset Manager to manage various funding streams and ensure their projects and that we will have the ability to get those scopes and define the deadlines they provide for those particular projects before them.

Enhanced Capital & Operating Investment gives us the ability to better maintain our parks amenities and implementing a city beautification initiative will assist with beautification and providing an appearance, a better appearance for our overall community.



Compared to our peer parks in both the state of Kansas and in Missouri, this graph shows that our funding is substantially lower per capita. Improving our parks will align with the results of the citizens in our survey. Those are the four main priorities that we heard from this Commission and all those priorities have been included in the budget presented to you tonight,

Ms. Harrison-Lee said in closing, again, thank you to the CFO, to the Budget staff, to the staff in Administration, and to our intern, who is here with us for probably one more day, for help in working on the budget, as well as all the departments. I mean this is an all hands on deck exercise and thank you to you for the interactive sessions that we've had to get your feedback.

A couple of takeaways, residential doesn't pay its way. It doesn't pay its way even in communities where their average value is a million dollars. Communities need that healthy balance between residential and non-residential.

This presentation, particularly the slide that we showed that talked about what a mill equals in the various jurisdictions, clearly delineates the why for economic development. In order to generate additional revenue, we really have to look at economic development, and Commissioner Davis, you touched on the fact that we're talking about the expenditures. This needs a very healthy conversation also about the revenue generation and so to that end, the proposed Economic Development Strategic Plan is an effort to look at how to develop a way to deal with economic development projects that will generate additional revenue, how do you incent those projects that are projects of choice that will generate additional revenue. We know this is not sustainable long-term. Decisions of the past can't be the decisions of the future. We have to look at a way to streamline our expenses. I think this is a transition budget, we can certainly work with you. Get departments in front of you as you look at the budget, that book that's on your desk, it's a lot of reading, it will give you exactly what you've asked for Commissioner, all 867 pages of detail, Commissioner, that you've asked for, but it will give you the detail.

We look forward to working with you all to identify those areas that we need to streamline and reduce to be able to get a budget that at least moves in the direction until you get to that two-year look and that long-term Capital projects.

Mayor, that completes our presentation. I will be working with the department directors to meet you on the fifth floor in the conference room and roll up our sleeves and figure out how we can have another session that looks more closely at what you have.

Mayor Garner said thank you Administrator and thank you staff. There are a few questions, so just bear with us.

Commissioner Kane said you know we talk about Public Safety and that's one of the major concerns we hear in the community and we just heard the Sheriff say that he's in need of a way to recruit, a way to maintain the future employees and the current employees. I know he was asking for a lot of money, but I would like to see us put $350K aside for his group and reevaluate that next year because I think that's something that in order to maintain our good employees and to get new employees, we're going to have to incentivize them that way. So, I would like, like I said, add $350K to the budget for the Sheriff's Department.

Commissioner Ramirez said I just want to say overall, thank you Cheryl for presenting the budget and taking what we have given you and building a budget around that. I really do appreciate that and I also appreciate you wanting to create an economic development strategy. We haven't had one. They've just come to us as they've came. We've never really had any type of plan to figure out where, how and why we want to do economic development and so I do appreciate that you're working on that. I look forward to seeing how we all can work together to bring that plan to fruition, so thank you.

Commissioner Townsend said thank you to all that participated in putting this presentation together today. Just a few takeaways from me starting with the first question. I am just concerned when I see the bleed and the projected bleed, meaning a negative balance through 2027. Yes, these are forecasts, but we better pay attention to them. They are not the budget, but they are the heads up and I've been here since '13 and we've done these forecasts and we've been pretty on point most of the time. It is wise to look at this and say yeah, this is what we've got, this is not really imagination.

What I would like to see, Madam Administrator and Mayor, as we do these workshops to deal with, even though this is transitional, to start on the downward side to stop the bleeding to take this 4.4 minus million dollars and the difference between the projected revenues and expenses and decrease that number and how are we going to do that. We're going to have to use the magic word, no, to somethings, and delay, that's just it unless some Brinks trucks roll up in here, I think, that's going to be it. I would look forward to working with all my colleagues and I'll give you a call about that, but there was a concept when I came that when we would look at, do we want to move money over here to this item or that item, then the corresponding question that was always asked and had to be answered is okay, we're moving a million dollars from here, what is not going to be done. We're just going to have to, I think, look at that approach so we're not actually creating any money, but we're reorganizing where it's spent based on the priority that the public has shared with us.

One of those that I don't see reflected in here was a high priority from the last Citizen Survey and we talked about this and that was the need to increase and stabilize with more people and more funds and more support our Code Enforcement, making the city look better. I'm surprised I didn't see that in here, but again, the issue would be, where can we move money from that we have already, maybe to do that and just be prepared at least in the short run to use the magic word no because we cannot continue on a trajectory of red ink.

I appreciate the audits that were done and that's given us a heads up already, so we're just going to have to be real about this and maybe some of the new capital items, maybe we can't do them all right now. Maybe we can't do as many of them or some of those, but at a lower volume.

Commissioner Stites said one of the things that I was wanting to ask is, from our Thursday night Commission meeting that we had to tonight, it was blue sheeted and pulled. I'm just curious, I have that from our agenda on Thursday night and the reason I understand that it was pulled is that there was some changes that needed to be made from the one that was presented and pulled on Thursday night to the one that we currently have now. Can someone point me to what changes were made from that one that was in our agenda on Thursday night and pulled to the one that was presented tonight? **Ms. Harrison-Lee** said in terms of what was presented tonight, what you have before you tonight is kind of the recommended budget piece. The item that was moved to the next

Commission meeting is a different item than this. **Commissioner Stites** said to the 11th. **Ms. Harrison-Lee** said right, to the 11th and we will be—our Auditor confirmed last week that they would be available and we are following up with them on some presentation items for clarity for you, but what you have is the document and that's not what you got tonight.

Commissioner Stites said okay, and Bridgette, one of the things that you had mentioned and I think that we definitely are missing the boat on is grant writers. There's opportunities out there for us to—that's how we can get some additional funding to take care of some of our internal bleeding that we have and I am in favor of funding grant writers so that we can look at capturing some of that money that's out there.

A couple other things, when was the last time that the County mill was reduced and by how much? **Ms. Jonscher** said I don't have that tonight. I can provide that.

Ms. Harrison-Lee said we seen something earlier today. Is that something you can answer Kathleen? No? **Commissioner Stites** said so not in anybody's recent memory, that's for sure, but I can remember. I do remember that in 2015, '16, and '17, the City mill levy was reduced by two, two and two. **Ms. Jonscher** said 2017, 2018, and 2019. **Commissioner Stites** said so we're saying that subsequent 2019 that the County lowered their mill? Is that what somebody is saying? **Ms. Jonscher** said no, prior to that. **Commissioner Stites** said before 2016, but between 2017, '18, and '19 we reduced the City mill, which didn't affect Bonner Springs, didn't affect Edwardsville, didn't affect any of those residents by six mills in three years. Here we are again, only wanting to attach a half mill to the County side. I think we owe it to the County side to fix that.

The other thing that I'm interested in is the PILOT for Edwardsville. Edwardsville citizens are paying a PILOT to the Kansas City, Kansas General Fund. I don't think they should be doing that. This was brought up in some of our meetings in the past and I was told that Edwardsville doesn't pay a PILOT and then it turns out—we find out yes they do, and it goes directly into the Kansas City, Kansas General Fund. I propose that Edwardsville is relieved of that PILOT.

Also, CIFI, Mayor Caiharr mentioned in her email to all of us, but that was pulled in 2008 and that was a percentage, I don't remember what it was, maybe a half a mill, quarter mill, percentage on the County side that went back to Bonner Springs and went back to Edwardsville to go specifically for maintenance and road repair. Then in 2008 that program was pulled with no explanation and with no reason why or expectation that it might come back and I believe we probably ought to look back into that also.

Ms. Jonscher said on the CIFI Program I believe—I don't know if it was—it was the equivalent of one mill. I think it was around $1M for the County and it was split out between all of the cities. It wasn't just Bonner Springs and Edwardsville. It was all the cities and all of them got a portion of it. I can't remember what the percentage breakout was. We have that information and I believe it was maybe for three years, possibly two or three years that we did that, but I can check. I've got more information on the CIFI Program. **Commissioner Stites** asked, do we know why it was pulled. **Ms. Jonscher** said I don't remember that it was a long-term program from what I'm recalling. If it was 2008, it could have been possibly due to the recession at that point, but I'm not sure.

Kathleen VonAchen, Chief Financial Officer, said I wanted to comment on—kind of bring you back to the end of 2016. So, in December of 2016 we paid off the Legend STAR Bonds and so that allowed the amount of sales tax that was being generated became freed up. We didn't have to pay the bondholders, so it got deposited in Operating Funds of which about $9.6B of that was deposited into the City and the County General Funds, 9.6, between the two, so that was an additional revenue. Beginning in '17, the Commission decided to reduce the bill, but not do it all at once, do it gradually, but reduce it over time by six. So they started with $2M and then they started with another two and then another two for a total of six between those three years. Now, the reason they only did it on the City side was because the 10 years prior to that we had been experiencing the housing meltdown and the great recession of 2008 and during that whole time between that time up until 2016 assessed values hadn't grown very much at all. They were very stagnant and since the City General Fund is more dependent on sales tax, they were better able to sustain that because property taxes, lesser percentage, of the total revenue base than it is for the County.

The County depends almost 66% on property tax, so that fund was really dependent on property tax and it was really stagnant, so at the time, the County General Fund just flat out could not afford to have a mill reduction as a result of the STAR Bond payoff. It just wasn't affordable, so that's why the Commission approved not to have a mill reduction as results of the STAR Bond payoff at that time. But, now property values are increasing and actually the tables have turned on the two funds and now the County General Fund is in a better position than the City, so that's what I wanted to say.

Commissioner Stites said with that being said, I would like to propose a two mill reduction on the County side for the next three years, two, two and two. Thanks for stating my case.

Commissioner Stites asked, how many full-time employees are budgeted right now, do we know? **Mr. Lindsey** said 2,164. **Commissioner Stites** asked, how many do we currently pay of those funded positions? **Mr. Lindsey** said I don't know that right off. I would have to find that out. **Commissioner Stites** said full-time equivalent. **Mr. Lindsey** said I don't know that right off. I'll have to find that out for you. **Commissioner Stites** said okay. I would like to have that also please.

Mayor Garner said in closing I'm just going to make a few observations and comments. It's refreshing to see that this Commission, seven is robust conversation and debate with our Administrator. Really just going through this forecast, which is really important, because we are at a crossroads. I think the individuals that came in at the last Commission meeting and one individual, he said that we've really got to take a hard look at our finances and his quote was or else. I've got a few questions before I close out.

What was last year's budget total minus the Stimulus Funds, do we know that? **Mr. Lindsey** said so we definitely had a $420M budget. **Mayor Garner** asked, and this year's budget is what? **Mr. Lindsey** said $432M. **Mayor Garner** said so, obviously, if you take out the Stimulus money, it would have been about what $380 something million, am I correct? **Mr. Lindsey** said I don't know about the Stimulus. Kathleen is saying it's not part of the certified funds so it's not included.

Ms. Jonscher said the only portion of the ARPA that was included in the certified funds was the lost revenue portion. **Mayor Garner** asked, if you subtract that, what would that have been as far as our actual? **Ms. Jonscher** said I think it was on the City side, once we redid the calculation, just this year for 2022, I think the City side was about $7M over all the City funds. **Mayor Garner** said well I'm just talking about the total budget that we're operating under right now that was approved last year. **Mr. Lindsey** said it's $420M. **Mayor Garner** said if you take that $17M, is that what you're out? **Ms. Jonscher** said yeah, I know it would be $7M on the City side and I'm trying to remember, about $6M on the County, so $13M in loss revenue over all the certified funds. **Mayor Garner** said okay, so just slightly—**Ms. Jonscher** said taking that out, it would be about $407M. **Mayor Garner** said and now we're up to 432 and that's without any revenue replacement? **Ms. Jonscher** said that's correct. For 2023 there is no ARPA revenue replacement.

Mayor Garner said so that's a huge increase. I guess one thing that I think would be value for myself and the Commission is, it's one thing to say that costs are increasing, which you know I'm one of these people I like to trust you, but I like to verify and it kind of goes in line with some of what the commissioner is saying. I think more information is better than just having generalizations about costs. I would really like to know where these cost increases are coming from, what they look like and have our department heads really done their due diligence to keep costs down. I think that's really important. What are we spending our money on because, again, I've said it at Commission meetings before, this year's budget, $420M, I can look around this county and I don't see $420M worth of anything when you talk about potholes, failing infrastructure, and a variety of other things. I'm not just talking. I know personnel costs really tie into that, but I think we need to really start looking at what are we spending our money on and what does that look like and can we do a better job at the executive management levels to prioritize what's really important.

I know that staff often wants this Commission to prioritize, but I think we need to start pushing back on staff and saying—on the lines of what Commissioner Kane indicated, what is necessary, what's a want and what is a need, and what does that look like. I can tell you being on the Police Department over 32 years, there has been several incidents where we did have budgetary constraints and we were tasked with slashing our budget. I haven't heard that at all as far as a forecast. If we know that our consultants and we know that you all are saying and projecting that we're on the road to bankruptcy, this Commission needs to have information available to them so they can make some hard decisions to keep us solvent and part of that is, I think that our executives need to start looking at, okay, where can we cut costs and what does that look like and what are we spending our money on. How can we run a more efficient and effective government and then someone mentioned it, about personnel.

When you talk about personnel, a lot of our cost goes towards personnel. I'm one of these advocates of streamline governments, and I say that because I worked here, and I know how things can get bloated for a variety of reasons, so I say that our department heads need to say, okay, what—just like we ask our commissioners, what are the essential services and priorities, what are the essential positions and priorities that may be available to them and then look at how they can streamline. I don't think that 5% to 10% ask, it's just an ask, from our department heads where can you see 5% to 10% cut in cost to bring about the savings that could help this Commission, relieve some of the burden that they have on trying to decide what is essential for our residents.

So, I would like to see something like that on costs. I do believe that when you go in line with Commissioner Ramirez and Commissioner Davis, and I believe one more Commissioner, they need more information. So, I'm going to ask our Administrator—I know we had the 25th and I think this ties in line with Commissioner Bynum, I'm going to ask our Administrator, we need to push this out and this Commission actually needs more time to go through documents, to look at proposals from our executive team as far as where can some of the hard decisions be made as far as recommendations for cuts. It kind of goes in line with Commissioner McKiernan and Commissioner Townsend, we've got to say no to something and we've got to decide as a Commission what essential services are. We already know what the priorities are, but within those priorities that you've identified very well, based on what this Commission wants. Okay, what is essential, what can we live with and what can we live without, what do we need to push out and what do we need to make a priority with this.

I think streamlining our government and cutting costs has to be considered. We've got a lot of vacant positions, what does that look like as far as cost savings to go in line with these executives and top managers in government here at the Unified Government looking at where they can cut costs. Some of those might be personnel. What can they live without, how can we infuse technology and maybe different things to bring about the same level of services. These are the conversations that I just really haven't heard brought forward.

I also believe that your Administrator needs information to realign and restructure this Unified Government especially at the middle management and upper management levels with some of these higher paying positions. I'm getting feedback that there are in certain areas, you might have three supervisors for seven people. Is that really the best efficient way to utilize. I know throughout my career I've heard and I've seen things throughout my career when I was an employee of the Unified Government where there were early outs. We did buyouts as a way to bring about cost savings and streamline government. I haven't heard those conversations.

The reason I bring all this up is because this Commission is going to have to have recommendations and proposals to make some hard decisions to keep this county solvent and I don't see that. All I see is continue to tax and spend and hire more people and you say that's because we've got to keep services the same. One of the things I brought forward early in the year, I believe it was in March, when I recommended this to Commission revenue neutral. Part of that strategy for me to recommend that was I wanted to make sure that we operated and force this staff to operate at the same level of funding going into 2023 as we have in 2022, which would have forced the various things that I'm talking about when you talk about streamlining, cost cutting and thing of that nature.

I think we have to have the political will at this point to be able to do those things. A lot of consolidation of duplicated services that have been identified, not just by our Auditors, but by other people that I've talked to in the community, where we can find cost savings there.

I'm really concerned when I see us going in a direction, like Commissioner Johnson mentioned, where we're headed down a road to bankruptcy. I've seen other communities and I don't want to put any other cities out there because this is our problem, not their problem, but I've seen that happen.

I do agree with our Administrator, one area that we need to look at is economic development. I believe that is a bright star right here in Wyandotte County just where we sit geographically. We've got to remove the bureaucracy on doing business here in Wyandotte County when it comes to economic development and that's my opinion, and we really have to have a clear strategy on bringing developments into Wyandotte County investing and the disinvesting in offering responsible incentives where it's necessary, but also not giving incentives and giving away the farm to these big corporations that aren't going to pay their fare share and not really lend anything of value to the residents of Wyandotte County when you talk about tax relief.

It's kind of concerning to me when I hear $11, I believe, is the number a year. That's a McDonald's Happy Meal for one person, homeowner. I just think that's unreasonable. My proposal was 8.5 mills. Not to reduce taxes or the mill levy, but to prevent a tax increase and I believe Ms. VonAchen, our CFO, had a proposal that was available that could get us there responsibly. I would like for this Commission to see that and look at those options that were shared with me.

I believe one of our commissioners, I believe it was Commission Davis, mentioned CMIP. I think this Commission needs to know what projects are funded, which ones are out there that haven't been completed and then really prioritize moving forward on which—on the funding streams moving forward.

We've just got a lot of issues, and so I say all this respectfully to the work that you all have done because you all have done a good job and to our Administrator, is that this Commission is going to need more information, is going to need more detail. We're going to need more time to really allow this Commission to make an informed decision at this pivotal point to where we know and it's all out there in the public venue that if we don't get it right today and move in a different direction and forego the patterns of the past, we are setting this community up for failure and to me as this Mayor, I don't want that to happen on my watch. It's unacceptable and I believe that we have to do better for the residents of Wyandotte County and I'm not saying that I have all the answers and I'm right, that's why we have a Commission because we need to work together. I'm willing to work with this Commission, staff, our Administrator on finding real solutions to these problems, but hard decisions are going to have to be made and I believe that deep cuts are going to have to be realized to bring us to a point of stabilization and solvency here in the Unified Government moving forward. And it's not going to happen in this budget, but we've got to start development strategy over time so 2027 doesn't put us to the point of teetering on the point of bankruptcy.

Commissioner Burroughs said thank you, Mayor, well stated in reference to the cuts and I appreciate my colleagues calling for a mill reduction. It's something that has been discussed. You know, Mayor, it was suggested maybe a 5% across the board budget cuts for all departments. I don't know what 5% would generate but if I look at the $400 million plus, it would be roughly around 20M if I'm correct in my quick math without having to dig into our reserves. I would hope that we could find a 5% reduction cut somewhere in our departments. I think we're capable of doing that. Either the department heads make those decisions or the Commission can make those decisions and it's not the best way to do things, across the board cut, because it hits some departments harder than it does others. However, it keeps us from digging into the ending balance if we were to do that. Now, we had a whole year in which we could do that, now we're with the last five months, I believe, with the fiscal year so a 5% cut would be more like a 10% cut towards the end of the year, but actually we only need about—unless we want to add the mill reductions to that, we could get by with a $10M reduction in the budget and not have to dig into the ending balance, so you do a 5% cut, we're there.

I think it's very possible, tough decisions have to be made, don't buy the new car this year, don't buy the rest of the stationary, use what you have; whatever it takes. Those are things that need to be looked at and I appreciate the Mayor bringing this up, I don't want to spend ending balance because I think there's other ways to save money and I would hope that my colleagues would consider some of the cuts that need to be made, but that five across the board is the easiest way to get us there, but it's not the best for all departments because it affects some departments harder than others.

So, here we are. We said last year we wouldn't even discuss the mill levy this late in the budget. We said that last year when we were moving forward for a mill reduction and here we are now, we're not even really talking about a mill reduction. Eleven dollars isn't much, but you all stated something in your documents tonight of a $125K average value of property in Wyandotte County. That concerns me greatly. I would hope that when we go back to the Assessor and I talked to the Department of Revenue, I hope that's not the average price of our property. With the increases that we've had in valuations, with the housing stock I've seen in the community, 125—if that's the case, $125K, we don't have an affordable housing problem. Those houses are out there for $125K. If that's the case, if that's our average, that's what's hurting us more than anything. I don't mind seeing an increase in valuation, but with that we have to be steady on how we handle the mill.

Thank you Mayor for your comments and thank you colleagues for your patience with me.

Mayor Garner said I also requested, I know that it was late night, but what's being left out of this conversation too is the PILOT and that conversation I would like for that to be brought to the table so the Commission can debate that and make an informed decision on which direction to go with the PILOT. I think the recommendation then was to separate business from residential and then if that wasn't acceptable, to at least look at our lowest income residents here in Wyandotte County and see if we can provide some type of relief in the PILOT. That's one of the things I would like for this Commission to debate as well.

Commissioner Townsend said one last thing, this was done routinely in the past with the budget presentation. One of the things I would like to see is the pie chart that we used to get that showed how our dollar is spent and it goes kind of to what Commissioner Burroughs mentioned. If you're talking about cutting or even not talking about cutting, but where is and how is the money spent. It used to show so much for Parks, so much for Public Safety, so much for other things. I would like to see that pie chart before we have our next meeting and that kind of gives us a global of where we're spending our money now, not the most detail, but I found it helpful and kind of a glossary to get into more detail review.

Mayor Garner said and on that note, Commissioner Townsend, I believe Commissioner Davis brought the question up, I know that administration has been given direction to meet with the other taxing entities and I believe that's still on the table so, hopefully, before this budget process is brought before you for consideration, some type of disposition on those communications can be brought forward for this Commission to at least have knowledge and be able to include in making an informed decision. **Commissioner Townsend** said I think probably our staff could already have that. It just wasn't included here, so that whenever we have our next meeting, I guess, which is Thursday about budget, before then we can just take a look at that and have it available.

Mayor Garner said I believe we're having technical difficulties. Standby as we check on that. I apologize to the public, our UGTV is down, but those of you that would like to connect, you can connect to Zoom as we wrap up. I believe that will be optimized later for review for those of you who have missed something.

Ms. Jonscher said I just wanted to update on Commissioner Burroughs. We just checked, the median household average value of a home is 162, but we may have referenced 125 so we will update that, but the average home price was 162 and that was from our Appraiser in a report earlier this year. **Commissioner Burroughs** said I appreciate that because we keep using $100K as a reference point, then we're using 200K on the tax side, then I see in your report it's $125K value and we hear the affordable housing discussion, that is affordable housing. And if the average cost of a home is $125K, we don't have an affordable housing issue in Wyandotte County to the extent that some may perceive we do. So, that's why I don't believe that number. That number just kind of raised my antennas a little bit. I'm not so sure it wouldn't be just a wee bit higher, but I appreciate you looking into that.

Commissioner Ramirez said personally for me, I can't have an opinion or have a debate on the PILOT until I can get a hands—until I know what our base budget looks like, what has been recommended to us. There's a lot of information they're still going to give to us and until I know all that information and comb through it, I can't have a discussion about a PILOT until then. I want us to do something in that realm, but I need to have a handle on our base budget first.

Mayor Garner said just to bring some clarity to that, what was proposed with the PILOT is separating residential from business and that was a recommendation from staff as the most optimized way to present to the Commission to do things. It doesn't mandate that you lower the PILOT any time this year. What it does, it gives you the option, if you choose, to be able to lower residential separate from business, if you choose. If you don't choose, you can lower them both the same, but right now they're combined. That was brought up basically, like I said, to give you all an option either now or later, you can either combine it or you can do it separately, but from my understanding, you couldn't do both together responsibly.

If you just lower residential, if that's the choice that the Commission chose to do now or later, it has the smallest impact to the UG General Fund as opposed to business, which I believe, correct me if I'm wrong staff, is about 70% when you talk about the PILOT and so that was the recommendation that was brought forward so it didn't mandate that the Commission take any action on lowering or raising it, it just allowed you to have options moving forward.

Mayor Garner said in the interest of time, thank you. I think we've heard tonight from this Commission that they are onboard with looking at ways to cut costs and streamline this government. Thank you Administrator, thank you staff for the work you've done, and thank you

Commission for having this robust conversation. I'm looking forward to having—hearing these ongoing talks. I'm going to take a motion to adjourn.

Commissioner Davis made a motion, seconded by Commissioner Johnson, to adjourn the meeting. Roll call was taken and there were ten "Ayes," Johnson, Kane, Markley, Stites, Davis, Bynum, Burroughs, Townsend, McKiernan, Ramirez.

MAYOR GARNER ADJOURNED
THE MEETING AT 7:06 p.m.

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Monica L. Sparks
Acting Unified Government Clerk

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