STATE OF KANSAS)
WYANDOTTE COUNTY)) SS **SPECIAL SESSION, THURSDAY, AUGUST 10, 2023**
CITY OF KANSAS CITY, KS)

The Unified Government Commission of Wyandotte County/Kansas City, Kansas, met in Special Session, Thursday, August 10, 2023, with ten members present: Bynum, Commissioner At-Large First District; Burroughs, Commissioner At-Large Second District; 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; Garner, Mayor/CEO, presiding. Townsend, Commissioner First District; was absent. The following officials were also in attendance: David Johnston, County Administrator; Alan Howze and Bridgette Cobbins, Assistant County Administrator's; Angela Lawson, Interim Chief Counsel; Brett Deichler, Unified Government Clerk; Monica Sparks, Deputy Unified Government Clerk; Debbie Jonscher, Interim Chief Financial Officer; Reginald Lindsey, Budget Director; Richard Rocha, Management Analyst in Budget; Mike Grimm, Research Manager; Jeff Fisher, Executive Director of Public Works; Kevin Bibbs; IT Director; Angel Ferrara, Director of Parks & Recreation; and Irene Caudillo, Chief of Staff in Mayor's Office.

Mayor Garner said before I call the meeting to order I want to announce that we do have individuals attending remotely as well as on-site. All participants joining by phone, should please mute your phones when not speaking to avoid background noise. During the meeting, make sure you announce yourself by name and title every time you speak so the public that is participating knows exactly who is speaking. This is critical given the number of remote participants and is also current guidance from the Kansas Attorney General. I would also like to remind, especially here on the 5th floor, that you please be sure to speak loudly and clearly into the microphone to ensure that your comments are being captured by the Clerk for an accurate record of the meeting.

Mayor Garner called the meeting to order.

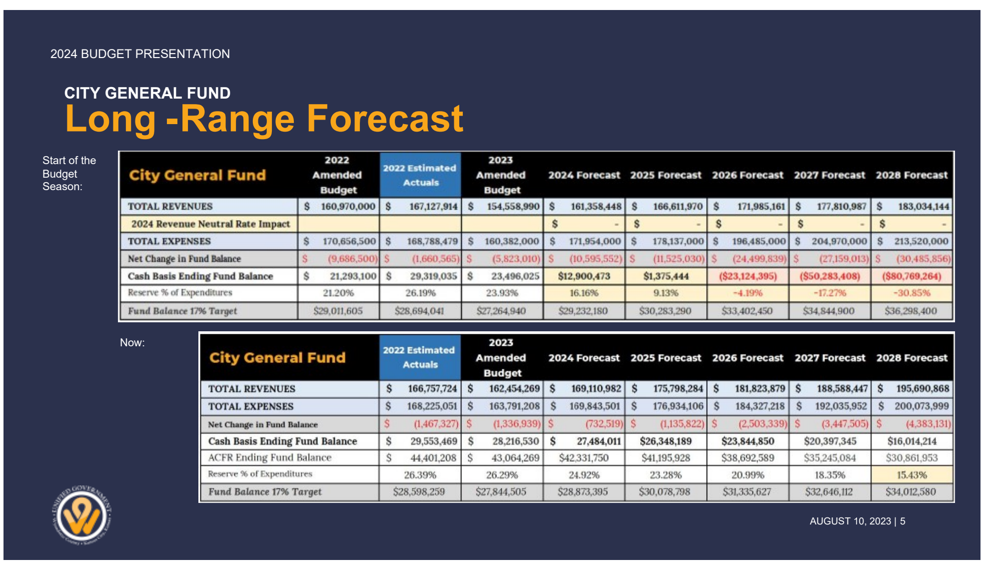
ROLL CALL: Markley, Stites, Davis, Bynum, Burroughs, McKiernan, Ramirez, Johnson, Kane, Garner.

NOTICE OF SPECIAL SESSION of the Unified Government of Wyandotte County/Kansas City, Kansas, to be conducted in a hybrid format on Thursday, August 10, 2023, at 5:00 p.m. in the Commissioner Chambers of the Municipal Office Building for the presentation of the 2024 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 tonight we'll have a presentation of the 2024 Proposed Budget from our County Administrator David Johnston. I'll recognize him and allow him to begin the presentation.

David Johnston, County Administrator, said this is exciting for me because this is the first budget I've presented to you, a recommendation. When I started this position on March 27th and then the first month to get my legs under me, we were looking at the budget numbers with Reggie and the Finance team and I kind of got a little alarmed.

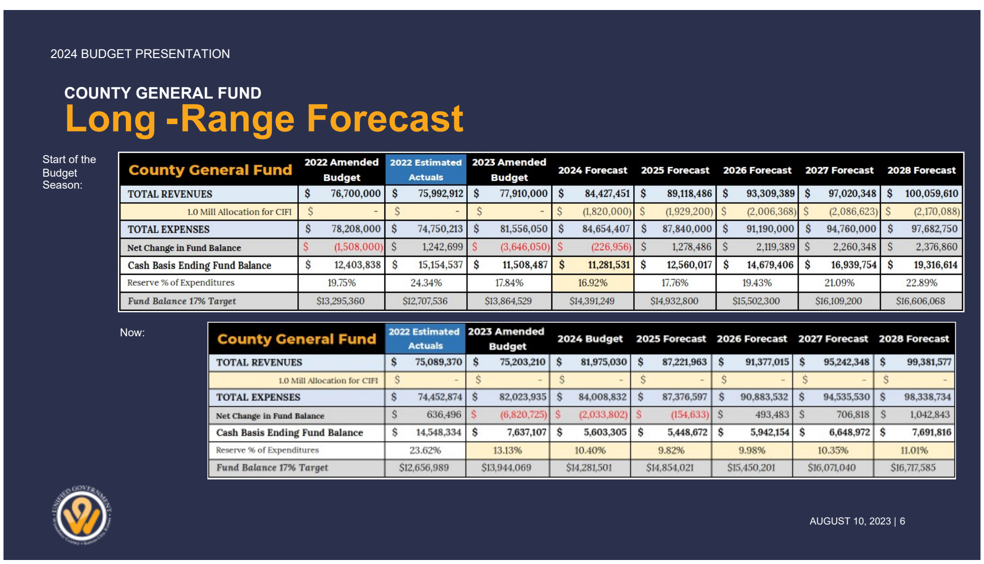


City General Fund	2022 Amended Budget	2022 Estimated Actuals	2023 Amended Budget	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast	2028 Forecast
TOTAL REVENUES	$ 160,970,000	$ 167,127,914	$ 154,558,990	$ 161,358,448	$ 166,611,970	$ 171,985,161	$ 177,810,987	$ 183,034,144
2024 Revenue Neutral Rate Impact				$ -	$ -	$ -	$ -	$ -
TOTAL EXPENSES	$ 170,656,500	$ 168,788,479	$ 160,382,000	$ 171,954,000	$ 178,137,000	$ 196,485,000	$ 204,970,000	$ 213,520,000
Net Change in Fund Balance	$ (9,686,500)	$ (1,660,565)	$ (5,823,010)	$ (10,595,552)	$ (11,525,030)	$ (24,499,839)	$ (27,159,013)	$ (30,485,856)
Cash Basis Ending Fund Balance	$ 21,293,100	$ 29,319,035	$ 23,496,025	$12,900,473	$1,375,444	($23,124,395)	($50,283,408)	($80,769,264)
Reserve % of Expenditures	21.20%	26.19%	23.93%	16.16%	9.13%	-4.19%	-17.27%	-30.85%
Fund Balance 17% Target	$29,011,605	$28,694,041	$27,264,940	$29,232,180	$30,283,290	$33,402,450	$34,844,900	$36,298,400

City General Fund	2022 Estimated Actuals	2023 Amended Budget	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast	2028 Forecast
TOTAL REVENUES	$ 166,757,724	$ 162,454,269	$ 169,110,982	$ 175,798,284	$ 181,823,879	$ 188,588,447	$ 195,690,868
TOTAL EXPENSES	$ 168,225,051	$ 163,791,208	$ 169,843,501	$ 176,934,106	$ 184,327,218	$ 192,035,952	$ 200,073,999
Net Change in Fund Balance	$ (1,467,327)	$ (1,336,939)	$ (732,519)	$ (1,135,822)	$ (2,503,339)	$ (3,447,505)	$ (4,383,131)
Cash Basis Ending Fund Balance	$ 29,553,469	$ 28,216,530	$ 27,484,011	$26,348,189	$23,844,850	$20,397,345	$16,014,214
ACFR Ending Fund Balance	$ 44,401,208	$ 43,064,269	$42,331,750	$41,195,928	$38,692,589	$35,245,084	$30,861,953
Reserve % of Expenditures	26.39%	26.29%	24.92%	23.28%	20.99%	18.35%	15.43%
Fund Balance 17% Target	$28,598,259	$27,844,505	$28,873,395	$30,078,798	$31,335,627	$32,646,112	$34,012,580

What we presented to you in mid-May was the General Fund—City General Fund and in 2026 you see all the red numbers and that's not good numbers. It showed that we had a net change in one year of $24M. We had an ending balance of minus $23M and no General Fund Reserves. As we presented that to you it set the alarms that, you know, not only is that not good news, that's set a lot of other things in motion like state action against the city and I swore then, that's not going to happen under my watch. So, that kind of drove us to do a lot of work internally. We did lose about 2.5 months of our budget process from when I got hired, so this isn't the deep dive budget, but I did walk away and was committed in our first meeting when we unveiled this, that there are two goals that I want to accomplish this budget session which is to erase that proposed $10.7M deficit and buy us time. Instead of 2026, if there's things that we can do that can push that date of concern out a year or two, that was our goal because that gives us the time to do the deep dive, deal with structural deficits, new ways of thinking, new approaches to government, more efficiencies, all of that, in two to three years.

What you see here on the bottom chart is we were successful for a couple reasons, and Reggie will talk more about that, but we still have net changes in deficits. We are still drawing from the Reserves. We some how miraculously got our Reserve above 16.7% which is the minimum standard for GASB that should be our floor, but we still then look at 2028 as starting to see concerns. Therefore, whatever steps we took this year helps us make adjustments over the next year so we can continually push out what we're seeing in 2028 with our Reserves going below 16% to eventually be able to erase that.



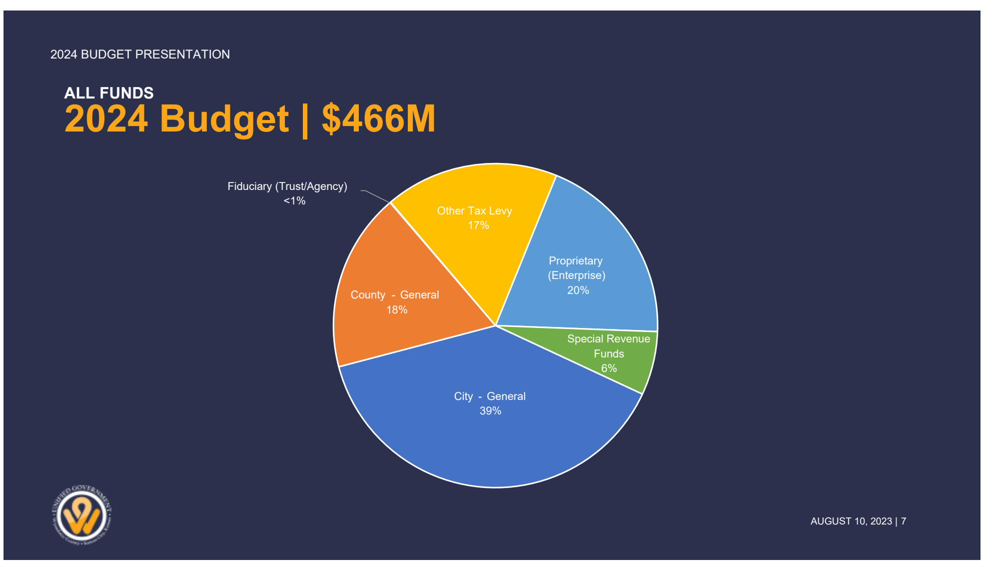
County General Fund	2022 Amended Budget	2022 Estimated Actuals	2023 Amended Budget	2024 Forecast	2025 Forecast	2026 Forecast	2027 Forecast	2028 Forecast
TOTAL REVENUES	$ 76,700,000	$ 75,992,912	$ 77,910,000	$ 84,427,451	$ 89,118,486	$ 93,309,389	$ 97,020,348	$ 100,059,610
1.0 Mill Allocation for CIFI	$ -	$ -	$ -	$ (1,820,000)	$ (1,929,200)	$ (2,006,368)	$ (2,086,623)	$ (2,170,088)
TOTAL EXPENSES	$ 78,208,000	$ 74,750,213	$ 81,556,050	$ 84,654,407	$ 87,840,000	$ 91,190,000	$ 94,760,000	$ 97,682,750
Net Change in Fund Balance	$ (1,508,000)	$ 1,242,699	$ (3,646,050)	$ (226,956)	$ 1,278,486	$ 2,119,389	$ 2,260,348	$ 2,376,860
Cash Basis Ending Fund Balance	$ 12,403,838	$ 15,154,537	$ 11,508,487	$ 11,281,531	$ 12,560,017	$ 14,679,406	$ 16,939,754	$ 19,316,614
Reserve % of Expenditures	19.75%	24.34%	17.84%	16.92%	17.76%	19.43%	21.09%	22.89%
Fund Balance 17% Target	$13,295,360	$12,707,536	$13,864,529	$14,391,249	$14,932,800	$15,502,300	$16,109,200	$16,606,068

County General Fund	2022 Estimated Actuals	2023 Amended Budget	2024 Budget	2025 Forecast	2026 Forecast	2027 Forecast	2028 Forecast
TOTAL REVENUES	$ 75,089,370	$ 75,203,210	$ 81,975,030	$ 87,221,963	$ 91,377,015	$ 95,242,348	$ 99,381,577
1.0 Mill Allocation for CIFI	$ -	$ -	$ -	$ -	$ -	$ -	$ -
TOTAL EXPENSES	$ 74,452,874	$ 82,023,935	$ 84,008,832	$ 87,376,597	$ 90,883,532	$ 94,535,530	$ 98,338,734
Net Change in Fund Balance	$ 636,496	$ (6,820,725)	$ (2,033,802)	$ (154,633)	$ 493,483	$ 706,818	$ 1,042,843
Cash Basis Ending Fund Balance	$ 14,548,334	$ 7,637,107	$ 5,603,305	$ 5,448,672	$ 5,942,154	$ 6,648,972	$ 7,691,816
Reserve % of Expenditures	23.62%	13.13%	10.40%	9.82%	9.98%	10.35%	11.01%
Fund Balance 17% Target	$12,656,989	$13,944,069	$14,281,501	$14,854,021	$15,450,201	$16,071,040	$16,717,585

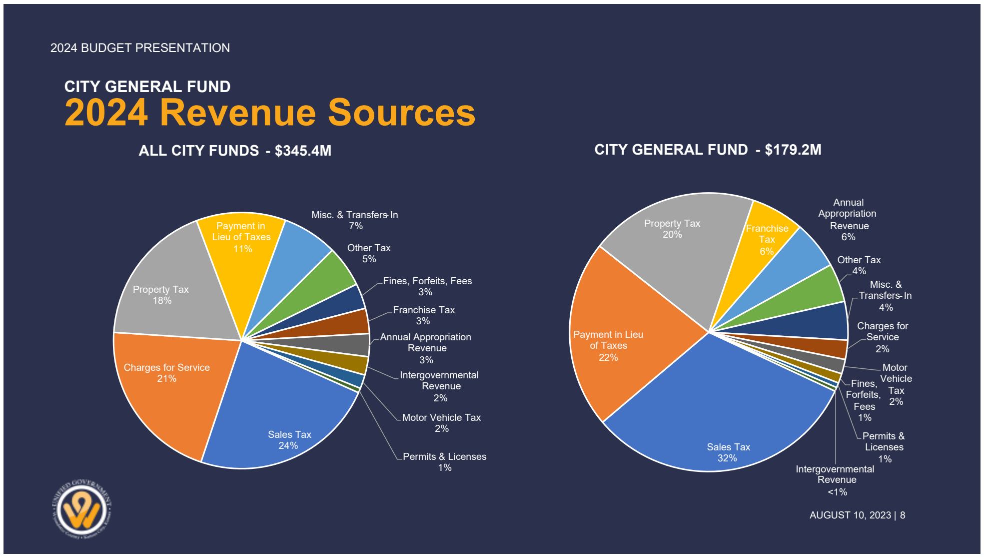
That same night we showed you the County side and we were not that concerned about the County side because we were looking at our Reserves above the 16.7% level and over time, since that date, until August 7th, when we published this internally, some things changed that affected the County budget that shows a little concern where the Reserves are below 16% and towards the end, '27 and '28, you see an uptick, which is good, but it's not above the 16.7% that we showed you a few weeks ago. The reasons for that, we assumed a large expenditure that was not budgeted and, therefore, was not included in the model and that was the parity for Deputies. That was a large item that we had to incorporate into the expense side of the budget. On the revenue side of the budget, what became revealed to us during this time was that we saw there was a reduction in the number of new car sales in the county and that means our license tag revenue was significantly dropped because that's basically a property tax and, therefore, lower depreciated cars people were paying instead of paying it on newer vehicles. So, when you look at those two things together, it contributed to the change of that landscape that we talked about in May.

This is our current picture and it's still concerning. We still have to do deep dives on the County side. We will be working with constitutional officers about that, but it's manageable. In just a couple months, the alarms of this city government are lower and we have a little more concern on the County side, but it's not devastating.

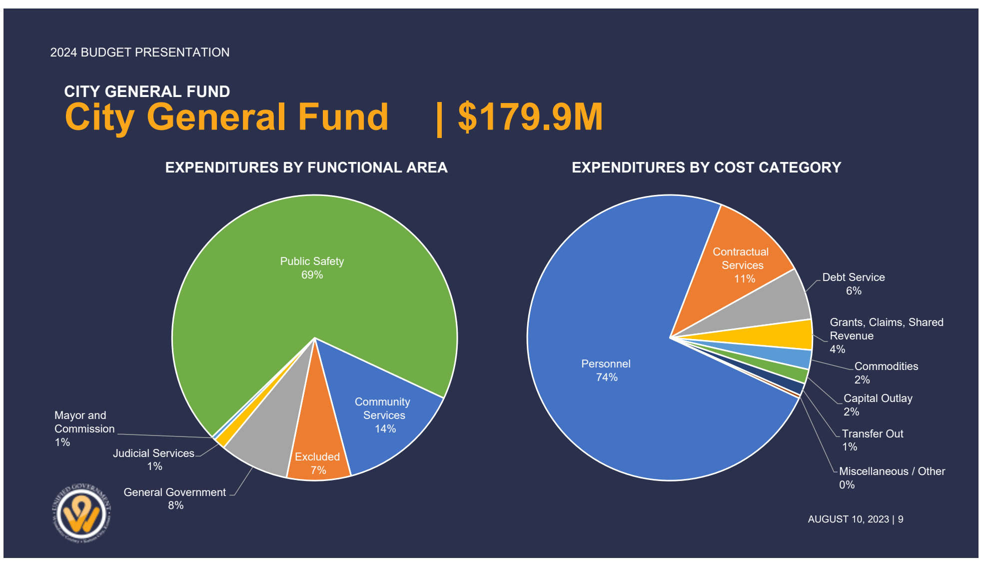
With that type of information, we want to highlight some of the things that we've done, what we've included in the budget, and then we will be available to have a discussion after that.



Reginald Lindsey, Budget Director, said our 2024 Budget is a $466M. Last year it was a $432M budget, which is about a $33M increase this year and that equates to about 7%.

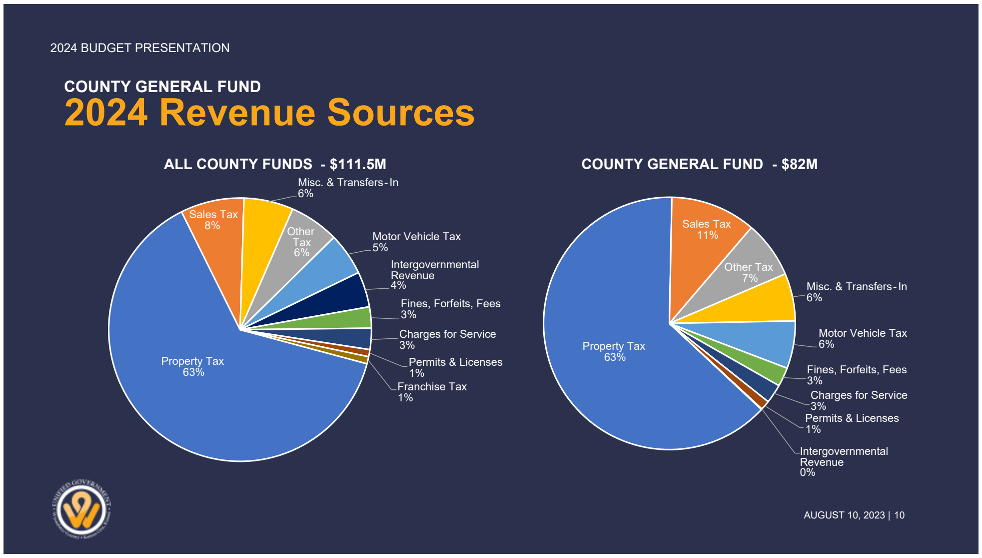


2024 revenue sources for all the City funds are about $345M and then just for the City General Fund for revenue coming there is about $179M.

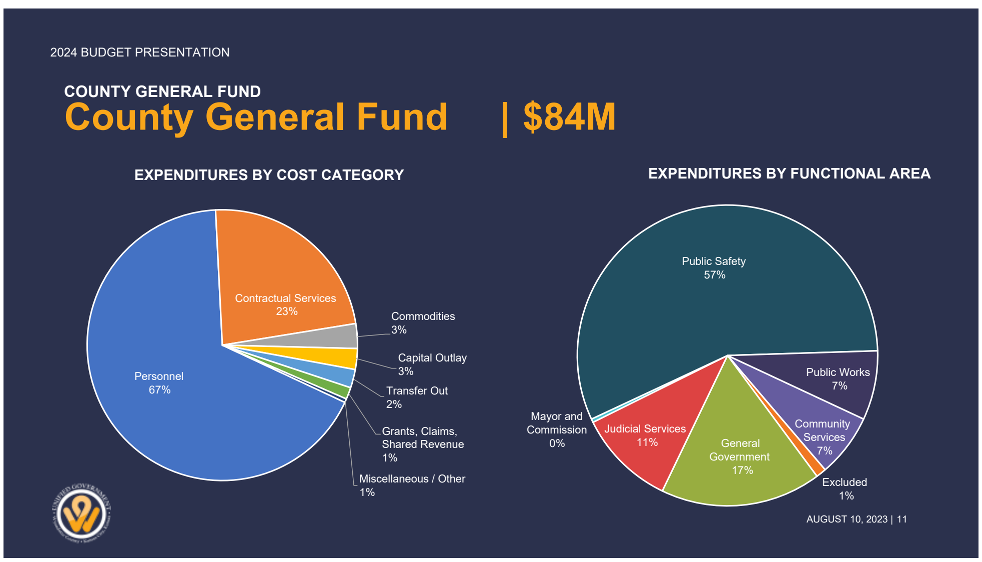


The City General Fund, we are kind of breaking it down into the expenses. We have like a $179.9M budget. We did just see where the revenues are $179.2M, so we do have a structural imbalance of like $800K, but we're really close. We haven't been this close in a while. With the Expenditures, by functional areas, Public Safety is our largest expense at 69% and then Community Services also is our largest expense in functional areas.

Expenditures cost by categories, Personnel is our largest expense at 74% and Contractual Services at 11%.



On the County side, all County funds are bringing in about $111M. For 2024 the County General Fund itself is bringing in $82M.



On the expense side, County General Fund, we expect $84M to be going out the door. That's about $4M more than last year. You can see the biggest cost there is Personnel at 67% on the Category side. On the functional area side, Public Safety is the largest expense at 57%.

Some of the Capital Projects that we have in the Proposed 2024 Budget, in Parks we have a Rock Wall Replacement that would happen at Wyandotte County Lake. Also we have the Korean/Vietnam Veteran War Memorial that would be restored and we have a Beautification Program that will continue this year.

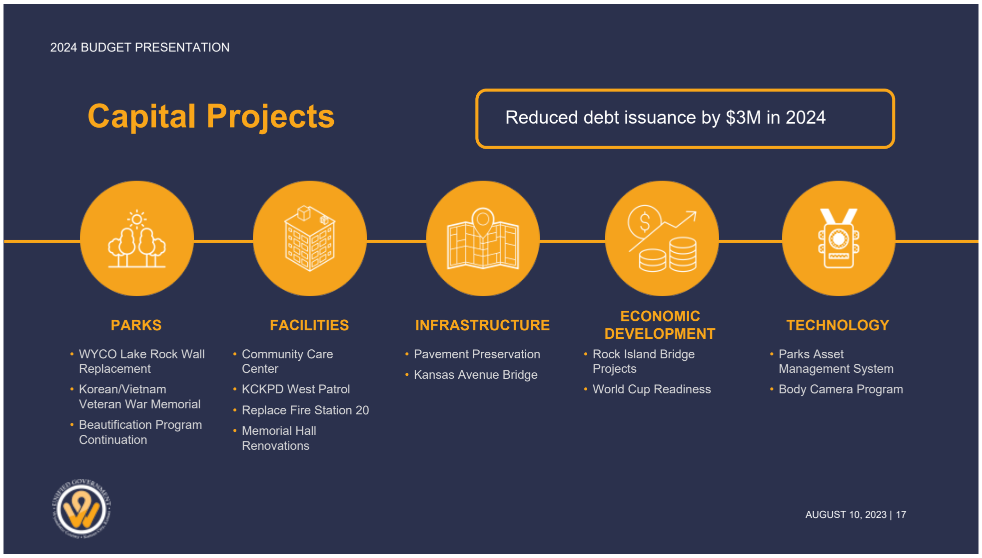
Also Facilities wise, we have on Capital Projects a new Community Care Center which will provide wraparound services for the less fortunate members in our community and then we're also planning a new West Patrol which will cost $10M and is what we set aside in the budget. Then we will replace Fire Station 20 and it's about $9.8M. Also, Memorial Hall Renovations to help us get ready for the World Cup and also make it a venue to replace the Reardon Center, so we have $1.1M in the budget for that.

Infrastructure wise, we were able to commit to 25% more in Street Preservation this year as the Commission wanted last year and also this year and every year until we get our Pavement Preservation score up. So, we were able to go from $8.5M last year—or this current year to where we will have almost $11M in 2024 and then we also have funding in our budget for the Kansas Avenue Bridge where we'll start planning for it and also funding for the bridge if we don't get a grant to match the funding for the Kansas Mega Grant. We have a total of $30M in the budget across a few years.

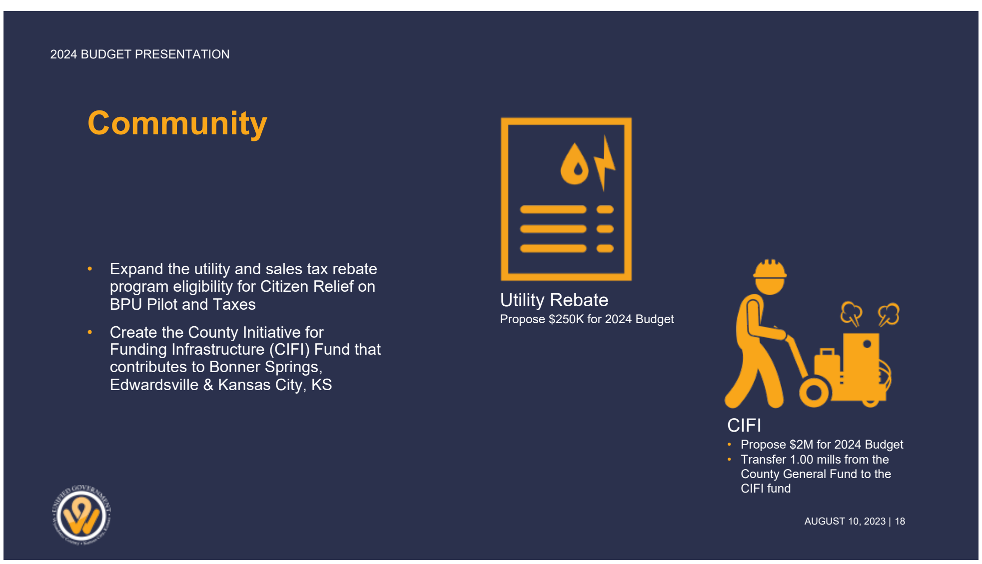
Economic Development wise, Rock Island Bridge Project that we committed to, we have $3M in the budget for those to get those paid for and then we have different funding to help us get ready for the World Cup coming up in 2026.

Technology wise, Parks & Rec Asset Management System is getting a new asset to help them better track their assets. Body Camera support across the organization with us getting body cameras. We have some departments, Police and District Attorney, where they have digitized that information, so storage for that costs $395K. We have funding in the budget to replace the public meeting broadcast system and also we have a Human Services Department Client Management

System that's in the department, that's the Client Management System that they're going to implement on a more efficient basis then be able to deal with more clients.

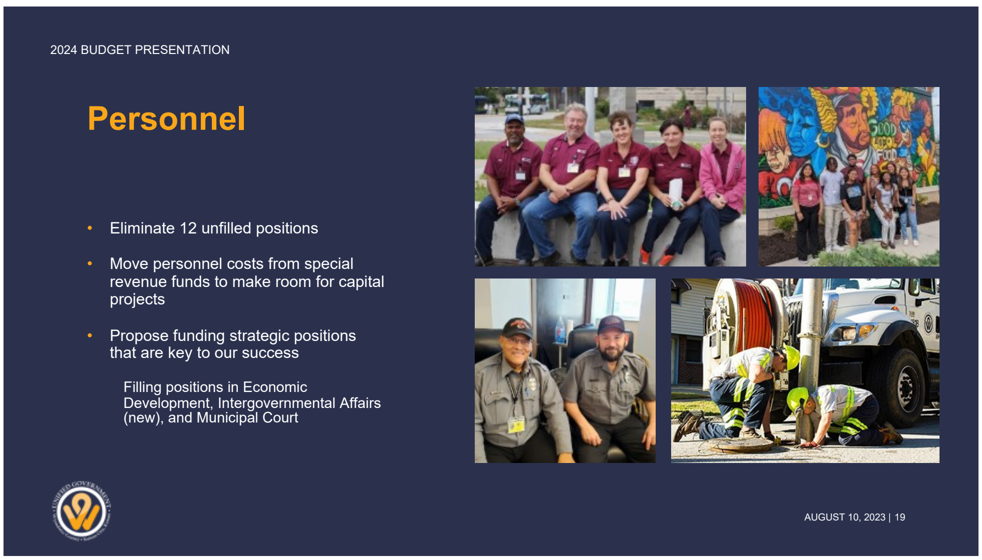


Also, Capital Projects, we did reduce debt for 2024. We've traditionally been issuing like $20M in debt. So, in 2024, we will issue $17M of debt as opposed to this year we have like $20M in debt, so debt has gone down. The next few years we do have the Kansas Avenue Bridge in the budget so we do creep up over that $20M mark and when we get out to 2028 we are down to $11M in debt.



Some of the things that we have in the budget that directly impact the community, most things that do directly impact the community, are some things that the Commission you spoke to us about is to make sure the citizens (inaudible). Commissioner Bynum brought forward the BPU PILOT committee to expand the Utility and Sales Tax Rebate Program eligibility for senior citizen relief. One of the things we'll be able to do there is implement that program so citizens can get relief on their BPU PILOT bill and also sales tax. We have funding in the budget for that.

Also, something Commissioner Stites brought forward last year, a County Initiative for Funding Infrastructure. That has become its own fund in the budget and what we did was move a mill from the County General Fund to start this new fund, which would be about $2M. The citizens of Bonner Springs, Edwardsville, and Kansas City, Kansas would be impacted by this.



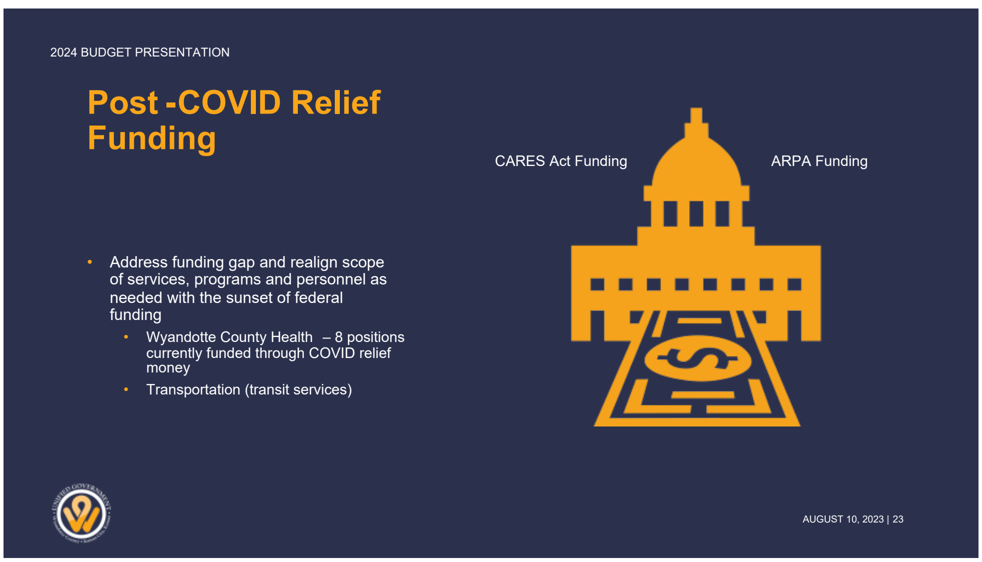
Some things we have done in Personnel, we went through the budget and eliminated 12 unfilled positions. This is a process that won't just happen within the budget process, but it is something—we have a meeting that we'll be having every month and we'll be eliminating positions that aren't needed and then we're also moving personnel costs from Special Funds that we have. We have Special Funds like Special Street & Highway Funds, we also have a Special Parks Fund so we were paying people out of those funds. So, now what we're going to do is move people out of those funds back to the General Funds and also to funds where their costs should be coming from so we can pay for things like projects out of those so we don't have to issue debt on some projects.

Also, we will be proposing to fund strategic positions across the organization, which will be key to our success. Some of those positions include Economic Development. We'll have two managers there that came from existing pins. In the County Administrator's Office there'll be an Intergovernmental Affairs Division. We had a person that was being paid by a partial grant. We'll make that person a fulltime position so they can continue helping make the fines and fees. (inaudible).

In Parks one thing that we did was we increased the transfer from the City General Fund, which is something new that we're doing where we want to benchmark the transfer they get to the City revenues, so we ended up getting like $460K more dollars over in the Consolidated Parks Fund and continue to have investment in park maintenance and infrastructure. There's a number of things going over in parks. They will have a million dollars' worth of grant funding coming in to help with projects that they have if they need to get going.

In the Fire Department we're going to staff Station 15 in Fairfax with 9 additional permanent FTE and that will eliminate employees working overtime to fill that station. Also, we do have a SAFER Grant that is coming to an end and we will take those 18 FTEs and pay them out of the City General Fund. Also, we will open our new fire station in Turner this year—**Mayor Garner** said sorry, Reggie, if you could just speak in the microphone. I guess the public—we've been notified they can't hear you. **Mr. Lindsey** said we will open a new fire station that is now under construction in Turner. Also, we will start construction on a new Fire Station 20. The current fire station is at 78th & Kansas Ave. now and then also within the Equipment Capital Budget we do have three additional fire apparatus on top of the regular replacement schedule for apparatus within the budget. Just recently Chief Reuben had to take some vehicles—or apparatus out of service so we're getting three additional fire apparatus to help with the aging fleet.

In the Police Department, I did mention this earlier, we do have money in the budget to move forward with a new West Patrol Division. We're in the process of studying that and also acquiring land and then also later this year we will break ground with a CIS Lab. Also, in the Police Department, we are replacing their whole fleet of vehicles for Detectives and also patrol vehicles.



Also, one of the things going on within our budget is over the years since we went through COVID, we got CARES Act funding and we also got ARPA funding. One of the things we had we were able to depend on that money, so slowly we're having to transition that funding back over to our Certified Funds. One of the departments we have impacted there is Transportation, our transit services. We do have individuals that we are starting to pay out of the City General Fund and moving them from the CARES Act funding in the ARPA funding. Also, then we'll be working with the Health Department over the next few years to (inaudible) positions that they have from COVID relief money over into their fund or decide that we still need those positions.

That's the information we wanted to present this evening.

Mr. Johnston said before you ask questions, I also wanted to let you know about some things. You know, we've heard you. I mean ever since I've been hired here you've had the discussions, debates, whatever you want to call it on PILOT reduction, revenue neutral, we need to do deep dives in the operation of our departments to create efficiencies, create a new attitude of customer service first. We heard about the need to prioritize each departments services, monetize them because if and when we have discussions on PILOT reduction, revenue neutral, that may impact our revenue stream, it impacts the services we can provide and for us to talk about what type of actions you want to take, if it cuts our revenue stream, you're going to be asked to approve cuts to services and we can only do that if we do that. So, I'm just saying we have to have a longer discussion about the impacts of these options that you're going to be weighing over the next year or two because you all are hearing about the cost of government to our citizens. The only way we can help you make the best informed decisions is to provide you with the best information that we can glean to have before you.

We're going to have an interesting next couple of years for discussion and decision making and even internally from the staff side is that we may be having to do things differently than we're used to. I think the one attitude we're starting to get across within our staff of our local government, the UG, is the fact that this isn't their money, it's not my money, it's not your money, it's the people's money and they entrusted to use it wisely. Now, what does that mean? That comes through discussion and debate and a decision eventually from you what that is as local elected representatives.

We have to have an attitude of public service first. That is what government is to do, provide services to our citizens and, therefore, we need to and I'll leave that process with our staff to get that focus inside all of us. Again, it's not a departments money, it's not the Administrator's money. This may be a recommended budget from the Administrator, but eventually it's going to be your budget saying how we're going to provide and fund services to our citizens. So, everything is geared toward public service to our citizens, that's what we're supposed to be doing.

Just like every organization, we have to examine ourselves, make necessary changes to benefit that focus. I think we're setting the stage for that because once this budget, a budget, gets passed, a balanced budget gets passed, we can then start doing those deep dives into our UG government, both County and City side and make it be better, make it be more effective, and again, make it toward the citizen.

That's just the overall of our budget. You received your budget books. We have two sessions scheduled, the next two Thursday's, for you to—after you've had the wonderful opportunity to read all those numbers, bring back your questions, your ideas. We're going to ask you if you have any questions tonight, but continue that dialogue that when we get to your responsibility of passing a budget, you have the forums necessary to seek the information that's important for you.

Mr. Mayor, I'll turn it back to you folks.

Mayor Garner said thank you Administrator, thank you Mr. Lindsey for that presentation. We will now open it up for questions.

Commissioner Kane said that's pretty short, blunt, brief and I appreciate it, but I do have some questions. Are we voting on the budget August 31st? **Mr. Lindsey** said that is the schedule. **Commissioner Kane** asked, where is West Patrol going to be? **Mr. Lindsey** said we have not identified that yet. **Commissioner Kane** said okay, we can talk about that.

I think the lake wall is way too expensive. I think we should go out and get some other bids for that.

I guess my biggest question is, have we hired a Grant Writer yet? **Mr. Johnston** said I appreciate you asking that question. Let's talk about the Intergovernmental Affairs Office. I intend to hire a Director and hire an Intergovernmental Affairs Coordinator. Right now we have a lot of departments doing their own thing, we don't know what that is. Therefore, we will coordinate a focused intergovernmental relations effort, so it's coordinated and we can give regular reports to you, to the public on our interactions with state and federal agencies, state and federal elected delegations and our neighbors in the region. We don't have that coordination now and that's important.

Also, on that is where we're going to put the grant writers because those grants go to other government agencies and, therefore, the departmental grants will be funneled through those grant writers. If we still use grant writers in the departments, that's what that coordinator is to do, to coordinate that grant activity within the departments so we know what's going on, number one, and that the message that we send to our agencies are consistent to the priorities of the Commission as understood by the Administrator, so if that answers your question.

Commissioner Ramirez said more of a comment than question, but thank you for what you're doing, the hard work. If there's a will, there's a way and so you've shown there is a way for us to get through this. You've helped us get through this, so I really do appreciate your experience and the knowledge that you bring to us and helping us stabilize before we can have, as you mentioned, those tough discussions of sources of revenue that may be cut. I thank you for helping us stabilize before we can actually have those conversations.

Commissioner Johnson said to Mr. Johnston and your staff, thank you for this presentation tonight. A few weeks ago we had a meeting with the BPU Board of Directors and we talked about a proposed involved, somewhere I heard the number, I think, was about $750K as relates to increase fees they would be charging. I don't know if that number or that consideration has been incorporated into this proposed budget, so I'm asking that. **Mr. Johnston** said if the increase revenue because of their rate increases to the PILOT are included, is that your question? **Commissioner Johnson** said I don't think it was PILOT related. Okay, it was PILOT related. **Mr. Johnston** said thank you for your clarification. Yes, $720K. **Commissioner Johnson** said it is included? **Mr. Johnston** said yes.

Commissioner Johnson said one of the thoughts that was presented to me was that perhaps we could use those funds as utility relief. I don't think that I had a direct conversation with you or Reggie about that, but is that something that could be moved over. I think I saw a number of $250K based on what you were talking about Commissioner Bynum. Is there any way that $750K, or at least a portion of it, can be included in that amount that we can use for utility assistance? **Mr. Johnston** said that type of ask needs to be part of a bigger discussion because that $700K is incorporated in our Operating Budget as it is today. If you remember looking at the Reserves that we have at the City side, it's still not where it should be, under 16%, and it's that type of discussion that we need to have with you before having direction on PILOT, direction using revenue generated by the public—by the PILOT for relief options. We really haven't had that discussion about—discussions that I witnessed is we want to do these things without the consequences of doing those things. We really need to have that total discussion before you so you can weigh what direction you want to go as a Commission. **Commissioner Johnson** said I absolutely agree with that. I don't know if we have time between now and the time we vote on this to make that adjustment, but it is something I think we should—I don't know how it's going to play out over the next few years, so maybe I better just wait in terms of my comment to see how this plays out, so thank you for the dialogue.

Mr. Johnston said we've heard you and waiting for your comments then they become—as I said earlier, anything to deal with relieving the citizens from the PILOT, relieving of tax burdens, about mill reductions or freezing the mill rate and all that really needs to have a deeper discussion. Like I said, we lost 2.5 months of the budget process with my hiring at the end of March. We can start having those discussions after the dust settles when this is passed and put to bed.

Commissioner Johnson asked, are we including money for the hiring of persons in the Economic Development Department? **Mr. Johnson** said yes. **Commissioner Johnson** said was that in the presentation? **Mr. Johnston** said we didn't tell you what we were doing, but yes, it was in there. Right now we're starting off with three people. I have a vacant Assistant County Administrator that's going to be solely for economic development. That person will be responsible for related departments that exists today as well as guide—right now two Economic Development Managers. One for economic development to get an idea of Greenfield Development. In economic development they say that's kind of like the easiest economic development because people can put whatever they want for the first time on flat field, not contaminated. They can build what they want.

The other person will be charged on what's called Urban Redevelopment. Redevelopment is viewed as quite more challenging than Greenfield Development because you're dealing with an already built out landscape, you're dealing with buildings that may need to be repurposed, sometimes it's not in the best part of town and, therefore, you have to have different types of encouraging different investment strategies, different incentive programs and the like. So, there's two different (inaudible) and those need different skill sets and as you know we've heard, just in my time here, it predates me, there is a different economic climate east of 635 than there is west of 635. **Commissioner Johnson** said I hope our constituents, our taxpayers, are hearing this portion because there is a lot of conversation about we need more economic development east of 635 and I'm a champion for that myself. The community needs to know it is a far more challenging experience to do true redevelopment and we have to deal with things such as gentrification and the whole list goes on and on. I'm not going to belabor the time, but I do appreciate the fact that we are going to have at least someone, hopefully, in the next 6 to 12 months that will be focused on that.

Mr. Johnston said you know to ask an investor to come in, they're going to look at one thing, what's my return on investment and when you're in, let's say the west side of our community, they don't have the issues that exists here in the east side where we have to deal with what poverty does to an economic climate and I get it, ROI, because that's around. How can I repurpose property to create an economic environment for my business to succeed in an old part of town when I could build new somewhere else. You can't just say ask investors to come and they'll invest. They're going to ask the tough questions, can I succeed and get my return and it's quite a challenge in an older urban area to do that for redevelopment as it is out west. We need different skill sets.

Commissioner Bynum said a couple of questions. The presentation you made tonight on the budget that you built as our starting point, if you will, is built at the current mill levy rate, is that correct? **Mr. Johnston** said that's true. **Commissioner Bynum** said the first and second slide, is there any way to get the presentation back and those detailed slides at the very front. Ultimately, what I'm trying to ask is that I would appreciate at some point and it looks like, I'm assuming, 5:00 next Thursday, the 17th is a budget workshop. **Mr. Johnston** said the next two Thursday's are. **Commissioner Bynum** said what I would appreciate, at some point, is an analysis of what you all accomplished to take us from the bleakness of what it looked like to where you brought us. I would like to know what are the differentials, what changed, what did you do and I would like to know that in more detail than what's here. That's just a question for later, but I guess the question is, can we know more about that than we've been given tonight? **Mr. Johnston** said absolutely.

Commissioner Bynum said the slide where we show the Utility & Sales Tax Rebates, and I think you had $250K budgeted, I just want to clarify what I heard you say tonight. It says expand Utility & Sales Tax Rebate Program for citizen relief on BPU PILOT and Taxes and I don't know exactly what that means because the PILOT I thought I heard you tell me, Administrator, yesterday that you did not build any level of PILOT relief into the budget, but that you did build in this effort to change these ordinances around the Utility & Sales Tax Rebate that we've been working through the Standing Committee to the full Commission. **Mr. Johnston** said right, and Reginald was part of that, and what we heard was—well, when we looked at that program and I think what's proposed is having a wider audience of eligibility and then the income change is higher. **Commissioner Bynum** said that's right.

Mr. Johnston said when we worked with staff the existing level of people using the existing system or program, it was around \$140-\$145K and if you added all of those who are eligible, it would be \$5M. **Commissioner Bynum** said right. **Mr. Johnston** said, therefore, we thought we would start it by increasing from 145 to 250. If that's not enough, we have to come back with an amendment. **Commissioner Bynum** said I appreciate that and support it, obviously, and the clarity I want is that is for Utility & Sales Tax rebates only and nothing on the PILOT Relief Program that we brought forward, correct? **Mr. Lindsey** said that is correct. That is to make the Sales Tax & Utility Rebate more like the Homestead Act. **Commissioner Bynum** said right.

The third leg of that stool was that same target population would also qualify for zero PILOT, but that is not included here. That's what I'm trying to get us to say out loud. **Mr. Lindsey** said that is not included here.

Commissioner Bynum said I'll make a comment for discussion as we move through the month of August, and I'll only say this. The Mayor asked me to lead that effort, which I was very happy to do. The specific request was that we look at the most vulnerable population, which we did. On May 18th when we brought that proposal forward, I really felt like the general consensus of the Commission was to support it, so I understand if we're going to try to incorporate it, then as you state, Administrator, that's a dollar that comes out of the General Fund. You know that's a dollar we don't have to spend, so I totally understand it. I'm just asking that maybe we take an opportunity as we continue discussing this budget to look at that again and, again, what would we not do if we do that because I think that's part of the challenge that we face. Really, I'll just leave it there for now unless you wanted to add something.

Mr. Johnston said the Commission has every right to—this is your budget eventually and you have every right to craft it how you see fit. What I presented today was a balanced budget. If there is going to be requests for more, I am going to say, remember I started with a balanced budget, I need something back and, therefore, a direction of what to not do or to cut is a partnership dialogue that we have and we leave before your vote is taken with an understanding as you've been involved in that decision of what you're not going—what we're not going to do to make up for an increase ask.

Commissioner Bynum said I think that's the very same answer to my next comment, which is, is it also possible during this coming time, before we adopt the budget, for us to have a conversation among staff and the governing body about what a revenue neutral budget would look like because, again, it's that same discussion that you just pointed out to us. We would have to be having that hard conversation about what will we not do, what cuts will we make. I'm kind of asking you and the Commission in general—or even if it's not a revenue neutral conversation, a conversation about some level of reduction in City mill levy, County mill levy, whatever we all think we can tolerate. I'm just asking for that. **Mr. Johnston** said you can do whatever you want. That's an important part of democracy, but I'm just going to remind you when we had the revenue neutral discussion before you a few weeks ago, the swing of a revenue neutral budget was $6M more to be cut out of the General Fund.

Now, if that's still a desire, I have to come up with you saying here's $6M of options that we're not going to include in the budget. **Commissioner Bynum** said that's my point, and if we could meet in the middle somewhere and say what you brought us is at the current mill levy rates and as you say, here's the $6M swing and if we chose 2 mills off the City, 2 mills off the County, what would that look like. That's what I'm interested in seeing. **Mr. Johnston** said that's fine. We're also going to revisit that because it's going to affect your Reserve balance, it will affect some of that stuff maybe accelerated in an earlier year. That's why having a deeper discussion is very important instead of saying I want to change two mill rates.

Commissioner Bynum said thank you. I really appreciate the conversation and I look forward to additional conversations, but I am intensely interested in how did you take us from here to here. I would like the detail on that.

Commissioner Burroughs said, Administrator, thank you for listening to the Commission. There were things up there that members of the Commission have been expressing for a while and, Reggie, I appreciate your overview. I know this hasn't been easy for staff when you watch a Commission work to address the needs, not only in their particular district, but all of the community.

With that, I go back to—I hope this falls parallel with Commissioner Bynum's comment in reference to revenue neutral. The challenges that we would have in identifying where we could make those cuts to make revenue neutral work. The point that I would like to bring up is I know that our budget has to be stated by state statute, those things we have to do, ordinance and resolution, those are the guiding principles of our initial budget and then we have our needs and then we have the wants. Those needs and wants are going to be the part that we really have to work on because we really have very little control on the other aspect, but the question I would have is, I have advocated and requested for a while an overview of the monies that are going out to our not-for-profit entities that come from the Unified Government collectively and the taxpayers. I don't know what kind of sum that is, but it may help us with that sum to identify the needs and the wants and see where we can help or what we may have to reconsider when it comes to those things that we call our sacred cows that we want to protect. I think if we start with a figure that we know is the basis for those funds being dispersed, it would be a benefit for some of us to help in guiding how we can help the community collectively, not only with their funding, but with the entire budget. So I would hope as we move forward that we get that sum so that we can identify.

Mr. Johnston said that's an important ask. Commissioner Bynum has asked for scenarios' we can gather, not the entire list, but a good list to start the discussion. **Commissioner Burroughs** said thank you and I know we need to do a deep dive, but I must say for the first few months you've been here to come forward with the skill that you did and pushing this budget out a little bit, I sincerely appreciate it and I do hope that staff and community understand it's not easy coming in and starting from scratch with what you had. I'm pleased and optimistic that we're going to be able to work through this collectively and do what is best for the community. Thank you for the basis in which—the blueprint to work from.

Commissioner Johnston said both Commissioner Bynum and you Commissioner Burroughs asked what did we do. There were some adjustments within, but I'm going to be truth in advertising here. There was a lot of increased revenue that helped us immensely. The increased revenue in property taxes because of the reassessment, and to a point, the $700K from the increased PILOT revenue due to the BPU's rate hikes. They happened during our analysis, our process. With the direction that we received during the previous budget discussions that we had, we went with a regular—no, we didn't do revenue neutral, we went regular and that's incorporated, that's an increase in revenue and then BPU raised their rates and then all of a sudden it's an algebra equation that we benefit from. That's incorporated in there.

So, to be truth in advertising, that helped a lot, but also working with our staff helped as well because they forgo stuff, they delayed stuff, we got rid of positions that were on the books that weren't being filled, so we will get you a detailed list on that, but I'm not a savior. We work with things within our control and take advantage of those that aren't under our control, but also be upfront and open about it with you.

Commissioner Johnson said I appreciate the fact that you were completely candid with us and I agree that you and we are not saviors. That's something that I would walk and talk that language because that's what is needed. With that said, I recant my request to increase the amount of utility relief. When you said it the way you said it, it made absolute sense to me and I understand we're in the time—what I can appreciate is that you're not trying to hide anything from us because we can—those of us know that knows this language, we can manipulate numbers just about any kind of way. What I like here, this is a candid look of where we are and how we're going to improve over the next five years, so I can appreciate that because at least we now know and we're not surprised and no one should be feeling like the wool has been pulled over our heads, we know that this is what it's going to look like. Hopefully, we can beat the budget, hopefully, but we'll see. I recant my request. **Mr. Johnston** said we'll add that to the list Commissioner. That goes to saying that I was brought up with, I think we all heard it before, figures don't lie, but liars figure—you're not going to get a liar at this podium or in this gallery. We will be upfront and honest with you. So, again, our goal is to help you make the best most informed decision to benefit our citizens.

Commissioner Stites said I can appreciate that it was made easier because of the evaluations are bringing in more money than they did last year and that BPU raised their rates. Well, that all comes on the backs of our taxpayers and as we all know they're hurting. They've asked—every event I attend they ask what are we doing about our high taxes. We have to get control and I understand, you just got here and I appreciate what you've done already.

I think what I can get behind is giving you a pass this year to look at the deep dive that is required for us to get back into—because it's not going to matter if we don't—if rates continue to go up with BPU and our valuations continue to go up because we won't have people living here to pay those rates. They'll be out of here.

Economic Development, I'm glad to hear that we're going to address that because I think from day one that you got here you've said economic development is how we get out of this mess. We cannot continue to slow down, prohibit developers that are trying to get permits. They're coming to our city right now trying to build and they get slowed down, they get roadblocked, and I'm not talking about just on the west side, I'm talking about across this whole county. I mentioned one to you tonight before the meeting. It's not in my district that's having the same issue. If we're going to run folks away or if we're not going to be customer friendly, they're going to go elsewhere. We've got to address that and I think that you are and I appreciate that.

The new West Patrol, I was glad to hear that we're looking at getting police cars, new fleet for the police officers. They're driving crap right now. They're expected to go out there and drive around and go call to call and protect us and serve when their driving and I think we should be embarrassed that they're driving—not only the way they look, but for the safety of our officers.

On August 2nd we had a meeting on the 9th floor with the developer and the folks for the Legend's and there was a discussion that day, and I brought it up, about what does it look like—I worked out of West Patrol for many, many years as a police officer and West Patrol is terrible, small, outdated and it's not good anymore. I said what was the possibility we move that out to the Legend's. She said I would love to have you guys out there. We have a space for you. I don't know if she does or she doesn't, I have no idea, but maybe there's a \$10M save. We're not going to be in there for free, but then it puts us in a shopping center, more west patrol, west area of our county that presence is needed as development continues to grow. So, I would like to see how we, and as Commissioner Kane mentioned, I think it was to Reggie, when he said we can discuss that later about West Patrol for the location. That would be something I would be in favor of looking into to see how maybe we could look at the West Patrol being incorporated into the actual footprint of the Legend's Shopping Center. I think there's a lot of good reasons that it makes sense for it to be there.

Again, I look forward to the next two discussions. I'm looking forward to seeing what it looks like to see what we can do on mill reduction on one or both or—I just want to see what it looks like, can we do it. The wants, the needs, everybody has talked about it, we've discussed it, how can we do it, what services go away if we are to have tax relief, so I look forward to it. Good job.

Mayor Garner said thank you Administrator, thank you Mr. Lindsey, thank you to the entire staff for your presentation. I think what we'll fine, Commission, is what we recognized early on, when we brought our new County Administrator in. He's very experienced, well versed, knowledgeable in finance as well as economic development. Those are some of the things that we've all shared. I've talked about it that we've got to look at economic development to broaden our tax base to shore up some of our shortfalls, but then we also need to make sure that we're operating in a way that's more fiscally responsible and in a way that also aligns with providing the essential services that our residents have come to expect in some areas demand and do that equitably. What you find in Mr. Johnston, and I know it was mentioned tonight, is he is going to be transparent, he's going to be truthful, he's going to give you all the options that you asked for and he's going to help you get to the right decision, hopefully, that will be the best choice as you make your informed decision to improve the quality of life for all those who call Wyandotte County home.

What is promising from his expertise, one thing that stood out and I know he said he found the extra money, but he didn't hide that money, he didn't put it somewhere else. He applied that money to give this Commission more opportunities for the 2026 red, bankrupt, whatever you want to call it timeline to push that out to 2028. As our Administrator has said, he wants to make sure that under his watch that we never get to the point where this county and this town has on its record that we went bankrupt and he is committed to that. I know that his staff, our Unified Government staff, is committed to that. They're working hard to not only get the best budget, but to find efficiencies and cost savings that we all know that we have to have within this Unified Government.

Thank you, thank you to all your staff.

Commissioner Davis said very quickly, thank you all for this. This is massive and I'll probably have some other questions. One of the things I wanted to get clarity on, we have all 13 unions that UG works with under contract. That is also included in this budget, is that correct? **Mr. Johnston** said yes sir. **Commissioner Davis** said that is very, very important. For non-union employees what are we looking at as far as a possible adjustment? **Mr. Johnston** said we included a 4% COLA for non-union and then there's CBA's included. **Commissioner Davis** said last question, I'll save other questions for another time. When do we by state law need to adopt this budget because we had some confusion last year on what the state dictated to us. I know there's a plan for later on this month, but what's the exact date? **Mr. Lindsey** said we have to have state forms to the state by September 30th. We have to get those state forms together and everything, so it would be nice like two weeks out from that. **Commissioner Davis** said gotcha, so I'm assuming you're saying the first Commission meeting in September would be the deadline, the ideal deadline to get it done. **Mr. Lindsey** said I know last year we did it like, I think, September15th. **Commissioner Davis** said so around that time. Okay, gotcha. I just wanted to make sure because I had some confusion last year.

Again, thank you all to our staff. The last thing I'll say, whatever we do we have to show our constituents what they're getting out of this and this means we're not going to see a dramatic reduction in property taxes, which we talk about reduction in property taxes, we're only 46% of that. We have other taxing jurisdictions that are having this conversation and they may not even be considering lowering the mill rate and so the impact for our residents we really have to think about is what the overall impact is going to be, but if that's not going to be a top priority, then pointing to—even if we can get a district by district impact of what this budget will do. I know we all have important issues that we all care about, that will be very helpful just for me, just in conversation to say here is what is different from one year to the next as you are paying more in property taxes and in PILOT.

Commissioner Stites said I was just going to say that September 14th is our first meeting in September and while I do have the mic, I'm going to ask one other question because Commissioner Davis kind of reminded me of it, about the other taxing entities. The community college, I'm hearing that just over and over and over. What about the community college, they apparently have enough money to build a new location downtown. Where is that money coming from. How are we subsidizing it. Are we in communication with the other taxing entities as to—I know we have asked, I have asked anyway, that we have a joint meeting so that we can come at this collectively, all of us together, what's your plan, what's the libraries plan, what's our plan, what's everyone's plan, the seven entities that are responsible for our property taxes and we haven't been able to get that accomplished. I would sure still like to see us be able to do that. It's probably too late for this year, but I would like to get that on the books so that we can look at this collectively.

Mayor Garner said to answer that question, my office is facilitating that. It is planned, it is scheduled, there is a date coming up with all the school districts, their CFO's, Superintendents and their Board President for a joint meeting that is planned, I believe, for September give or take, but I would have to get the exact date. I can say this whole talk about tax relief, based on the demands of a lot of our residents, our property tax paying residents in Wyandotte County, is not going on deaf ears. I've listened in and observed some of the conversations of some of the other taxing entities and they're paying attention. They know that our residents are demanding tax relief and they know that we're still one of the poorest communities in the state of Kansas that have some of the most devasted and depressed zip codes and some people are being taxed into utter desperation, some into poverty, some out of their houses and some out of our county and they are paying attention to that.

In talking to the community college, it was presented last night at the Wyandotte County Economic Development Corporation meeting, Dr. Mosier, the President of the KCK Community College, did indicate that he will be presenting a budget request to his Board of Trustees at the college that will include a one mill reduction. So, these other taxing entities are paying attention to our residents.

I think that we often talk about we're only 46%, but we're that 46% that other taxing jurisdictions look to for leadership. They follow us, they follow our lead and they really look to us to share with them on a broader note on what the community and what the public is saying as far as when it comes to taxing and providing good services and resources throughout Wyandotte County and making sure that we do so equitably. I'm confident that they are listening and they are hearing and I would like to say to the public looking forward—I know we talked a lot about bankruptcy and we've talked a lot about the red and these hypothetical dates that are coming up based on the numbers that we have today, but I'm confident, and I want this community to be confident, that we have a County Administrator, we have very professional staff here and employees and they're going to work hard with this Commission and, more importantly, with this community to make sure that we are fiscally responsible and that Wyandotte County will never have a bankruptcy on its record. I believe that to be so and I also believe that the best is yet to come for Wyandotte County.

We've hit a speed bump, we're going to get through this. There's going to have to be some sacrifices made both by employees as well as residents in this community because of our fiscal situation. I'm not so much concerned how we got here. I'm more concerned about where we're going and where we're going the future is bright. Thank you and I'll take a motion to adjourn.

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

MAYOR GARNER ADJOURNED
THE MEETING AT 6:10 p.m.

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Brett Deichler
Unified Government Clerk

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