



Unified Government of Wyandotte County  
and Kansas City, Kansas

**Commission Resolution:**  
R-35-18  
**Adopted:** 07/26/2018

**Summary:**  
**Budgetary and Financial Policies**

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This is a condensed version of the budgetary and financial policies of the Unified Government of Wyandotte County and Kansas City, Kansas.

- 1. Structural Balance**  
The budget for the Consolidated General Fund will be structurally balanced, with the sum of estimated revenues, transfers-in and appropriated Fund Balance is equal to expenditures and transfers-out.
- 2. Long-Term Financial Plan**  
The proposed annual budget should include a five-year General Fund projection.
- 3. Budget Process is an Annual Cycle**  
The annual budget process is used to develop service priorities and the level and type of resources to fund those services. Proposed mid-year changes to the budget and to service levels during the fiscal year will be minimized. Proposed mid-year changes will be evaluated programmatically and fiscally prior to adoption, and, if adopted, may have a lower priority compared to pre-existing programs and projects unless otherwise specified.
- 4. User Fees to be Set Related Cost of Service**  
When possible, user fees will be set to fully recover costs, except where there is a greater public benefit through use of a lower fee. There will be an administrative process for in-depth review of all fees over time.
- 5. One-Time Resources are for One-Time Uses**  
One-time resources will not be used to fund ongoing operations and are to be used for one-time purposes.
- 6. Capital Projects Budgeted for Both One-Time and Ongoing Costs**  
Before approving any capital expenditure, the Unified Government Commission will consider the capital (one- time) costs, the operating (ongoing) components of staffing and maintenance costs, the replacement costs, and the expected approach to funding replacement.
- 7. Fund Balance Policy**  
Fund Balance Policy for governmental funds establishes categories of fund balances - non-spendable, restricted, committed, assigned and unassigned. It also creates specific reserves - an operating reserve to be maintained in various funds and an economic uncertainty/ emergency reserve in the General Fund that may be accumulated in the future five years.

**8. Adequate Emergency and Operating Reserves will be Maintained**

Operating reserves of the General Fund will be maintained at two-months of General Fund ongoing expenditures, including transfers. The Emergency General Fund reserve establishes a target of an additional one month of General Fund operating expenditures sought to be accumulated over the future five years. Specific operating reserves are also established for all other special revenue and enterprise funds in accordance with the financial policies and recommended practices.

**10. Revenue Projections will be Conservative**

Revenue projections are to be objectively prepared using a reasonably conservative approach.

**11. Stable Revenue Sources will be Used to Fund Operations**

Any revenue that has a highly variable component may have only a portion of it, or none of it, budgeted for operations.

**12. Fiscal Impact Analysis**

For proposed Unified Government Commission action, an analysis may be provided (fiscal impact analysis) of the projected or potential fiscal impact on current and future revenues or resources, expenditures, including staff resources, and on how the action may impact the Unified Government's financial or economic position.

**13. Current Year Costs will be Funded or an Explanation Provided**

The budget will include funding for all costs of operations for the current and budget year or will identify, provide general information on and discuss any costs not fully funded, including unfunded liabilities, unfunded lifecycle replacement costs, and deferred maintenance.

**14. Financial Reporting will use Generally Accepted Accounting Standards**

The Unified Government will prepare annual financial statements in accordance with Generally Accepted Accounting Principles (GAAP) and will use a consistent approach to budgetary reporting. Both the basis of accounting and the basis of budgeting will be described in the appropriate documents.

**15. Financial Status will be Reported**

The Unified Government's Comprehensive Annual Financial Report (CAFR) will be made available after completion of the annual audit.

There will be quarterly reporting on the budgetary status of all the Unified Government's State certified funds, with emphasis on the three funds comprising the Consolidated General Fund. Any major or critical budgetary issues will be reported as soon as it is practical.

**16. Financial Status of Major Funds will be Reviewed**

The County Administration will annually present a brief report discussing the high-level financial status of each major fund of the Unified Government as part of the budget presentation. The report will be part of the proposed budget as a component of each fund's Fund Summary.

**17. Appropriate Grants will be Sought**

The Unified Government will seek grants that address Commission priorities and are believed to provide a substantial net benefit after considering the Government's cost to secure and administer the grant and the risk associated with unintentional non-compliance. The Unified Government shall maintain support to ensure compliance with grant terms and requirements.

**18. Debt Maintained at Appropriate Levels**

Debt limits follow State law. The term of debt will generally not exceed the life of the asset being acquired or constructed; capital leases for vehicles will be part of a comprehensive strategy; and debt will not be used to fund operations.

**19. Investments will be Conservatively Managed**

Investments shall be managed with the priorities of: safety of principal, liquidity (availability of cash), and yield (investment income).

**20. A Long-Term General Financial Plan will be Maintained**

A plan will be presented that outlines general approaches to maintaining and increasing revenues, growing Wyandotte County's economy for the purpose of revenue generation, and controlling and managing the cost of services and the method of delivery of services.

**21. Financial Policies will be Reviewed**

Financial policies will be reviewed at least annually. The County Administrator and Chief Financial Officer will report potential non-compliance on any proposed Commission action and will report annually on overall compliance and non-compliance with all the financial policies.

**22. Administrative Procedures to be Consistent with Policy**

Administrative procedures shall be consistent with the adopted Unified Government Commission budgetary and financial policies.