



Budget, Finance & Economic Development Committee

August 27, 2024

Summary and Motions

Chair James Brown called the meeting to order at 1:01 p.m. Vice Mayor Dan Wu and Council Members Chuck Ellinger, Hannah LeGris, Liz Sheehan, Preston Worley, Fred Brown, Whitney Baxter, Jennifer Reynolds, and Kathy Plomin were in attendance. Council Members Tayna Fogle, Shayla Lynch, Brenda Monarrez, Denise Gray, Dave Seigny were also present as non-voting members.

I. Approval of June 25, 2024 Committee Summary

A motion by Baxter to approve the June 25, 2024 Committee Summary, seconded by LeGris, the motion passed without dissent.

II. Monthly Financial Update – July 2024

Commissioner Hensley reported on the July 2024 financials. Revenue collections are running within \$24k to budget through period 1. Public Safety personnel accounts are currently under budget, but use of these funds, like overtime, typically increase in the fall and winter. Large contributors to the \$2.6M operating variance include supply and equipment accounts in Police and repair and maintenance accounts in E911. These accounts are anticipated to be spent down throughout the year.

No action was taken on this item.

III. Change Orders Update

Director Todd Slatin presented on the Change Orders update. Resolution 630-2020 allowed for the approval of minor change orders by administrative staff as opposed to Council. The Resolution became effective in December 2020 and is reflected in CAO Policy 15. Benefits include reduced project timelines, no legislative action required, and no timing issues with the Council schedule. There have been 45 change orders to date. The average project allocation is \$2.1M with an average change order amount of \$41k. The highest percent change was 9% and the lowest was -34%. Moving forward the Change Orders item will be reported once a year to the Committee for information only.

No action was taken on this item.

IV. RH Williams Cultural Center

Tora Carter from the RH Williams Cultural Center presented on this issue. Carter explained the history and significance of the building and their goal to renovate the facility. The facility was built in 1892 and first served as the Colored Orphan Industrial Home that cared for unhoused African-American children. The home was in operation for almost a hundred years. Since 1988 the center has provided programming to the community. Center programming includes: Homecoming, Lex Read and Play Library, facility and ground rentals, Sunday Stroll Through History and Tours, and Brick-by-Brick Capital Fundraising Campaign.

The mission of the RH Williams Cultural Center is dedicated to promoting cultural awareness, diversity, and inclusion within the community and to provide a welcoming space where individuals from all backgrounds can come together to learn, share, and celebrate cultural traditions. The Center strives to foster an environment where individuals from all backgrounds feel valued and empowered to share their unique perspectives.

The building is over 100 years old and has 16,000 square feet and is on 3 acres of land. The building has some critical needs such as: roofing, central HVAC, and guttering. The center is asking to renew their partnership with LFUCG, for assistance to address critical needs, and funding to redevelop a feasibility study. The study will help determine how much and how to renovate the building. The feasibility study is estimated to cost around \$300k. No action was taken on this item.

V. Undue Medical Debt

Eva Stahl presented on behalf of Undue Medical Debt. Undue is a 501c3 nonprofit that was founded 10 years ago with the goal to acquire and abolish medical debt for people burdened by financial hardship. To date, Undue has acquired and abolished \$12B in medical debt for 7.1M individuals. Undue never collects on medical debt and is funded by donors.

Medical debt is a problem because households have little savings to buffer the shocks of medical bills and it is more prevalent in communities of color, a contributor to poor physical and mental health, harmful to credit scores, the leading cause of bankruptcy in the U.S., and is recognized as a social detriment to health. The economic impacts of health care debt cause people to prioritize debt over basic needs and is a significant issue for people of color in Kentucky.

Undue considers the following debt abolishment criteria when purchasing medical debt: low-income, medical debt burden, and residency requirement. Every dollar that is appropriated to Undue purchases about \$100 of medical debt. Undue contracts with government agencies, recruits hospitals and providers, requests data files and identifies patients who meet program eligibility, acquire medical debt, notifies recipients that debts have been acquired and cancelled as a gift, invoices program costs, and supports policy opportunities to achieve systemic change. Undue sees this program as a win-win-win situation between patient benefits, community benefits, and hospital benefits.

VI. Items Referred to Committee

A motion by Reynolds to remove Agriculture Director Update from committee, seconded by Ellinger, the motion passed without dissent.

VII. Adjournment

A motion by Baxter to adjourn at 2:16pm, seconded by LeGris, the motion passed without dissent.