

# AGENDA

## KGIS Policy Board Meeting

Monday, June 24, 2024  
11:00 AM  
City/County Building  
Room 586

1. Call to Order / Change of Chair **(V)**
2. Approval of Minutes (May 19, 2023) **(V)**
3. Financial Reports / Current Status
4. FY 2025 Budget Approval **(V)**
5. Other Items of Note
6. Public Comment
7. Next Meeting / Adjournment **(V)** (August 16, 2024)

**(V)** denotes that a vote be taken by the Policy Board

## 1. Call to Order / Change of Chairperson

1. (V)

Under rules adopted by the Policy Board, the Chair rotates on an annual basis. The order of the rotation is KUB-City-County; therefore, for the calendar year 2024, the chair rotates from KUB President & CEO Gabriel Bolas to City of Knoxville Mayor Indya Kincannon.

<i>Agenda</i>	
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### **Policy Board Action**

**Approve appointment of City of Knoxville Mayor Indya Kincannon as 2024 Chairperson**

## 2. Approval of Minutes (May 19, 2023)

2. (V)

### **KGIS Policy Board Meeting Minutes**

Friday, May 19, 2023, 1:30 p.m.  
Room 575, City County Building

**Members Present:** Indya Kincannon, City of Knoxville Mayor, Glenn Jacobs, Knox County Mayor

**Others Present:** Antoine Fortuin, County IT; Jeremy Loveday, KUB; Travis Lowe, Pugh & Associates; Alex Zendel, Knox Planning; Perry Benshoof, Knox County Finance; Ted Cox, Pugh & Associates; Natalie Reyes, City Finance; Jerry Randels, City IS; Jennifer Bodie, Knox County Finance; Eric Greene, KUB; Keith Stump, KGIS; John Edwards, KGIS

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**1. Call to Order / Change of Chair** – Mayor Jacobs called the meeting to order and asked for a motion to change the chairperson to KUB President & CEO Gabriel Bolas. Mayor Kincannon made the motion and Mayor Jacobs seconded. The motion was unanimously approved.

**2. Approval of Minutes (May 20, 2022)** – Gabe Bolas asked if there were any questions/comments regarding the May 20, 2022, minutes. With no questions/comments he asked for a motion to approve the minutes as written. Mayor Kincannon made the motion which was seconded by Mayor Jacobs. The minutes were unanimously approved as written.

**3. Financial Reports / Current Status** – Travis Lowe, from Pugh & Associates, presented the 2022 audit stating that there were no negative findings and considered it a fair and accurate result of the audit performed. The internal control found no material weaknesses. The 2022 total assets increased by \$443,011 primarily due to an increase in operating revenues.

The Net Position Report as of April 18, 2022 (included in the agenda) was reported by Jennifer Bodie, Knox County Finance. Jennifer indicated that KGIS is on track to finish under budget.

Keith added that KGIS's external revenues for this current FY 2024 are slightly lower (by about \$9,000) than budgeted. This is primarily due to lower than anticipated digital data requests from the private sector.

**4. FY 2024 Budget Approval** – Keith quickly reviewed the goals that the Executive Team set for KGIS for the current fiscal year.

**Operating:** Keith then reviewed the proposed KGIS FY 2023 Operating Budget which has an increase of 5.1% from \$1,294,779 to \$1,360,743. Each Tri-Party member's share will go from \$431,593 to \$453,581 which is an increase of \$21,988 to each tri-party member.

The increase is due primarily to the following:

- a. Hiring a new employee in January 2023 (~+\$35,500)
- b. a 3% salary increases for KGIS's existing employees (+~24,300)
- c. Salary Supplement Contingency (\$8,000) potential one-time, salary supplement to each employee
- d. Health Insurance increase
- e. Travel/Training increase – ESRI conference
- f. GIS Software Maintenance decrease – delaying expansion of Oracle and VertiGIS software platform
- g. Rental decrease – negotiated a 10% decrease with reduction in office space
- h. Systems Security Increases
- i. Other Miscellaneous Items which include minor equipment, travel/training, office space lease, longevity pay supplement

**Capital:** The proposed capital, which is funded by the External Revenue Funds, is \$451,635 and consists of:

Equipment (total \$185,300)

- a. Production Server Replacement
- b. Network Switch and Data Center Replacement
- c. Storage Area Network (SAN)

- d. Internet Link Balance
- e. Laser Printer/Copier
- f. Large Format Map Plotter
- g. ArcGIS Enterprise Architecture Consulting
- h. Security Assessment

Aerial (total \$266,335)

- a. Hydrographic/Topographic Update
- b. Spring 2024 Aerial Imagery Acquisition

Keith noted that the Executive Committee unanimously agreed with this budget request.

Gabe Bolas asked if there were any questions or comments on the proposed FY 2024 budget. With no questions or comments, he asked for a motion to approve the FY 2024 budget. Mayor Kincannon made the motion which was seconded by Mayor Jacobs. The FY2024 budget was unanimously approved.

**5. Other Items of Note** - Keith briefly gave an update of other notable items.

- a. New KGIS Employee – Rayford Bacon, III started February 27, 2023, as a Systems Support Analyst
- b. New Executive Committee Representative – Jeremy Loveday is new representative for KUB
- c. Maternity/ Paternity Leave Policy - In conformance to the adopted policies of Knox County, the Executive Committee (at its February 8, 2023, meeting) approved of new Maternity / Paternity Leave benefits for KGIS Office employees. The adoption of this policy does not have an immediate financial impact on KGIS

**6. Public Comments** – In accordance with KGIS Bylaws, the Policy Board shall provide an opportunity for public comments. No public comments were provided.

**7. Next Meeting / Adjournment** – The next regular Policy Board meeting is scheduled for Friday, August 18, 2023, at 1:30 p.m. in room 575 of the City/County Building.

Gabe Bolas stated that he appreciates all that KGIS does. KUB works with 152 other utility companies and none of them have the platform that KGIS provides. He appreciates how the Tri-Party organizations come together to share data.

Gabe Bolas asked if there were any other comments, with no comments he asked for a motion to adjourn the meeting. Mayor Kincannon made the motion which was seconded by Mayor Jacobs.

## Policy Board Action

### Approve Minutes

### 3. Financial Reports

3.

Knox County Finance will provide an overview of financial matters.

#### **Previous FY 2023 Financials**

The audited FY 2022-2023 financial report (attached) from Pugh & Company, P.C. can be found at the following Links:

<https://www.kgis.org/portal/Portals/0/Docs/PB/2023PughReporttoPB.pdf>

<https://www.kgis.org/portal/Portals/0/Docs/PB/FY23KGISAnnualFinancialStatements.pdf>

The audit did not include any negative findings.

#### **Presentation of FY 2024 Audit Planning Letter**

Representatives from Pugh & Company will present a Planning Letter at the Policy Board meeting regarding next year's planned audit. Click here for a copy of the letter:

<https://www.kgis.org/portal/Portals/0/Docs/PB/2024AuditPlanningLettertoPB.pdf>

#### **Current FY 2024 Financials**

The Net Position Report (as of April 15, 2024), provided by Knox County Finance, is on the following page (page 6).

KGIS's external revenues (from map sales, data licensing and subscription fees) for this current FY 2024 are in line with the previously forecasted numbers.

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<b>KGIS Statement of Revenues, Expenses and Changes in Net Position</b>	
<b>As of April 15, 2024</b>	
	Year to Date Actuals
<b>Operating Revenues:</b>	
City of Knoxville	\$ 492,741
KUB	693,261
Knox County	487,540
Map Sales	145,720
<b>Total Operating Revenues</b>	<b>1,819,262</b>
<b>Operating Expenses:</b>	
Personnel Services	571,787
Employee Benefits	178,904
Contracted Services	581,472
Supplies and Materials	2,690
Rent	58,245
Capital Outlay	29,728
Insurance	1,231
<b>Total Operating Expenses</b>	<b>1,424,057</b>
Operating (loss) income	395,205
<b>Nonoperating Revenues:</b>	
Knoxville - Knox County Planning	13,247
Knoxville-Knox County Emergency Communications District	1,564
Knox County Schools	3,045
EMA	353
<b>Total Nonoperating Revenues</b>	<b>18,209</b>
Change in Net Position	413,414
Total net position -beginning of year	1,500,121
Total net position -ending of year	<b>\$ 1,913,535</b>
KGIS has spent 64% of their budget which is consistent with our expectations for this time within the fiscal year.	

### Policy Board Action

None Required



KGIS's efforts in the next year will focus on the following:

### GOALS for 2024-2025

- Significant **Upgrades of Production System** servers, databases & web portal
- Initiate the **ESRI Technology Upgrade & Migration** project
- Acquire and deploy **Spring 2024 Aerial** products
- Update the **Inventory** of KGIS Workflows & Data Catalog
- **Update KGIS Maps** to latest JavaScript API

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**OPERATING**

**KGIS is seeking a 3.1% increase** to its **Operating** budget: from \$1,360,743 to **\$1,402,776**.

Each Tri-Party member's share will go from \$453,581 to **\$467,592**— an increase of **\$14,011** to each party.

What are the key drivers behind this budget increase?

**1) Software Maintenance.** (+\$23,358). ESRI +\$8k, GeoCortex(VertiGIS) +\$7k, Oracle +\$4k, Firewall +\$3k, Amazon Cloud +3k.

In particular, KGIS's existing ESRI GIS software license contract is up for its 3-year renewal, at which time the annual cost is adjusted - to both match with existing use, but also accommodate anticipated future increased use over the next 3 years. The fee will remain flat for 3-years.

The ESRI software is used to manage the increasingly large GIS databases housed at KGIS and throughout our respective agencies.

**2) Salaries increase of 2%.** (+\$14,546). This reflects a two-step performance increase. The pay scale ranges will remain the same as last year.

The budget also includes a separate \$8,000 salary bonus contingency - to support any non-budgeted, mid-year adjustments by Knox County should they so occur.

**3) Other adjustments** to the proposed budget (vs. last year) include the following:

- Travel / Training Increase – to support increased participation at ESRI Conference and training, especially as KGIS prepares for the upcoming enterprise-wide migration project.
- Rental Increase – assumes 3.5% increase (contract is based upon Consumer Price Index: CPI-U).

In addition to the direct Operating Budget highlighted above, there are also “pass-thru” expenditures assessed to each respective KGIS partnership agency. Those are outlined on pages 10 of this Agenda.

**CAPITAL**

KGIS is proposing a capital outlay of **\$431,000 to be funded entirely from existing External Revenue funds**, for the following items.

**Equipment (total: \$431,000)** – most items are carryover from previous year budget.

- **System Server \ Hardware Replacements \$101,000** *for continued sound operation of the GIS system. Several of these devices are carryovers from the previous year budget (i.e. their purchase having been delayed).*
  - Test \ Development \ Failover Server      \$22,000 will be 7 years old
  - ArcGIS Enterprise Server                      \$20,000 to support increased use of on-premise map services
  - Network Switch and Data Center            \$18,000 redundant switches, server rack, power units and kvm in the City-County Bldg. carryover; will be 9 years old
  - Web Portal Database Server                  \$15,000 will be 8 years old
  - Internet Link Balancer                          \$6,000 carryover; appliance used to distribute internet traffic and provide continuity in a loss-of-service event
  - Tape Backup System Component            \$6,000 carryover; will be 8 years old
  - Laser Printer / Copier                         \$7,500 carryover; will be 6 years old.
  - Large Format Map Plotter                    \$6,500 carryover from previous year; used for producing 44" maps. 12-year old device no longer supported
  
- **ESRI Technology Migration Consulting Services \$325,000** *to guide and support KGIS personnel in the architectural and system design decisions necessary to migrate the entire System to the latest, supported version of ESRI GIS software, especially ArcPro (which is used by key stakeholder personnel for data maintenance and analysis) and ArcGIS Enterprise. ESRI is the foundational software on which Tri-Party GIS work processes are based, especially data editing and web-based sharing of maps and services.*

*KGIS's existing software is already in mature mode (with no more updates or software patches available). The software will reach end-of-support March 2026. Migration to latest version needs completed by that time.*

*These services will include consulting (project management), training and data conversion work. ESRI's Advantage Program will provide the bulk of these needed services, with supplemental data conversion services provided by a qualified third-party vendor.*
  
- **Security Assessment \$30,000** *Contracted services to evaluate external security threats to KGIS systems and to address vulnerabilities. KGIS seeks to conduct a security assessment every 3-4 years.*

**Aerial (total: \$0)**

No aerial projects are planned for FY 2025.

*Note: the Spring 2024 aerial project was funded out of the previous FY 2024 budget, and the Topographic/Hydrographic update project has been moved to FY 2026.*

Long-Range capital expenditure projections are included in Appendix A (page 15).







The Executive Committee unanimously agreed with this budget request.

**Policy Board Action**

**Approve Budget for FY 2025**

## 5. Other Items of Note

5.

The following items represent some notable actions of KGIS since the last meeting.

- **Spring 2024 Aerials now available**

The 2024-vintage Aerial ortho-photo maps, along with 360 degree oblique photos, are now accessible to the KGIS audience via KGIS Maps. The data was obtained from Eagleview\Pictometry as part its ongoing contract with the Knox County Property Assessor, KGIS and KUB.



The above images display the [Hardin Valley Rd & East Gallaher Ferry Rd intersection](#) in west Knox County.

- **Notification of Budget Adjustments**

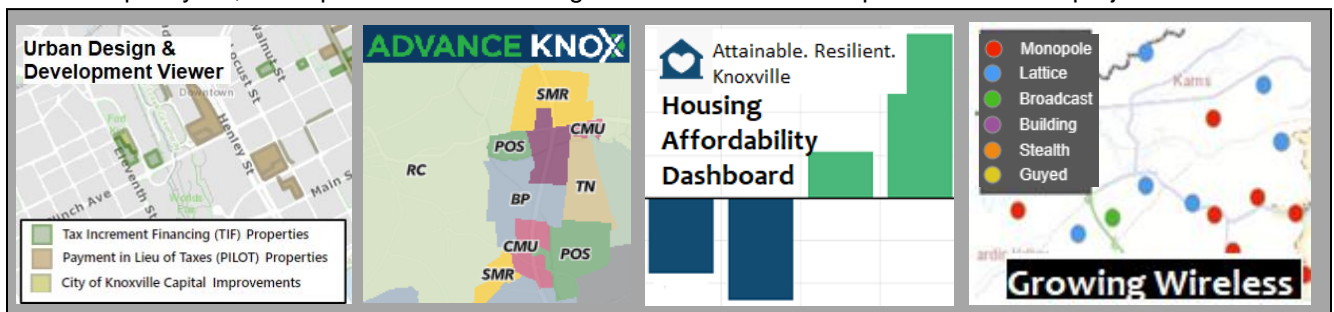
In 2023, the Executive Committee approved three different, mid-year FY2024 budget adjustments, each of which were in support of salary compensation adjustments adopted by Knox County.

- **July 3, 2023** – to support a 5% general pay scale increase (vs. the originally adopted 3% increase)
- **July 27, 2023** – to support one-time \$500 bonus to each employee
- **December 15, 2023** – to support one-time \$1,000 bonus to each employee

The Executive Committee was granted authority by the Policy Board (2001; 2012) to approve of budget adjustments such as these that do NOT result in any billable cost increases to the Tri-Party members. The Policy Board is to be notified of these approved adjustments.

- **Example Maps & Applications of Knox Planning**

Over the past year, KGIS partner Knox Planning has contributed GIS expertise to several projects.



Visit each respective website and/or application by clicking on the images above.

## Policy Board Action

None Required

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## 6. Public Comment

6.

In accordance with KGIS Bylaws the Policy Board shall provide an opportunity for public comments.

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### Policy Board Action

None Required

## **7. Next Policy Board Meeting \ Adjournment**

7 (v).

The next regular Policy Board meeting is scheduled for:

Friday, August 16, 2024 at 1:30 pm.

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KGIS meetings are scheduled quarterly (on the third Friday of each Quarter). The upcoming dates for the regular meetings are:

- August 16, 2024 at 1:30 pm
- November 15, 2024 at 1:30 pm
- February 21, 2025 at 1:30 pm
- May 16, 2025 at 1:30 pm

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## **Policy Board Action**

### **Adjourn the Meeting**

**APPENDIX A**

Long Range Forecast														
	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
<b>Operating</b>														
Beginning Balance	418,062	418,062	418,062	418,062	418,062	418,062	418,062	418,062	418,062	418,062	418,062	418,062	418,062	418,062
Revenues (Budget)	1,360,743	1,402,776	1,444,859	1,488,205	1,555,174	1,601,829	1,649,884	1,775,853	1,724,129	1,775,853	1,829,128	1,911,439	1,968,782	2,027,846
Revenues (Other)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer In (Out)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Expenditures	(1,360,743)	(1,402,776)	(1,444,859)	(1,488,205)	(1,555,174)	(1,601,829)	(1,649,884)	(1,775,853)	(1,724,129)	(1,775,853)	(1,829,128)	(1,911,439)	(1,968,782)	(2,027,846)
Ending Balance	418,062	418,062	418,062	418,062	418,062	418,062	418,062	418,062	418,062	418,062	418,062	418,062	418,062	418,062
<b>Capital Aerial</b>														
Beginning Balance	3,666	0	0	0	0	0	0	0	0	0	0	0	0	0
Revenues (Budget)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Revenues (Other)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer In	62,669	0	441,335	0	80,000	0	255,000	0	80,000	0	455,000	0	80,000	0
Expenditures	(66,335)	0	(441,335)	0	(80,000)	0	(255,000)	0	(80,000)	0	(455,000)	0	(80,000)	0
Ending Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Capital Equipment</b>														
Beginning Balance	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
Revenues (Budget)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Revenues (Non-Budgeted)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transfer In (Out)	29,728	471,000	75,500	0	64,300	34,100	116,000	105,500	0	34,300	64,100	116,000	75,500	30,000
Expenditures	(29,728)	(471,000)	(75,500)	0	(64,300)	(34,100)	(116,000)	(105,500)	0	(34,300)	(64,100)	(116,000)	(75,500)	(30,000)
Ending Balance	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
<b>Capital Non-Designated</b>														
Beginning Balance	667,943	726,181	403,816	40,676	194,371	203,766	323,361	106,056	154,251	227,946	347,341	(18,064)	19,631	17,826
External Revenues	150,635	148,635	153,695	153,695	153,695	153,695	153,695	153,695	153,695	153,695	153,695	153,695	153,695	153,695
Aerial Transfer In (Out)	(62,669)	0	(441,335)	0	(80,000)	0	(255,000)	0	(80,000)	0	(455,000)	0	(80,000)	0
Equipment Transfer In (Out)	(29,728)	(471,000)	(75,500)	0	(64,300)	(34,100)	(116,000)	(105,500)	0	(34,300)	(64,100)	(116,000)	(75,500)	(30,000)
Ending Balance	726,181	403,816	40,676	194,371	203,766	323,361	106,056	154,251	227,946	347,341	(18,064)	19,631	17,826	141,521
<b>TOTAL CAPITAL</b>	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037
<b>FUND BALANCE</b>	726,180	403,815	40,675	194,370	203,765	323,360	106,055	154,250	227,945	347,340	-18,065	19,630	17,825	141,520