CITY OF GREENSBURG
REGULAR CITY COUNCIL MEETING
300 SOUTH MAIN GREENSBURG, KANSAS
MONDAY, OCTOBER 3, 2016
6:00 PM

A) CALL TO ORDER

B) PLEDGE OF ALLEGIANCE AND INVOCATION

C) ROLL CALL & APPROVAL OF THE AGENDA

D) CITIZEN COMMENTS
   All comments are limited to a maximum of three minutes for each speaker. In accordance with the Open Meetings Act, City Council members may not discuss or take action on any item that is not on the Agenda.

E) CONSENT AGENDA
   These items are routine and enacted by one motion. There will be no separate discussion of these items unless a Council member so requests. Any consent agenda item can be removed and placed on the agenda as an item of business.
   1. Approval of Minutes
      a. Regular Meeting – September 19, 2016
   2. Appropriation Ordinance
      a. Ordinance #1085

F) ITEMS OF BUSINESS
   1. Kansas Power Pool Update
   2. Land Bank
      a. Deed- 223 S. Bay
   4. Uniform Discussion

G) CITY ATTORNEY’S REPORT

H) CITY ADMINISTRATOR’S REPORT

I) GOVERNING BODY COMMENTS

J) ADJOURNMENT

NOTICE: SUBJECT TO REVISIONS

It is possible that sometime between 5:30 and 6:00 pm immediately prior to this meeting, during breaks, and directly after the meeting, a majority of the Governing Body may be present in the council chambers or lobby of City Hall. No one is excluded from these areas during those times.

To be placed on future agendas please contact City Administrator Kyler Ludwig at administrator@greensburgks.org or call City Offices at 620-723-2751.
Greensburg City Council
September 19, 2016
City Hall

A) CALL TO ORDER
Mayor Robert Dixson called the meeting to order at 6:00 p.m. on September 19, 2016.

B) PLEDGE OF ALLEGIANCE AND INVOCATION
The Pledge of Allegiance was said and the invocation given by Dixson.

C) ROLL CALL & APPROVAL OF THE AGENDA
Council present: Matt Christenson, Mark Trummel, Rick Schaeffer, and Sandra Jungemann. Haley Kern was absent. Trummel made a motion to approve the agenda as presented. Christenson seconded. Motion passed 4-0.

D) CITIZEN COMMENTS
There were no citizen comments.

E) RECOGNITIONS, PROCLAMATIONS, AWARDS, & NOMINATIONS
Upon a request from Daughters of The American Revolution, Jungemann made a motion, seconded by Trummel, to approve a “Proclamation For Constitution Week” designating September 17th through 23rd as Constitution Week in Greensburg. The motion passed 4-0.

F) CONSENT AGENDA
Jungemann made a motion, seconded by Trummel to approve the Consent Agenda as presented. The motion passed 4-0.

G) Business Items
   1. Presentation of City Audit
A representative of Kennedy McKee was not present when Dixson opened the floor for discussion on the City Audit. City Administrator Kyler Ludwig advised Council that the 2015 Audit showed nothing out of compliance. Ludwig complimented Staff, noting that Staff went through a software change in mid 2015. Only minor adjustments were needed to the books, primarily due to the software change. Ludwig also noted that the trash service fund transfer of interest that is required has not previously been made. Staff will make that transfer in the next year, upon the advice of the Auditors.

Christenson noted that most all the City’s funds (with the exception of the General Fund and the Big Well Fund) ended with the same or more cash as they had the previous year. Ludwig stated that he is working on those issues with Staff. New positions previously budgeted this year have not been filled.
Trummel made a motion to accept the audit as presented. Christenson seconded and the motion passed 4-0.

Jim Kennedy, Kennedy McKee, joined the meeting after Business Item 2, and went briefly through the published audit report. Kennedy noted that only 3 items had to be adjusted in the books, and these appeared to all be reclassifications. The Sanitation Capital Reserve Fund is nearly complete, with a cap of $100,000. As Ludwig previously stated, interest has not been being posted to this fund. Kennedy feels that the business and unbudgeted funds are in good shape, but noted that the City Infrastructure and Big Well funds were down more than predicted. The Special Highway Fund was mostly affected by the street sealing project. Kennedy recommended Council consider a long term solution to make the Incubator Fund a viable account.

Kennedy presented a contract for the 2016 Audit and 2018 budget preparation for the Council’s consideration. His office will submit the 2015 Audit to the state electronically.

2. Equipment from Asian Kitchen
Ludwig explained that Asian Kitchen has ended their Incubator lease with $1,743.76 of debt to the City in rent and utilities. There are a few items left in the space that can be sold. The county economic development board, with the help of Great Plains Economic Development, provided approximately $40,000 in funding for the business. Ludwig has discussed the situation with Bob Wetmore (Great Plains). He confirmed that the City would have the right to sell the materials left behind to cover the unpaid costs. Any additional money raised would go to the economic development board for disbursement. Ludwig provided a list and pictures of materials remaining in the facility. Confirming for Schaffer that there are currently no renter prospects, Ludwig stated that he had contacted Brown Auction regarding the matter. Any item they would auction below $300 would require a 30% commission. Any item above $300 would require a 20% commission. Council could also choose to utilize Purple Wave online auction or a sealed bid process.

City Attorney Gordon Stull stated that he also represents Great Plains in legal matters. He would like time to discuss the situation with them before a decision is made by the Council. Ludwig advised that he has had contact with the former tenant. They intend to file bankruptcy after the sale. They have been advised by their attorney not to sell the items themselves. Section 9 of the signed lease agreement, dealing with liens, was reviewed.

Trummel asked about the alterations that the tenants made to the facility. Ludwig stated that the cabinetry and stove hood are considered improvements to the facility and would remain in the City’s possession. Should a future tenant not utilize the hood system, Staff will need to replace the window that was removed for the venting.

It was the consensus of the Council to allow Stull time to speak to Great Plains. To sell remaining materials, Council preferred to separate the items into lots and attempt to sell them locally before
utilizing an auction company. Utilizing social media and the City’s utility bill newsletter to advertise the items was recommended.

3. Discussion on Junked Motor Vehicles
Staff has received a few complaints about junked motor vehicles. Ludwig reviewed the current policies with Council and asked for feedback on the policies, as well as enforcement. Staff will be making junked motor vehicles their code enforcement focus for the next month or two. The consensus of the Council was that the policies are appropriate. Staff was directed to start sending friendly letters to violators 30 days prior to beginning the formal process for those still not in compliance.

4. Airport Grant
The deadline for KDOT Airport Improvement Grant applications is September 30th. Ludwig has been in contact with the Lochner, airport designer. If Council would like to change the previously submitted airport plan, a new grant application must be submitted. The recommendation is to look to the community of Quinter, previous grant award winner, as an example. Their plan was to go directly to a paved runway (Quinter already had a grass runway). Quinter has a large medical facility and had a large amount of support from the medical community for the airport project. Quinter hospital foundation applied and accepted a 75/25 grant (rather than a 90/10 grant that is described in the KDOT grant literature). Lochner was asked by Ludwig to prepare a plan that would do the same, but within the $1.6 million offered for new runway construction. Ludwig has received 3 grant requests that Lochner would like to submit to KDOT on the City’s behalf. The requests total approximately $3 million, in an effort to save money for mobilizing. The goal is to construct a runway that will be able to land a fixed wing medical transport. The request will not include any facilities. Greensburg will need support from other groups within the community and may be required to use the 75/25 reimbursement ratio.

H) CITY ATTORNEY’S REPORT
Stull stated that the title or the Land Bank property would be ok. He will discuss the topic with Ludwig.

I) CITY ADMINISTRATOR’S REPORT
   ICMA Conference: The International City Manager’s Conference will be in Kansas City from September 25th through the 28th. Ludwig will be attending.
   Lineman Program: Staff met with the State Department of Revenue to put together an apprenticeship agreement. The agreement is an affirmation of our personnel policies, and Staff will be contacting the State Board of Apprenticeships for final approval. Following the agreement, Staff will be able to participate in KMU’s apprenticeship program.
   KPP: Mark Chesney will be attending the City Council Meeting on October 3rd to give an update on the Power Pool. It is likely he will discuss the need for amending the City’s contract.
   Flu Shots: This City will be offering Flu Shots for all its full time and part time employees on October 4th at 8:00am.
   LED Light Bulbs: The City has purchased 200 dimmable LED light bulbs to give to electric customers. The LED bulbs were ordered in bulk and subsidized by the Kansas Power Pool. This is an effort to encourage energy efficiency. Staff will use the utility newsletter to contact residents about this program.
State Fair: Ludwig thanked those that volunteered at the City’s State Fair booth. Staff has discussed the booth and will likely make next year our final year at the fair.

Council Retreat: Staff is looking to schedule a Monday evening in November for a Council retreat. Council was asked to let Ludwig know if they have any conflicts on November 7th, 14th, or 21st. If the retreat is planned for a regular council night, Staff will limit the regular business on that night to focus on goal setting, and strategic planning

Personal Necessity Leave: Ludwig will be taking a short leave in late October pending the birth of a little boy. Ludwig will try to work half days to ensure things are taken care of in the office, and will be available by phone, text, or email.

J) GOVERNING BODY COMMENTS
Dixson advised that he will be attending the Kiowa County Economic Development Annual Meeting on Tuesday at 7 p.m. All County Commissioners and City Council Members are invited to attend.

Trummel questioned Ludwig on the progress of abating the Meadowlark House. Ludwig has had contact with the owner, who stated that some siding work would be started today, prior to receiving windows. Trummel noted that last November the Council voted to stop the abatement process with the previous owner, but to begin a new process should the Council’s expectations for the property have not been met. Agreeing that there has been limited progress, Christian voiced that he does not feel the owner is refusing to co-operate, but has run into some difficult issues with the project. Trummel believe the Council needs to revisit the abatement process, after nearly a year of minimal progress.

K) ADJOURNMENT
Dixson declared the meeting adjourned at 7:22 p.m.
## CLAIMS REPORT

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|       | ***** REPORT TOTAL *****      |                            | **$89,077.59** |
TO: Mayor and City Council  
SUBJECT: Land Bank Donation  
PREPARED BY: City Administrator, Kyler Ludwig

Background:  
On June 16, 2014 the City of Greensburg established a Land Bank to help aid in the development of properties within the City. On August 30, 2016 the City received an application to donate the property at 223 S Bay from Gary and Rose Marie Miller.

Analysis:  
The Miller’s property is located at 223 S Bay and has an appraised value of $1,120. The property has a small indentation from an old basement. The property was reviewed by City Attorney Gordon Stull, and a deed has been prepared for the Millers to sign.

Financial:  
Any legal costs for the review of the property, and continued maintenance.

Recommendations/Actions: It is recommended the City Council:
Approve the proposed deed and accept the property at 223 S Bay street into the Land Bank pending the Millers approval of the deed.

Attachments: Exhibit A: Lank Bank Donation Application, Exhibit B: Original Deed to Millers, Exhibit C: Deed from Millers to City
WARRANTY DEED

This _____ day of _____________, 2016, GARY E. MILLER AND ROSE MARIE MILLER, husband and wife, (Grantor)

CONVEY AND WARRANT TO

CITY OF GREENSBURG LAND BANK, Grantee, all the following described REAL ESTATE in the County of Kiowa, State of Kansas, to-wit:

Lot Seven (7) in Block Twenty-four (24) of West Side Addition to the City of Greensburg, Kiowa County, Kansas

Subject to easements, restrictions, rights-of-way and reservations of record.

For the sum of One Dollar ($1.00) and other good and valuable consideration.

__________________________________
GARY E. MILLER

__________________________________
ROSE MARIE MILLER

K.S.A. 79-1437e(a) #4
STATE OF KANSAS    
) ss: 
COUNTY OF __________

BE IT REMEMBERED that on this _____ day of ____________, 2016, before me, the undersigned, a Notary Public, in and for the County and State aforesaid, came Gary E. Miller and Rose Marie Miller, husband and wife, who are personally known to me to be the same persons who executed the within instrument of writing and such persons duly acknowledged the execution of the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal, the day and year last above written.

__________________________________
Notary Public

My Commission Expires:

__________________________________
Section 1: Personal Information.
1. Applicant’s Name: Gary and Rose Marie Miller
   Spouse (if applicable): 
2. Name of Corporation (if applicable) 
3. Street Address: 511 Ridgeway Ave. 
4. City, State, Zip: Pratt, KS 67124 
5. Home Phone #: (620) 546-3572 Work Phone #: 
6. E-Mail Address: garyandrose@cox.net

Section 2: Proposed Land Bank Donation.
1. Common Address(s) of Property: 223 S. Bay
   Vacant Land Structure 
2. Legal Description(s) of Property (a copy of current deed may be attached)
   Lot Seven (7) in Block Twenty-four (24) of West Side Addition to the City of Greensburg, Kiowa County, Kansas

3. Does the property being donated have any Code Enforcement violations? 
   Yes ___ No X
4. Have all taxes/abatement costs been paid on the property? 
   Yes X No ___ If no, how much is remaining? $__________
5. What is the current Appraised Value of the Property? $1120
Section 3: Additional Comments & Terms of Proposal.

Persons gifting property to the Land Bank may request confirmation or receipt from the Land Bank as to the property value for tax deductible contribution purposes. Such value statement shall use the County Fair Market Value Appraisal. If desired, a third party, independent appraisal can be obtained at the applicant’s expense subject to Land Bank approval.

Incomplete applications will not be considered and will be returned to the sender. As the applicant I attest that the information in this proposal is accurate. I attest that I have read the City of Greensburg Land Bank policy and agree to the terms and conditions of it. I understand that the Land Bank and the City of Greensburg reserve the rights to reject any proposal without cause. I understand that I will be responsible for paying for title insurance.

Applicant’s Signature  

Print Your Name  GARY E. MILLER  Date 8-30-2016

Return Completed Application to: Land Bank, City Hall, 300 S. Main, Greensburg, KS 67054  
Fax 620-723-2644 Phone 620-723-2751
Buena Bradley, a widow,

CONVEY___ AND WARRANT___ TO
Gary E. Miller and Rose Marie Miller, husband and wife,

as JOINT TENANTS and not as tenants in common, with full rights of survivorship, the whole
estate to vest in the survivor in the event of the death of either, all the following described REAL
ESTATE in the County of Kiowa
and the State of Kansas, to-wit:

Lot Seven (7) in Block Twenty-four (24) of West Side Addition to the City of Greensburg,
Kiowa County, Kansas.

for the sum of Ten Dollars and other valuable considerations

EXCEPT AND SUBJECT TO:

Dated April 5 1976

STATE OF KANSAS, Kiowa COUNTY, ss

BE IT REMEMBERED, That on this 12th day of April
A. D. 1976, before me, the undersigned, a Notary Public

In and for the County and State aforesaid, came
Buena Bradley, a widow,

who 18 personally known to me to be the same person who
executed the within instrument of writing and such person duly acknowledged the execution of the same.

I, WITNESS WHEREOF, I have hereunto set my hand and affixed
my seal this day and year above written.

V P L C
Steve W. Church Notary Public.

Term expires July 19 1976.

STATE OF KANSAS, Kiowa County, ss.
This instrument was filed for record on the
18 day of Apr. 1976, A. D., 1976
at 12:15 o'clock A.M., and duly recorded
in book 81 of Deeds
at page 226.

Maries M. Black
Register of Deeds.

Deputy.

Fees, $5.00

(This form is printed by the Kansas Bar Association solely for the use of its Members)
TO: Mayor and City Council
SUBJECT: 2016 Audit Approval
INITIATED BY: City Administrator

Background:
The City is required to conduct an independent audit annually. This is in an effort to ensure that the City maintains the integrity and transparency of financial reports. The City of Greensburg has a long standing relationship with Kennedy McKee & Company LLP.

Analysis:
The independent audit will help fine errors made in the City’s financial records, fraudulent reporting, misappropriation of funds, and violation of laws or regulations. Management is committed to working with the auditors to ensure all financial information is accounted for. The audit will review internal control mechanisms to help protect the City against any fraud.

The audit for the City will not exceed $15,275 plus expenses. Additional hourly charges will be paid for an audit of the Greensburg Housing Authority, preparation of the 2018 budget, or other work outside of the scope of the audit.

Financial:
The City budgets annually for an audit to take place, and funding is secured for this agreement.

Recommendations/Actions: It is recommended the City Council:
Accept the audit proposal from Kennedy McKee & Company to review the 2016 financial year.

Attachments: Exhibit A: Audit Proposal
September 15, 2016

Mayor and City Council
City of Greensburg, Kansas
300 S. Main
Greensburg, KS 67054

We are pleased to confirm our understanding of the services we are to provide the City of Greensburg, Kansas, a Municipal Financial Reporting Entity, for the year ended December 31, 2016. We will audit the financial statement as of and for the year ended December 31, 2016.

We have been engaged to report on the regulatory-required supplementary information (RRSI) that accompanies the City's financial statement. We will subject the following RRSI to the auditing procedures applied in our audit of the financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statement or to the financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and will provide an opinion on it in relation to the financial statement as a whole:

1. Schedule 1, Summary of Regulatory Basis Expenditures – Actual and Budget
2. Schedule 2, Schedules of Regulatory Basis Receipts and Expenditures
3. Schedule 3, Schedule of Regulatory Basis Receipts and Disbursements – Agency Funds
4. Schedule 4, Schedule of Regulatory Basis Receipts and Expenditures – Related Municipal Entity

Audit Objective

The objective of our audit is the expression of an opinion as to whether your financial statement is fairly presented, in all material respects, in conformity with the Kansas Municipal Audit and Accounting Guide (KMAAG) and the accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, which is a regulatory basis of accounting, the practices of which differ from accounting principles generally accepted in the United States of America (GAAP) and to report on the fairness of the RRSI referred to in the second paragraph when considered in relation to the financial statement as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the KMAAG, and will include tests of the accounting records and other procedures we consider necessary to enable us to express such an opinion. If our opinion on the financial statement is other than unqualified (unmodified), we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

Management Responsibilities

Management is responsible for the financial statement and all accompanying information as well as all representations contained therein. You are also responsible for making all management decisions and performing all management functions; for designating an individual with suitable skill, knowledge, or experience to oversee our assistance with the preparation of your financial statement and related notes and any other nonattest services we provide; and for evaluating the adequacy and results of those services and accepting responsibility for them.

Management is responsible for establishing and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statement of the respective Summary Statement of Receipts, Expenditures and Unencumbered Cash of the City of Greensburg, Kansas in conformity with the KMAAG and the practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, which is a regulatory basis of accounting, the practices of which differ from GAAP.
Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statement, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statement to correct material misstatements and confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statement taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statement. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the entity complies with applicable laws and regulations.

You are responsible for the preparation of the RRSI in conformity with the KMAAG and the accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, which is a regulatory basis of accounting, the practices of which differ from GAAP. You agree to include our report on the RRSI in any document that contains and indicates that we have reported on the RRSI. You also agree to include the audited financial statement with any presentation of the RRSI that includes our report thereon. Your responsibilities include acknowledging to us in the representation letter that (1) you are responsible for presentation of the RRSI in accordance with the KMAAG; (2) that you believe the RRSI, including its form and content, is fairly presented in accordance with the KMAAG; (3) that the methods or measurement of presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the RRSI.

Management understands and acknowledges the following with regards to the financial statement:

- The purpose for using the KMAAG regulatory basis framework is to comply with the statutory provisions applicable to the entity for preparation of the financial statement on a basis of accounting other than GAAP;
- The financial statement is intended for general use;
- Management has taken appropriate steps to determine that the KMAAG regulatory basis framework is acceptable in the circumstances for meeting its annual financial statement reporting needs;
- Informative disclosures will be included in the financial statement that are appropriate to the KMAAG regulatory basis framework, including:
  - A description of the KMAAG regulatory basis framework, including a summary of significant accounting policies, and how the framework differs from GAAP;
  - Informative disclosures similar to those required by GAAP for items contained in the financial statement that are the same as, or similar to, those in financial statements prepared in accordance with GAAP; and
  - Any additional disclosures beyond those specifically required by the KMAAG regulatory basis framework that may be considered necessary to achieve fair presentation of the financial statement.
- Management has chosen to include the financial information of the following related municipal entity in its financial statement:
  - Greensburg Housing Authority

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statement is free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity.
Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statement. However, we will inform the appropriate level of management of any material errors and any fraudulent financial reporting or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as an auditor is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors. We have advised you of the limitations of our audit regarding the detection of fraud and the possible effect on the financial statement (including misappropriation of cash or other assets).

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We may request written representations from your attorney(s) as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statement and related matters.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statement and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statement is free of material misstatement, we will perform tests of the entity's compliance with applicable laws and regulations and the provisions of contracts and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Auditor's Responsibility

We will also be responsible for the following with regard to the audit of the financial statement:

- For complying with all auditing standards generally accepted in the United States of America as relevant to and adapted to the circumstances of the audit of the financial statement;
- For evaluating whether the financial statement is suitably titled, adequately refers to or describes the KMAAG regulatory basis framework, includes a summary of significant accounting policies, adequately describes how the KMAAG regulatory basis framework differs from GAAP in qualitative terms, and includes the appropriate informative disclosures as described in Management's Responsibilities above;
- For evaluating whether the financial statement achieves fair presentation with regard to the KMAAG regulatory basis framework and forming the appropriate opinion on the financial statement taken as a whole; and
- Because the financial statement is intended for general use, we are responsible for expressing an opinion as to the fair presentation of the financial statement in accordance with GAAP, in addition to expressing an opinion about whether the financial statement is prepared in accordance with the KMAAG regulatory basis framework.
Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash or other confirmations we request and will locate any documents selected by us for testing.

We will also assist you in the preparation of the annual budget for 2018.

We will begin our audit on a mutually agreed-upon date. James W. Kennedy is the engagement partner and is responsible for supervising the engagement and signing the report. Our fee for these services will be at our standard hourly rates plus expenses, except that we agree that our gross fee will not exceed $15,275 plus expenses for the year ended December 31, 2016. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. The fee for the following will be at our standard hourly rates:

- Audit of the Greensburg Housing Authority
- Preparation of the 2018 budget
- Audit of Federal Financial Assistance in accordance with Government Audit Standards, if required
- Other work outside of the scope of the audit

We appreciate the opportunity to be of service to the City of Greensburg, Kansas, and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Kennedy McKee & Company LLP

James W. Kennedy
Partner

RESPONSE:

This letter correctly sets forth the understanding of the City of Greensburg, Kansas.

By: ____________________________

Title: ____________________________

Date: ____________________________
TO: Mayor and City Council
SUBJECT: Uniform Discussion
INITIATED BY: City Administrator

Background:
The City’s uniform contract with Aramark ends in November. The uniform service includes washing, repair, and lease of the clothing used by our Public Works and Utilities staff. Over the past 12 months the City has spent $9,235.31 on uniform services, and it is projected that we will spend $9,654.32 next year. Currently two of the employees currently use the washing service while the other 7 wash and maintain their uniforms at home. On August 15th the Council recommended Staff look into pricing from UniFirst as a potential provider.

Analysis:
UniFirst quoted the City between $4.07 and $4.91 per week per employee for 11 pairs of pants and 11 shirts (currently we provide 13). There is an additional $2.00 environmental charge per employee, and a $15 charge per location. This uniform service through UniFirst will cost the City $4,013.88 and will include washing services. If the City buys the uniforms, the cost is projected at $3,800 the first year and $2,700 each subsequent year.

These costs do not include any winter clothing, which could be paid through an allowance ($1,800.00).

Recommendations/Actions: It is recommended the City Council:
Discuss the proposal from UniFirst and direct staff on how to proceed with Uniform Services.

Attachments: