



City of Arkansas City

CITY COMMISSION MEETING AGENDA

Tuesday, May 4, 2021 at 5:30 PM – 118 W Central Ave, Arkansas City, KS

Please join our meeting for your computer, tablet or smartphone

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I. Routine Business

1. Roll Call
2. Opening Prayer and Pledge of Allegiance
3. Additions or Deletions
4. Approval of the Agenda *Approved with amendments*

II. Awards and Proclamations

1. *Proclaim May 2021 as National Foster Care Month in Arkansas City. Proclaim May 2-8, 2021 as Public Service Recognition Week in Arkansas City.*
2. Proclaim May 2-9, 2021, as National Music Week in Arkansas City.
3. Proclaim May 6, 2021, as a Day of Prayer in Arkansas City.
4. Proclaim May 6-12, 2021, as National Nurses Week and May 9-15, 2021, as National Hospital Week in Arkansas City.
5. Proclaim May 9-15, 2021, as National Police Week and May 15, 2021, as Peace Officers Memorial Day in Arkansas City.

III. Recognition of Visitors

IV. Comments from the Audience for Items Not on the Agenda

Per the Kansas Open Meetings Act, the City Commission is not required to entertain any comments from the public during any meeting, especially during a state of emergency. For hybrid or virtual meetings, the normal citizen comment process will be modified. Citizens who wish to address the City Commission are encouraged to contact City staff prior to this meeting to be placed on the agenda, with the consent of the Mayor. During this meeting, citizens who log into the meeting from their computer, tablet or smartphone are welcome to ask questions using the text Chat feature. Any questions will be forwarded from City staff to the Mayor, who may choose to allow further comment.

*The following rules **must** be strictly adhered to by all citizens wishing to speak during a virtual/hybrid meeting, **whether they are on the agenda or recognized by the Mayor during the meeting itself:***

- Each speaker will state his or her name and address before making any comments.
- Each speaker will have three (3) minutes to present his or her comments.
- Comments or questions will be directed only to the City Commission.
- Debate or argument between parties in the audience will not be allowed. **“Logged in” citizens will remain muted during the meeting, unless recognized and called upon specifically by the Mayor.**
- Repeated reiterations by speakers will not be allowed.
- Violations of comment procedure will result in being directed to cease speaking or being muted.

V. Consent Agenda *Approved*

Note: All matters listed below on the Consent Agenda are considered under one motion and enacted by one motion. There should be no separate discussion. If such discussion is desired, any item may be removed from the Consent Agenda and then considered separately under Section VII: New Business.

1. Approve the April 20, 2021, regular meeting minutes as written.
2. Receive and file the 2020 Audit by Gordon CPA LLC.

VI. Old Business

VII. New Business

Ordinances for Consideration

Resolutions for Consideration

1. Consider a Resolution authorizing the City of Arkansas City to enter into a Master Equity Lease Agreement by and between Enterprise FM Trust, of Delaware, and the City of Arkansas City for the lease, use, surrender, maintenance, selection and inspection of City vehicles, as well as authorizing the City of Arkansas City to enter into both a Maintenance Management and Fleet Rental Agreement and a Maintenance Agreement by and between Enterprise Fleet Management, Inc., of Missouri, and the City of Arkansas City for vehicle repairs and service. *Approved and assigned Resolution No. 2021-05-3408*

Other Items for Consideration

1. Hold a public hearing regarding the Housing Assessment Tool (HAT) for the City of Arkansas City. *Public Hearing Held*

VIII. Staff Report Presentations

City Manager's Report on Upcoming Activities

1. Cowley County Job Fair
2. Cinco de Mayo Cowley Indoor Market
3. Halfalalah
4. RISE Cowley steering committee meeting
5. Cowley County Legislative Committee meeting
6. City Commission study session
7. ACFD/ACPD present Pop in the Park

Department Reports

IX. Communications and Reports

1. City Advisory Board Reports

X. Adjournment



WHEREAS, Americans are served every single day by public servants at the federal, state, county and city levels, and these essential workers and unsung heroes keep our nation functioning; and

WHEREAS, public employees take not only jobs, but oaths; and

WHEREAS, many public servants — including military personnel, police officers, firefighters, Border Patrol officers, embassy employees, health care professionals and others — risk their lives each day in service to the people of the United States and around the world, especially during this ongoing COVID-19 pandemic; and

WHEREAS, these public servants include teachers, doctors, scientists, train conductors, astronauts, nurses, safety inspectors, laborers, computer technicians, social workers and countless other occupations that, day in and day out, provide the diverse services demanded by the American people of their government, with both efficiency and integrity; and

WHEREAS, without these dedicated public servants at every level, continuity would be impossible in a representative democracy that regularly changes its leaders and elected officials.

NOW, THEREFORE, I, Scott Rogers, Mayor of the City of Arkansas City, Kansas, do hereby proclaim the week of **May 2-8, 2021**, as

PUBLIC SERVICE RECOGNITION WEEK

in Arkansas City, Kansas, and encourage all citizens to recognize the accomplishments and contributions of government employees at all levels — federal, state, county and city.

In witness thereof I have hereunto set my hand and caused this seal to be affixed:

Name/Title: *Scott Rogers, Mayor*
Date: *May 4, 2021*

Office of the Mayor
Arkansas City, Kansas

Proclamation

WHEREAS, music plays an increasingly important role in our world today; and

WHEREAS, music is one of the most sublime of human pursuits, and is subscribed to by all races and creeds; and

WHEREAS, music is the language of all peoples, and is one of the greatest forces in creating peace and harmony; and

WHEREAS, the National Federation of Music Clubs — dedicated to encouraging young musicians, increasing musical knowledge and advancing American music — and its cooperating organizations join forces annually in **May** to direct attention to the dynamic influence of music in everyday living.

NOW, THEREFORE, I, Scott Rogers, Mayor of the City of Arkansas City, Kansas, do hereby proclaim **May 2-9, 2021**, as

NATIONAL MUSIC WEEK

in Arkansas City, and ask that all citizens of this community observe and take part in activities recognizing the importance of music, musicians, and musical organizations to the cultural life of our city, state, nation and world, and recognizing this year’s theme: “Music... Is a Storyteller.”

In witness whereof I have hereunto set my hand and caused this seal to be affixed.

Name/Title: *Scott Rogers, Mayor*
Date: *May 4, 2021*

Office of the Mayor
Arkansas City, Kansas

Proclamation

WHEREAS, the National Day of Prayer is a tradition first proclaimed by the Continental Congress in 1775; and

WHEREAS, the United States Congress, by a joint resolution on April 17, 1952, provided that the President “shall set aside and proclaim a suitable day each year, other than a Sunday, as a National Day of Prayer, on which the people of the United States may turn to God in prayer and meditation”; and

WHEREAS, in 1988, legislation setting aside the first Thursday of May in each year as a National Day of Prayer was passed unanimously by both houses of the United States Congress and signed by President Ronald Reagan; and

WHEREAS, the National Day of Prayer is an opportunity for all Americans to join in united prayer to acknowledge our dependence on God, give thanks for blessings received, request healing for wounds endured, and ask God to guide our leaders and bring wholeness to the United States and its citizens, especially during this trying time of the coronavirus (COVID-19) pandemic; and

WHEREAS, it is fitting and proper to give thanks to God by observing a day of prayer in the City of Arkansas City, Kansas, when all may acknowledge our blessings and express gratitude for them, while recognizing our dependence on God for our continued blessings and guidance.

NOW, THEREFORE, I, Scott Rogers, Mayor of the City of Arkansas City, Kansas, do hereby proclaim **Thursday, May 6, 2021**, as

A DAY OF PRAYER

in Arkansas City, and encourage all citizens of the City of Arkansas City to observe this day in ways appropriate to its importance and significance.

In witness thereof I have hereunto set my hand and caused this seal to be affixed:

 Name/Title: *Scott Rogers, Mayor*
 Date: *May 4, 2021*

Office of the Mayor

Arkansas City, Kansas
Proclamation

WHEREAS, in 1993, the American Nurses Association declared **May 6-12** as the national week to celebrate and elevate the nursing profession, and each year, the celebration ends on **May 12**, which was Florence Nightingale’s birthday; and

WHEREAS, National Nurses Week is a time for everyone — individuals, employers, other health care professionals, community leaders and nurses — to recognize the vast contributions and positive impact of America’s 4 million registered nurses, especially during this challenging past year of pandemic; and

WHEREAS, National Hospital Week is **May 9-15, 2021**, and the official theme is “Where Health Comes First”; and

WHEREAS, National Hospital Week celebrates the hospitals, health systems, and men and women who support the health and well-being of communities through dedication and care from the heart; and

WHEREAS, celebrating National Hospital Week provides an opportunity to thank all of the dedicated individuals — physicians, nurses, therapists, engineers, food service workers, volunteers, administrators and more — for their contributions, especially during this trying time of the coronavirus pandemic; and

WHEREAS, the hard-working people who staff our nation’s hospitals, including the registered nurses and other personnel at South Central Kansas Medical Center, deserve universal regard and appreciation for keeping our community healthy and safer from COVID-19.

NOW, THEREFORE, I, Scott Rogers, Mayor of the City of Arkansas City, Kansas, do hereby proclaim **May 6-12, 2021**, as

NATIONAL NURSES WEEK

and **May 9-15, 2021**, as

NATIONAL HOSPITAL WEEK

in Arkansas City, and urge residents to express their appreciation for the people, facilities and technologies that make trustworthy, reliable health care possible in our community.

In witness thereof I have hereunto set my hand and caused this seal to be affixed:

Name/Title: Scott Rogers, Mayor
Date: May 4, 2021

Office of the Mayor
Arkansas City, Kansas
Proclamation

WHEREAS, Congress and the President of the United States of America have designated **May 15** as Peace Officers Memorial Day and the week in which **May 15** falls as National Police Week; and

WHEREAS, members of the Arkansas City Police Department play an essential role in safeguarding the rights and freedoms of the citizens of our City, especially during this ongoing coronavirus pandemic; and

WHEREAS, it is important that all citizens know and understand the problems, duties, and responsibilities of their police department, and that members of our police department recognize their duty to serve the people by safeguarding life and property, protecting citizens against violence or disorder, and protecting the innocent against deception and the weak against oppression or intimidation; and

WHEREAS, the Arkansas City Police Department has grown to be a modern, scientific and community-focused law enforcement agency that continually provides an essential and vital public service.

NOW, THEREFORE, I, Scott Rogers, Mayor of the City of Arkansas City, Kansas, call upon all citizens of Arkansas City to observe the week of **May 9-15, 2021**, as

NATIONAL POLICE WEEK

in Arkansas City, with appropriate ceremonies in which all of our people may join in commemorating police officers, past and present, who by their faithful and loyal devotion to their responsibilities have rendered a dedicated service to their communities and, in doing so, have established for themselves an enduring reputation for preserving the rights and security of all citizens.

I FURTHER call upon all citizens of Arkansas City to observe **Saturday, May 15, 2021**, as

PEACE OFFICERS MEMORIAL DAY

in honor of those law enforcement officers who, through their courageous deeds, have lost their lives or become disabled in the performance of duty.

In witness thereof I have hereunto set my hand and caused this seal to be affixed:

Name/Title: Scott Rogers, Mayor

Date: May 4, 2021



City Commission Agenda Item

Meeting Date: 5/4/2021
From: Andrew Lawson, Public Information Officer
Item: April 20, 2021 Minutes

Purpose:

Consent Agenda Item: Approve the April 20, 2021, regular meeting minutes as written.

Background:

Each meeting, the City Commission reviews and approves the minutes of its prior meeting(s).

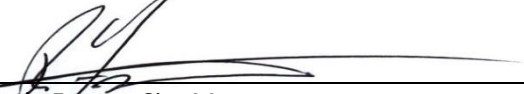
Commission Options:

1. Approve with consent agenda.
2. Remove item from consent agenda for further consideration.

Attachments:

April 20, 2021 Minutes

Approved for Agenda by:



Randy Frazer, City Manager

City Commission of Arkansas City - Regular Meeting Minutes

The Arkansas City Board of City Commissioners met in regular session at **5:30 p.m. Tuesday, April 20, 2021**, in the Commission Room at City Hall, located at 118 W. Central Ave. in Ark City.

Mayor **Scott Rogers** called the meeting to order. Commissioners also present at roll call were Commissioner **Kanyon Gingham**, Commissioner **Duane L. Oestmann** and Commissioner **Karen Welch**. Commissioner **Jay Warren** was absent due a death in the family.

City employees present at the meeting were City Manager **Randy Frazer**, City Attorney **Larry Schwartz**, Deputy City Clerk **Amanda Evinger**, Public Information Officer **Andrew Lawson**, Management Assistant **Mike Crandall**, Interim Fire Chief **Les Parks**, Interim Police Chief **Eric Burr**, Environmental Services Superintendent **Rod Philo**, Public Services Superintendent **Tony Tapia** and Building Official **Mike Bellis**.

Citizens in attendance or observing via GoToMeeting were **Audrianna Bruce**, **Michelle Bruce**, **Phillip Bruce**, **Michelle Calvert**, **Ken Harader**, **Gabriella Herrera**, **Dr. Mauricio Herrera**, **Paisley Howerton**, **Trevor McDowell**, **Eleana Messenger**, **Jason Messenger**, **Jodi Messenger**, **Aaron O'Donnell**, **Dawson O'Donnell**, **Sarah O'Donnell**, **Rebecca Ohlemacher**, **Harrison Taylor** and Cowley CourierTraveler reporter **John Shelman**.

Commissioner Oestmann offered the opening prayer. Mayor Rogers led the Pledge of Allegiance.

Agenda Approval

At City Manager Frazer's request, Commissioner Oestmann made a motion to amend the agenda by adding the purchase of new SCBA Air-Paks for the Fire-EMS Department as **Item 5** under **New Business** and tabling the National Foster Care Month proclamation until the **May 4, 2021** meeting.

Mayor Rogers seconded the motion. A voice vote was unanimous in favor of the motion. Mayor Rogers declared the agenda **amended** as requested. Commissioner Welch then made a motion to approve the agenda as amended. Commissioner Gingham seconded the motion. A voice vote was **unanimous** in favor of the motion. Mayor Rogers declared the agenda **approved** as amended.

Awards and Proclamations

Mayor Rogers recognized and congratulated Cowley College sophomore **Trevor McDowell** for being selected as Ark City's Outstanding Student Award winner for **2019-20**. McDowell received a **\$1,000** scholarship. Mayor Rogers also recognized and congratulated Arkansas City High School senior **Gabriella Herrera** for being the first runner-up and receiving a **\$500** scholarship.

Mayor Rogers recognized and congratulated Cowley College sophomore **Audrianna Bruce** for being selected as Ark City's Outstanding Student Award winner for **2020-21**. Bruce received a **\$1,000** scholarship. Mayor Rogers also recognized and congratulated Arkansas City High School senior **Eleana Messenger** for being the first runner-up and receiving a **\$500** scholarship, as well as Arkansas City Middle School eighth-grader **Dawson O'Donnell**, who received a **\$250** scholarship.

City Commission of Arkansas City - Regular Meeting Minutes

Mayor Rogers issued a proclamation that **April 22, 2021**, is **Earth Day** and **April 30, 2021**, is **Arbor Day** in Arkansas City. **Beautification and Tree Advisory Board** vice chair **Paisley Howerton** (*participating remotely*) received a copy of the proclamation on behalf of the Board.

Consent Agenda

Commissioner Oestmann made a motion to approve the consent agenda, consisting of:

1. Approving the **April 6, 2021**, regular meeting minutes as amended.
2. Approving **Resolution No. 2021-04-3398**, relocating a public meeting of the Governing Body at **noon Friday, April 30, 2021**, from the city manager’s office at City Hall, 118 W. Central Ave., to the conference room at the Water Treatment Facility, 400 W. Madison Ave.
3. Approving **Resolution No. 2021-04-3399**, authorizing the transfer of certain real estate located in **Lots 11, 12, 13, and 14, Block 154**, Arkansas City, Cowley County, more commonly known as **203 N. Seventh St.**, to Ralph and Sara McDonald.
4. Approving **Resolution No. 2021-04-3400**, authorizing the transfer of certain real estate being a tract of land situated in the **Southeast Quarter of Section 12, Township 34 South, Range 3 East of the 6th P.M.** in Goff Industrial Park, back to Ark City Industries.

Mayor Rogers seconded the motion. A voice vote was **unanimous** in favor of the motion. Mayor Rogers declared the consent agenda **approved** as presented.

Old Business

Dangerous Structures Hearing Resolution No. 2021-04-3401

Deputy City Clerk Evinger presented for discussion a public hearing and a resolution declaring structures located at **212 N. Third St., 312 N. Third St., 318 North D St., 615 South A St., 818 North D St., and 1313 W. Oklahoma Ave.** as unsafe and dangerous, and directing that said structures be repaired, shored, or otherwise made safe, or, in the alternative, demolished.

Building Official Bellis showed pictures of each structure and offered his professional testimony.

Mayor Rogers opened a public hearing. No one from the public spoke. Mayor Rogers closed the public hearing. Bellis said only one of the property owners has any plans to improve the structure.

Commissioner Oestmann made a motion to approve the resolution. Commissioner Welch seconded the motion. A voice vote was unanimous in favor of the motion.

Mayor Rogers declared the motion approved and given **Resolution No. 2021-04-3401**.

City Commission of Arkansas City - Regular Meeting Minutes

New Business

Dump Truck with Snow Plow Resolution No. 2021-04-3402

Deputy City Clerk Evinger presented for discussion a resolution authorizing the City to purchase a **2021 MV 607 International** single-axle dump truck with a 10-foot dump bed and snow plow from Summit Truck Group, of Wichita, for an amount not to exceed **\$116,426.00**.

Public Services Superintendent Tapia said the Street and Stormwater Division will use this vehicle.

Mayor Rogers made a motion to approve the resolution as presented. Commissioner Gingher seconded the motion. A voice vote was **unanimous** in favor of the motion. Mayor Rogers declared the resolution **approved** and given **Resolution No. 2021-04-3402**.

Single-Axle Flatbed Truck Resolution No. 2021-04-3403

Deputy City Clerk Evinger presented for discussion a resolution authorizing the City to purchase a **2020 M2106** single-axle flatbed chassis with body from Freightliner Truck Center Company, of Wichita, for an amount not to exceed **\$75,876.00**.

Public Services Superintendent Tapia said this vehicle will replace a 1993 Chevrolet Kodiak 2-ton pickup truck with numerous maintenance issues. It is used mainly during storm debris cleanup.

Commissioner Gingher made a motion to approve the resolution as presented. Commissioner Welch seconded the motion. A voice vote was **unanimous** in favor of the motion. Mayor Rogers declared the resolution **approved** and given **Resolution No. 2021-04-3403**.

North Pressure Zone Booster Resolution No. 2021-04-3404

Deputy City Clerk Evinger presented for discussion a resolution authorizing the City to enter into a contract with Wildcat Construction, of Wichita, to replace the **North Pressure Zone Booster Pump Station**, for an amount not to exceed **\$777,860.00**.

Environmental Services Superintendent Philo said the City received five bids for this project, with Wildcat submitting the lowest bid. This project is needed to support Creekstone Farms expansion.

Commissioner Oestmann made a motion to approve the resolution as presented. Commissioner Welch seconded the motion. A voice vote was **unanimous** in favor of the motion. Mayor Rogers declared the resolution **approved** and given **Resolution No. 2021-04-3404**.

City Commission of Arkansas City - Regular Meeting Minutes

New Military Grass Fire Truck **Resolution No. 2021-04-3405**

Deputy City Clerk Evinger presented for discussion a resolution authorizing the City to purchase **one 6x6 military vehicle**, water tank, paint and miscellaneous equipment needed for the Arkansas City Fire-EMS Department to fight grass fires, for a cost not to exceed **\$55,000.00**.

Interim Fire Chief Parks said this vehicle will replace a 2019 Ford E450 grass fire truck with numerous maintenance issues that does not handle well in muddy conditions.

He said the closest location ACFD has found that has this type of vehicle is Midwest Military Equipment in Washington, Missouri. Once Midwest has this particular vehicle in stock, it sells rather quickly, he said; therefore, ACFD would like approval to proceed with the purchase of said vehicle when one becomes available. ACFD will inspect the vehicle before the purchase is finalized.

Commissioner Gingher made a motion to approve the resolution as presented. Commissioner Oestmann seconded the motion. A voice vote was **unanimous** in favor of the motion. Mayor Rogers declared the resolution **approved** and given **Resolution No. 2021-04-3405**.

New ACFD SCBA Air-Paks **Resolution No. 2021-04-3406**

Deputy City Clerk Evinger presented for discussion a resolution authorizing the City to purchase **new self-contained breathing apparatus (SCBA) Air-Paks**, harnesses, regulators, trackers, face pieces, hose and carbon cylinders needed for the Arkansas City Fire-EMS Department to fight fires.

Interim Fire Chief Parks said the current packs cannot be tested or serviced anymore and will need to be replaced. This is a life/safety issue for firefighters. ACFD needs to purchase 24 new packs.

Commissioner Oestmann asked how this purchase will be funded, since it was not included in the 2021 budget. City Manager Frazer said there are emergency funds and some items could be cut.

Commissioner Welch made a motion to approve the resolution as presented. Commissioner Gingher seconded the motion. A voice vote was **unanimous** in favor of the motion. Mayor Rogers declared the resolution **approved** and given **Resolution No. 2021-04-3406**.

Conveyance of ILS 4 Property **Resolution No. 2021-04-3407**

Deputy City Clerk Evinger presented for discussion a resolution authorizing the sale and conveyance of certain property in **Patterson Park Subdivision** to **ILS 4, LLC**.

City Commission of Arkansas City - Regular Meeting Minutes

City Manager Frazer said the City, pursuant to **Ordinance No. 2014-11-4372**, previously issued **Taxable Industrial Revenue Bonds, Series 2014** in the original aggregate principal amount of **\$6,075,000** to finance the cost of acquiring, constructing and equipping a hotel facility (**Best Western Plus Patterson Park Inn**), such project having been leased to **ILS 4, LLC**, pursuant to a lease dated **December 3, 2014**, between the City and the tenant.

Now that the bonds have been paid off, Frazer said, the City needs to release title back to ILS 4 LLC.

Mayor Rogers made a motion to approve the resolution as presented. Commissioner Oestmann seconded the motion. A voice vote was **unanimous** in favor of the motion. Mayor Rogers declared the resolution **approved** and given **Resolution No. 2021-04-3407**.

City Manager Updates

City Manager Frazer provided the commissioners with the following reminders and updates:

- The monthly Cowley Indoor Market will move to its new location at the Burford Theatre for its first event of 2021 from **5 to 8 p.m. April 21**. These events generally will be held on the third Wednesday of each month at Burford Theatre Arts, located at 118 S. Summit St.
- On Earth Day, the City will have an “early Arbor Day” **tree planting at 4 p.m. April 22** in Lovie Watson Park, located at 614 W. Birch Ave., prior to the regular Beautification and Tree Advisory Board meeting. Commissioners are invited to come for a photo opportunity.
- The next City Commission study session will be at **noon April 23** at City Hall. Topics of discussion will include fleet management. There also will be a study session at **noon April 30** at the Water Treatment Facility to discuss the Housing Assessment Tool (HAT).
- Spring Cleanup Day is from **8 a.m. to noon April 24**, weather permitting. Volunteer groups will register with the City and be assigned to locations. 31st Century Techsupport will offer e-waste recycling services from **8 a.m. to noon** that day at Wilson Park.
- The Arkansas City Train Show will return to the Agri-Business Building from **9 a.m. to 4 p.m. April 24**. This event was not able to be held in 2020 due to the COVID-19 pandemic.
- Citywide Pickup Week is scheduled for **April 26-30**, coinciding with regular trash pickup.
- The City is scheduled to launch its new Municode-based website on or about **April 29**.
- The Cowley County Health & Safety Fair returns to Arkansas City from **9 a.m. to noon May 1** at the Agri-Business Building. This event also had to be canceled in 2020 due to COVID.
- Frazer passed out handouts for the **Soofa electronic sign program** the City is evaluating.

Adjournment

Commissioner Oestmann made a motion to adjourn the meeting. Commissioner Welch seconded the motion. A voice vote was **unanimous** in favor of the motion. Mayor Rogers declared the meeting adjourned at **6:27 p.m.**

City Commission of Arkansas City - Regular Meeting Minutes

THE CITY OF ARKANSAS CITY BOARD OF CITY COMMISSIONERS

Scott Rogers, Mayor

ATTEST:

Lesley Shook, City Clerk

Prepared by:

Andrew Lawson, Public Information Officer

DRAFT



City Commission Agenda Item

Meeting Date: 05/04/2021

From: Jennifer Waggoner

Item: 2020 Budget

Purpose:

Consent Agenda Item - Receive and file the 2020 Audit by Gordon CPA LLC.

Background:

A key duty of the City Commission is oversight of the financial affairs of the City. A primary tool in performing this oversight is the annual audit and financial report. The Commission had authorized a GAAP waiver for 2020 allowing the records to be maintained and reported in compliance with the Kansas Municipal Audit and Accounting Guide (KMAAG) regulatory basis of accounting. This regulatory basis is in compliance with the cash basis and budget laws of the State of Kansas and not in compliance with Generally Accepted Accounting Principles (GAAP) generally accepted in the United States. The Independent Auditors' Report and Financial Statement with Supplemental Information for the year ended December 31, 2020 was completed by Gordon CPA LLC. Since the City did not receive federal funds in excess of \$750,000 in 2020, a Single Audit in accordance with OMB Circular A-133 was not required.

The City is required to file this report with various agencies.

Commission Options:

- 1. Receive and file the 2020 Audit by Gordon CPA LLC.

Fiscal Impact:

Amount: The final invoice has not yet been received but the total is expected to come in at or under the \$13,785 contracted price.

Fund: 01 General

Department: 209 Finance

Expense Code: 6211 Auditing

Included in budget

Grant

Bonds

Other (explain)

Attachments

2020 Final Audit

Approved for Agenda by:

Randy Frazer, City Manager

CITY OF ARKANSAS CITY, KANSAS
Financial Statements
For the Year Ended December 31, 2020

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CITY OF ARKANSAS CITY, KANSAS
Financial Statements
For the Year Ended December 31, 2020
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INDEPENDENT AUDITOR'S REPORT

Mayor and City Commissioners
City of Arkansas City, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Arkansas City, Kansas, (the City), as of and for the year ended December 31, 2020 and the related notes to the financial statement.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1 to meet the financial reporting requirements of the State of Kansas; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the City on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City as of December 31, 2020, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City as of December 31, 2020, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, and the summary of receipts and disbursements-agency funds (Schedules 1, 2 and 3 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

Other Matter

The 2019 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget (Schedule 2 as listed in the table of contents) for the year ended December 31, 2019, is presented for purposes of additional analysis and is not a required part of the basic financial statement.

We also previously audited, in accordance with auditing standards generally accepted in the United States of America, the basic financial statement of the City of Arkansas City, Kansas as of and for the year ended December 13, 2019 (not presented herein) and have issued our report thereon dated March 30, 2020 which contained an unmodified opinion on the basic financial statement. The 2019 basic financial statement and our accompanying report are not presented herein but are available in electronic form from the web site of the Kansas Department of Administration at the following link <https://admin.ks.gov/offices/oar/municipalservices>. The 2019 actual column (2019 comparative information) presented in the individual fund schedules of regulatory basis receipts and expenditures—actual and budget for the year ended December 31, 2020 (Schedule 2 as listed in the table of contents) is presented for purposes of additional analysis and is not a required part of the basic financial statement. Such 2019 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2019 basic financial statement. The 2019 comparative information was subjected to the auditing procedures applied in the audit of the 2019 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2019 basic financial statement or to the 2019 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2019 comparative information is fairly stated in all material respects in relation to the basic financial statement as a whole for the year ended December 31, 2019, on the basis of accounting described in Note 1.

Gordon CPA LLC

Certified Public Accountant
Lawrence, Kansas

April 8, 2021

CITY OF ARKANSAS CITY, KANSAS

Summary Statement of Receipts, Expenditures and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2020

<u>Funds</u>	Beginning Unencumbered Cash Balance	Prior Period Adjustment	<u>Receipts</u>	<u>Expenditures</u>	Ending Unencumbered Cash Balance	Add: Encumbrances and Accounts Payable	Ending Cash Balance
General Funds:							
General Fund	\$ 1,126,588	\$ -	\$ 10,484,759	\$ 9,574,686	\$ 2,036,661	\$ 394,340	\$ 2,431,001
Special Purpose Funds:							
Special Recreation and Parks Fund	25,610	-	10,092	88	35,614	-	35,614
Special Street and Highway Fund	684,792	-	363,066	262,376	785,482	4,388	789,870
Tourism Fund	28,107	-	127,670	127,497	28,280	-	28,280
Special Alcohol Fund	84,816	-	11,542	2,876	93,482	-	93,482
Library Fund	-	-	372,485	372,485	-	-	-
Land Bank Fund	-	-	1,000	14	986	-	986
Hospital Improvements Fund	-	-	-	-	-	-	-
Healthcare Sales Tax Fund	-	-	1,777,503	1,777,503	-	-	-
Unpledged Healthcare Sales Tax Fund	79,091	-	339,850	229,415	189,526	-	189,526
Special Law Enforcement Trust Fund	15,733	-	16,464	21,053	11,144	473	11,617
CID Sales Tax Fund	979	-	51,940	52,919	-	-	-
Equipment Reserve Fund	200,946	-	-	-	200,946	-	200,946
Public Building Commission Fund	-	-	-	-	-	-	-
Capital Improvements Reserve Fund	1,605,297	-	483,410	618,384	1,470,323	287,992	1,758,315
Bond and Interest Funds:							
Bond and Interest Fund	129,681	-	23,781,576	23,657,235	254,022	49,500	303,522
Business Funds:							
Water Utility Fund	4,256,957	-	4,550,847	4,730,510	4,077,294	401,948	4,479,242
Sewer Utility Fund	4,006,160	-	2,015,073	2,101,025	3,920,208	387,180	4,307,388
Sanitation Utility Fund	1,130,301	-	1,531,590	1,575,855	1,086,036	56,048	1,142,084
Stormwater Utility Fund	146,077	-	304,813	159,239	291,651	5,445	297,096
Total reporting entity [excluding agency funds]	\$ 13,521,135	\$ -	\$ 46,223,680	\$ 45,263,160	\$ 14,481,655	\$ 1,587,314	\$ 16,068,969

Composition of Cash:	RCB Bank		
	Checking		\$ 15,025,144
	Union State Bank		
	Checking		58,123
	The Stock Exchange Bank		
	CD		1,000,000
	Petty Cash		1,625
	Total Cash		16,084,892
	Less: Agency Funds per Schedule 3		[15,923]
	Total Reporting Entity [Excluding Agency Funds]		\$ 16,068,969

CITY OF ARKANSAS CITY, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2020

NOTE 1 - Summary of Significant Accounting Policies

The City of Arkansas City, Kansas, (the City) is incorporated as a City of the second class, under the provisions of K.S.A. 13-101 et seq. The City operates under a Commission-City Manager form of government and provides the following services as authorized by its charter: public safety (police and fire), highways and streets, water and sewer, health and social services, culture-recreation, education, public improvements, planning and zoning, and general administrative services.

The financial statement and schedules of the City of Arkansas City, Kansas have been prepared in order to show compliance with the cash basis and budget laws of the State of Kansas. The Governmental Accounting Standards Board is the principal standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the City's accounting policies follow. Note 1 describes how the City's accounting policies differ from generally accepted accounting principles.

Financial Reporting Entity

The City of Arkansas City, Kansas (the City) is a municipal corporation governed by an elected five-member commission. This financial statement presents the City of Arkansas City, Kansas.

Related Municipal Entity. A related municipal entity is determined by the following criteria. Whether the City exercises oversight responsibility on financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters, scope of the public service, and significant operational or financial relationships with the City. Related municipal entities are not required to be included in the City's audit by the *Kansas Municipal Audit and Accounting Guide* (KMAAG). Based upon the application of this criterion, the following is a brief review of potential related municipal entities:

Arkansas City Public Library - The City of Arkansas City Library Board operates the City's public library. Acquisition or disposition of real property by the Board must be approved by the City. Separate audited financial statements are available at the Library.

South Central Kansas Regional Medical Center - The Medical Center Board of Trustees operates the City's hospital. The hospital can sue and be sued, and can buy, sell, or lease real property. Bond issuances must be approved by the City. Separate audited financial statements are available at the Medical Center.

Arkansas City Public Building Commission - The City of Arkansas City Public Building Commission was created to oversee the construction of the Regional Medical Center project. Acquisition or disposition of real property or bond issuances must be approved by the City. The City is acting as the fiduciary agent for the Commission. Separate financial statements are not prepared by the Commission.

Strother Field Airport and Industrial Park - The City has adopted Ordinance No. 98-11-3793 providing for an interlocal cooperation agreement between the City of Arkansas City, the City of Winfield and Strother Field to provide financing of water systems improvements at Strother Field. The agreement provides for \$500,000 in G.O. bonds to be issued by the City of Winfield to finance the improvements. If Strother Field defaults on the bond issue, the cities of Arkansas City and Winfield would each be responsible for 50% of the remaining liability. The agreement acknowledges that the obligations of Arkansas City are subject to K.S.A. 10-1101 et seq., and as such, Arkansas City is obligated only to the extent that it has funds actually on hand in its treasury at the time for such purpose. The Strother Field Airport and Industrial Park joint venture have had an audit of their financial statements completed separately.

CITY OF ARKANSAS CITY, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2020

NOTE 1 - Summary of Significant Accounting Policies (Continued)

Financial Reporting Entity (Continued)

Arkansas City/Winfield Recycling Center - The cities of Arkansas City and Winfield, Kansas entered into an interlocal agreement to jointly purchase and operate a recycling center. Records are maintained by the City of Winfield; both cities share equally in the costs and recycling revenues. Separate financial information can be obtained from the Center.

Regulatory Basis Fund Types

A fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The following types of funds comprise the financial activities of the City of Arkansas City, Kansas, for the year of 2020:

General Fund - the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Fund - used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest Fund - used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Business Fund - funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund etc.)

Agency Fund - funds used to report assets held by the municipal reporting entity in a purely custodial capacity (payroll clearing fund, county treasurer tax collection accounts, etc.).

Basis of Presentation - Regulatory Basis of Accounting

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The Kansas Municipal Audit and Accounting Guide (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the City to use the regulatory basis of accounting.

CITY OF ARKANSAS CITY, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2020

NOTE 1 - Summary of Significant Accounting Policies (Continued)

Reimbursed Expense

K.S.A. 79-2934 provides that reimbursed expenditures, in excess of those budgeted, should be recorded as reductions in expenditures rather than as cash receipts. In the financial statement and budget schedule comparisons presented in this report, reimbursements and refunds are recorded as cash receipts. The reimbursements are recorded as cash receipts when received by the City Treasurer and are often difficult to identify the exact expenditure which they are reimbursing. In funds showing expenditures in excess of the original adopted budget, reimbursements are added to the adopted budget as budget credits for comparison with the actual expenditures.

Property Taxes

In accordance with governing state statutes, property taxes levied during the current year are a revenue source to be used to finance the budget of the ensuing year. Taxes are assessed on a calendar year basis and become a lien on the property on November 1st of each year. The County Treasurer is the tax collection agent for all taxing entities within the County. Property owners have the option of paying one-half or the full amount of taxes levied on or before December 20 during the year levied with the balance to be paid on or before May 10 of the ensuing year. State statutes prohibit the County Treasurer from distributing taxes collected in the year levied prior to January 1st of the ensuing year. Consequently, for revenue recognition purposes, taxes levied during the current year are not due and receivable until the ensuing year. At December 31 of each year, such taxes become a lien on the property.

Special Assessments

Kansas statutes require projects financed in part by special assessments to be financed through the issuance of general obligation bonds which are secured by the full faith and credit of the City. Special assessments paid prior to the issuance of general obligation bonds are recorded as cash receipts in the appropriate project. Special assessments received after the issuance of general obligation bonds are recorded as cash receipts in the bond and interest fund. Further, state statutes require levying additional general ad valorem property taxes in the City bond and interest fund to finance delinquent special assessments receivable.

Budgetary Information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest, and business funds. Although directory rather than mandatory, the statutes provide for the following timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1.
2. Publication in the local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of the notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held, and the governing body may amend the budget at that time. During the year ended December 31, 2020, the City amended the budget for the Water, Sanitation, Library, Debt Service, Healthcare Sales Tax and CID Sales Tax funds.

CITY OF ARKANSAS CITY, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2020

NOTE 1 - Summary of Significant Accounting Policies (Continued)

Budgetary Information (Continued)

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which, revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital projects funds, trust funds, permanent funds, and the following special purpose funds:

- Special Law Enforcement Trust Fund
- Public Building Commission Fund
- Equipment Reserve Fund
- Capital Improvements Reserve Fund

Spending in funds which are not subject to the legal annual operating budget requirement are controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

NOTE 2 - Deposits and Investments

K.S.A 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main branch or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the bank provides an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. Government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the Government may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk - deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2020.

CITY OF ARKANSAS CITY, KANSAS
 Notes to the Financial Statements
 For the Year Ended December 31, 2020

NOTE 2 - Deposits and Investments (Continued)

At December 31, 2020, the City's carrying amount of deposits was \$16,068,670 and the bank balance was \$16,264,822. The bank balance was held by three banks resulting in a concentration of credit risk. Of the bank balance, \$558,123 was covered by federal depository insurance, \$750,000 was covered by letters of credit and the balance of \$14,956,699 was collateralized with pledged securities held by the pledging financial institutions' agents in the City's name.

NOTE 3 - Long-Term Debt

During the year ended December 31, 2020, the following changes occurred in long-term liabilities:

<u>Type of Issue</u>	<u>Beginning Principal Outstanding</u>	<u>Additions to Principal</u>	<u>Reductions of Principal</u>	<u>Ending Principal Outstanding</u>	<u>Interest Paid</u>
General Obligation Bonds	\$ 2,765,000	\$ 21,840,000	\$ 2,765,000	\$ 21,840,000	\$ 56,010
Revenue Bonds	17,630,000	-	350,000	17,280,000	717,962
KDHE Loans	21,267,469	-	21,267,469	-	685,925
Capital Leases	779,598	-	114,704	664,894	25,313
Total	\$ 42,442,067	\$ 21,840,000	\$ 24,497,173	\$ 39,784,894	\$ 1,485,210

General Obligation Bonds. General obligation bonds currently outstanding are as follows:

<u>General Obligation Bonds</u>	<u>Interest Rate</u>	<u>Amount Outstanding</u>	<u>Original Amount</u>	<u>Date of Issue</u>	<u>Final Maturity</u>
Paid with taxes and utility revenues Series 2020	1.50% - 3.00%	\$ 21,840,000	\$ 21,840,000	10/13/20	08/01/36

On October 13, 2020, the City issued General Obligation Refunding and Improvement Bonds, Series 2020, in the amount of \$21,840,000. The bonds carry an interest rate ranging from 1.50% to 3.00%, with a final maturity of August 1, 2036. Interest on the Series 2020 Bonds is due semi-annually on February 1 and August 1. The net proceeds of the Series 2020 bonds were used to pay in full the remaining outstanding principal for the General Obligation Bonds, Series 2013, and Kansas Department of Health and Environment Revolving Loans.

Annual debt service requirements to maturity for the general obligation bonds are as follows:

<u>Year ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 1,635,000	\$ 416,745	\$ 2,051,745
2022	1,595,000	470,925	2,065,925
2023	1,650,000	422,625	2,072,625
2024	1,695,000	372,825	2,067,825
2025	1,170,000	325,800	1,495,800
2026 - 2030	6,320,000	1,127,288	7,447,288
2031-2035	6,980,000	468,800	7,448,800
2036	795,000	8,600	803,600
Total	\$ 21,840,000	\$ 3,613,608	\$ 25,453,608

CITY OF ARKANSAS CITY, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2020

NOTE 3 - Long-Term Debt (Continued)

Revenue Bonds. Revenue bonds currently outstanding are as follows:

<u>Revenue Bonds</u>	<u>Interest Rate</u>	<u>Amount Outstanding</u>	<u>Original Amount</u>	<u>Date of Issue</u>	<u>Final Maturity</u>
Paid with taxes					
Public Building Commission	3.00% - 5.00%	<u>\$ 17,280,000</u>	<u>\$ 17,630,000</u>	07/23/19	09/01/44

On July 23, 2019, the Arkansas City Public Building Commission issued Refunding Revenue Bonds, Series 2019, in the amount of \$17,630,000. The bonds were issued to refund the Commission's outstanding Series 2009 Revenue Bonds. The refunded bonds were originally issued to finance the costs to construct, furnish and equip an acute care hospital known as the South Central Kansas Regional Medical Center. The Public Building Commission will continue to lease the land and the medical center constructed thereon to the City and the City will continue to sublease the project to the Board of Trustees of the Medical Center.

As part of the 2019 revenue bond issue, the City approved a 1% sales tax. The City has pledged to appropriate 95% of the revenues derived from the sales tax to the Bond's Trustee for debt service payments. The City has accounted for these transactions in the Healthcare Sales Tax and Unpledged Healthcare Sales Tax funds. Any amount appropriated to the Trustee in excess of the scheduled debt service is held by the Trustee in an escrow account invested in U.S. Government Securities and reserved for future debt service payments. The City does not have control over this escrow account, and therefore, the City's financial statements do not include the escrow balance. As of December 31, 2020, the balance of this escrow account was \$2,846,098.

Annual debt service requirements to maturity for the revenue bonds are as follows:

<u>Year ending December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 425,000	\$ 638,913	\$ 1,063,913
2022	440,000	626,163	1,066,163
2023	460,000	608,563	1,068,563
2024	480,000	585,563	1,065,563
2025	505,000	561,563	1,066,563
2026 - 2030	2,935,000	2,402,313	5,337,313
2031 - 2035	3,675,000	1,698,063	5,373,063
2036 - 2040	4,355,000	1,031,313	5,386,313
2041 - 2044	4,005,000	317,813	4,322,813
Total	<u>\$ 17,280,000</u>	<u>\$ 8,470,263</u>	<u>\$ 25,750,263</u>

CITY OF ARKANSAS CITY, KANSAS
 Notes to the Financial Statements
 For the Year Ended December 31, 2020

NOTE 3 - Long-Term Debt (Continued)

Capital Leases. On August 1, 2013, the City entered into a capital lease agreement in order to finance the purchase of a 2013 pumper fire truck. Payments are made semi-annually including interest at 2.82%. Final maturity of the lease is February 1, 2023.

On January 28, 2019, the City entered into a capital lease agreement in order to finance the purchase of a 2019 pumper fire truck. Payments are made semi-annually including interest at 3.55%. Final maturity of the lease is August 1, 2028.

Future minimum lease payments for the capital leases are as follows:

<u>Year ending</u> <u>December 31,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	118,373	21,643	\$ 140,017
2022	122,162	17,855	140,017
2023	92,619	13,943	106,562
2024	61,781	11,327	73,108
2025	64,010	9,097	73,108
2026 - 2028	205,949	13,098	219,047
Total	<u>\$ 664,894</u>	<u>\$ 86,963</u>	<u>\$ 751,857</u>

NOTE 4 - Economic Development Bonds

The City has entered into various agreements to induce businesses to locate or expand operations in Arkansas City, Kansas. In connection therewith, the City has issued industrial revenue bonds (IRB's), which require the businesses to make lease payments to trust accounts sufficient to pay debt service on the IRB's. The City is under no obligation to pay the IRB debt, which is to be paid from the lease payments made by the related businesses. At December 31, 2020, there were three industrial revenue bond issues with principal balances due totaling \$16,334,039.

NOTE 5 - Defined Benefit Pension Plan

Plan description. The City participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

Contributions. K.S.A. 74-4919 and K.S.A. 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, and KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. K.S.A. 74-4975 establishes KP&F member-employee contribution rate at 7.15% of covered salary. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

CITY OF ARKANSAS CITY, KANSAS
 Notes to the Financial Statements
 For the Year Ended December 31, 2020

NOTE 5 - Defined Benefit Pension Plan (Continued)

State law provides that the employer contribution rates for KPERS 1, KPERS 2, KPERS 3 and KP&F be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory contribution rate was 8.61% for KPERS and 21.93% for KP&F for the fiscal year ended December 31, 2020. Contributions to the pension plan from the City were \$284,838 for KPERS and \$578,800 for KP&F for the year ended December 31, 2020.

Net Pension Liability. At December 31, 2020, the City's proportionate share of the collective net pension liability reported by KPERS was \$2,631,357 and \$5,779,935 for KP&F. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019, which was rolled forward to June 30, 2020. The City's proportion of the net pension liability was based on the ratio of the City's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in these financial statements.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

NOTE 6 - Capital Projects

The following is a summary of capital project authorizations and expenditures to date:

Project Name	Project Authorization	Expenditures	
		Through December 31, 2020	Estimated Completion
2019 Summit St Mill & Overlay CCLIP	\$ 66,841	\$ 62,146	2020
Offset Well #5 (Well #15)	609,274	605,252	2020
Waterline Relocate for Westar Easement	650,000	88,190	2020
Wilson Park Planning - Phase 1 Upgrades	68,500	65,932	2020
Wilson Park Site Improvements	68,651	9,600	2020
Westar Hike/Bike Trail	1,275,745	271,138	2021
2020 Brad Meek/Hillside Waterline Replacement	181,027	100,081	2021
WWTP Upgrades	483,157	239,089	2023

NOTE 7 - Other Long-Term Obligations from Operations

Compensated Absences. It is the City's policy to permit employees to accumulate earned but unused vacation and sick pay benefits.

Vacation Leave. All employees shall accrue vacation leave each pay period according to their position and years of service with the City:

CITY OF ARKANSAS CITY, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2020

NOTE 7 - Other Long-Term Obligations from Operations (Continued)

Full time employees, except fire/EMS personnel:

Months of Continuous Full-time <u>Employment</u>	Vacation Hours Accrued <u>Per year</u>	Maximum Accrual <u>Hours</u>
0-59	80	160
60-119	120	240
120-179	160	320
180+	200	400

Fire/EMS personnel working on a work period:

Months of Continuous Full-time <u>Employment</u>	Vacation Hours Accrued <u>Per year</u>	Maximum Accrual <u>Hours</u>
0-59	112	224
60-119	168	336
120-179	224	448
180+	280	560

Sick Leave. All full-time employees, except fire/EMS personnel, shall accrue paid sick leave at a rate of four hours per pay period. Fire/EMS employees working on a work period shall accrue 5.25 hours per pay period.

Employees hired prior to April 1, 2020, may accumulate sick leave to a maximum of 960 hours. Employees hired on or after April 1, 2020, may accumulate sick leave to a maximum of 720 hours.

Accumulated Leave Payout. All regular full-time employees separating from City employment that have given and satisfactorily completed an appropriate 14-day notice period will receive payment for all accumulated accrued and unused vacation, and depending upon the employee's length of service with the City, a percentage of their accrued unused sick leave as follows:

Months of Continuous <u>Employment</u>	Sick Leave <u>Payout %</u>
0-47	-
48-95	25%
96-143	50%
144-191	75%
192+	100%

For employees hired prior to April 1, 2020, the maximum sick leave hours any employee can be paid out is 480 hours. For employees hired on or after April 1, 2020, the maximum sick leave hours any employee can be paid out is 360 hours.

Compensatory Time. All employees who are eligible, except firefighters, can elect to receive compensatory time off at a rate of not less than one and one-half hours for each overtime hour worked in lieu of cash overtime compensation. All eligible City employees, except police, may accrue up to twenty-four hours of compensatory time. Police personnel may accumulate up to sixty hours of compensatory time.

CITY OF ARKANSAS CITY, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2020

NOTE 7 - Other Long-Term Obligations from Operations (Continued)

Banked Holiday Time. All non-exempt police, wastewater treatment plant, water treatment facility, and fire/emergency medical services personnel may accumulate one hour for every hour worked on an official City holiday, up to eight hours (12 hours for fire/EMS). Police, wastewater treatment plant and water treatment facility personnel shall not accumulate in excess of 24 hours. Fire/EMS personnel shall not accumulate in excess of 48 hours.

Personal Business Day Leave. All full-time employees after two months of continuous employment will accrue 8 hours of personal business day leave, then each January 1st thereafter shall be awarded an additional 8 hours of personal business day leave. Personal business day leave must be used within the calendar year and may not be accumulated.

The City determines a liability for compensated absences when the following conditions are met:

1. The City's obligation relating to employees' rights to receive compensation for future absences is attributable to employees' services already rendered.
2. The obligation relates to rights that vest or accumulate.
3. Payment of the compensation is probable.
4. The amount can be reasonably estimated.

In accordance with the above criteria, the City has accrued a liability for annual leave, sick time, compensatory time, and banked holiday time, which has been earned, but not taken, by City employees. The estimated liability at December 31, 2020, was \$370,716 for annual leave, \$436,000 for sick leave, \$5,089 for compensatory time, and \$13,253 for banked holiday time.

Other Post-Employment Benefits. As provided by K.S.A. 12-5040, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in these financial statements.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the Federal government for this coverage. The premium is paid in full by the insured. There is no cost to the City under this program.

Death and Disability Other Post-Employment Benefits. As provided by K.S.A. 74-4927, disabled members in the Kansas Public Employees Retirement System (KPERs) receive long-term disability benefits and life insurance benefits. The plan is administered through a trust held by KPERs that is funded to pay annual benefit payments. The employer contribution rate is set at 1% for the year ended December 31, 2018.

NOTE 8 - Risk Management

The City is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors and omissions; injuries to employees; employees' health and life; and natural disasters. The City manages these risks of loss through the purchase of various insurance policies.

CITY OF ARKANSAS CITY, KANSAS
Notes to the Financial Statements
For the Year Ended December 31, 2020

NOTE 8 - Risk Management (Continued)

The City has been unable to obtain workers' compensation insurance at a cost it considers to be economically justifiable. For this reason, the City has joined together with other cities in the State to participate in Kansas Municipal Insurance Trust (KMIT), a public entity risk pool currently operating as a common risk management and insurance program for participating members. The City pays annual premium to KMIT for its workers' compensation insurance coverage. The agreement to participate provides that KMIT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of a stated dollar amount for each insurance event. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KMIT management.

NOTE 9 - Contingencies

The City is a party to various claims, none of which is expected to have material financial impact on the City.

NOTE 10 - Interfund Transfers

<u>From</u>	<u>To</u>	<u>Amount</u>	<u>Regulatory Authority</u>
Water	General	\$ 400,000	K.S.A. 12-825d
Sewer	General	550,000	K.S.A. 12-825d
Sanitation	General	200,000	K.S.A. 12-825d
Sewer	Stormwater	<u>50,000</u>	K.S.A. 12-825d
		<u>\$ 1,200,000</u>	

CITY OF ARKANSAS CITY, KANSAS
 Summary of Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2020

<u>Funds</u>	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance- Over [Under]</u>
General Funds:					
General Fund	\$ 10,421,915	\$ -	\$ 10,421,915	\$ 9,574,686	\$ [847,229]
Special Purpose Funds:					
Special Recreation and Parks Fund	27,632	-	27,632	88	[27,544]
Special Street and Highway Fund	738,900	-	738,900	262,376	[476,524]
Tourism Fund	158,729	-	158,729	127,497	[31,232]
Special Alcohol Fund	70,000	-	70,000	2,876	[67,124]
Library Fund	423,900	-	423,900	372,485	[51,415]
Land Bank Fund	3,500	-	3,500	14	[3,486]
Healthcare Sales Tax Fund	1,949,600	-	1,949,600	1,777,503	[172,097]
Unpledged Healthcare Sales Tax Fund	327,400	-	327,400	229,415	[97,985]
CID Sales Tax Fund	65,000	-	65,000	52,919	[12,081]
Bond and Interest Funds:					
Bond and Interest Fund	1,321,110	23,094,936	24,416,046	23,657,235	[758,811]
Business Funds:					
Water Utility Fund	5,815,918	-	5,815,918	4,730,510	[1,085,408]
Sewer Utility Fund	14,216,503	-	14,216,503	2,101,025	[12,115,478]
Sanitation Utility Fund	1,799,696	-	1,799,696	1,575,855	[223,841]
Stormwater Utility Fund	272,721	-	272,721	159,239	[113,482]

CITY OF ARKANSAS CITY, KANSAS

General Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year	Current Year		Variance- Over [Under]
		Actual	Budget	
Receipts				
Taxes and Shared Revenue:				
Ad valorem property tax	\$ 2,769,038	\$ 2,814,332	\$ 2,984,018	\$ [169,686]
Delinquent tax	129,243	132,773	75,000	57,773
Motor vehicle tax	364,221	408,290	420,978	[12,688]
Recreational vehicle tax	3,159	3,396	4,105	[709]
16/20M truck tax	6,500	6,986	10,405	[3,419]
Neighborhood revitalization	[84,524]	[81,221]	[150,000]	68,779
Compensating use tax	592,403	311,666	303,000	8,666
Sales tax	1,711,887	1,805,442	1,580,000	225,442
Franchise tax	1,152,922	1,154,854	1,184,000	[29,146]
Special assessments	31,522	26,727	30,000	[3,273]
Intergovernmental				
Local alcoholic liquor tax	12,867	10,092	11,998	[1,906]
Federal grant	9,515	14,423	13,600	823
State grant	24,290	22,686	-	22,686
Licenses and permits				
Licenses, permits and fees	223,391	248,152	95,400	152,752
Charges and services				
Cemetery permits/deeds	25,815	28,885	-	28,885
Rural fire contracts	366,360	379,160	350,000	29,160
County ambulance fees	176,497	191,100	176,500	14,600
Other ambulance fees	595,759	560,638	625,000	[64,362]
Fines, forfeitures and penalties				
Fines	423,844	372,131	445,500	[73,369]
Use of money and property				
Interest	46,888	13,080	85,200	[72,120]
Sale of assets	13,819	17,177	-	17,177
Rental income	50,675	28,864	-	28,864
Other receipts				
Donations	10,982	6,951	-	6,951
Reimbursed expense	223,848	397,552	-	397,552
Miscellaneous	681,418	460,623	143,500	317,123
Operating transfers from				
Water Utility Fund	400,000	400,000	400,000	-
Sewer Utility Fund	550,000	550,000	550,000	-
Sanitation Utility Fund	200,000	200,000	200,000	-
Total Receipts	10,712,339	10,484,759	\$ 9,557,704	\$ 927,055

SCHEDULE 2 - 1 (Continued)

CITY OF ARKANSAS CITY, KANSAS
 General Fund - Continued
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance- Over <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Expenditures				
General administrative services				
Personal services	\$ 1,129,559	\$ 931,934	\$ 911,110	\$ 20,824
Contractual services	327,836	358,627	332,840	25,787
Commodities	37,470	45,676	30,500	15,176
Capital outlay	17,646	42,076	30,450	11,626
Total general administrative services	<u>1,512,511</u>	<u>1,378,313</u>	<u>1,304,900</u>	<u>73,413</u>
Municipal court/legal				
Personal services	131,343	47,583	143,161	[95,578]
Contractual services	100,778	131,252	52,330	78,922
Commodities	2,293	1,400	1,250	150
Capital outlay	2,955	2,958	3,500	[542]
Total municipal court/legal	<u>237,369</u>	<u>183,193</u>	<u>200,241</u>	<u>[17,048]</u>
Neighborhood services				
Personal services	203,209	202,218	210,685	[8,467]
Contractual services	51,386	45,087	26,400	18,687
Commodities	14,070	15,062	73,050	[57,988]
Capital outlay	29,565	1,812	4,000	[2,188]
Total neighborhood services	<u>298,230</u>	<u>264,179</u>	<u>314,135</u>	<u>[49,956]</u>
Fire/EMT services				
Personal services	1,928,831	2,035,662	2,168,015	[132,353]
Contractual services	93,516	90,341	102,750	[12,409]
Commodities	152,501	219,260	199,550	19,710
Capital outlay	887,216	332,396	301,800	30,596
Debt service	140,292	140,017	140,000	17
Total fire/EMT services	<u>3,202,356</u>	<u>2,817,676</u>	<u>2,912,115</u>	<u>[94,439]</u>
Law enforcement				
Personal services	2,481,991	2,458,488	2,584,215	[125,727]
Contractual services	123,900	117,805	122,200	[4,395]
Commodities	120,742	90,301	133,500	[43,199]
Capital outlay	176,648	206,270	217,900	[11,630]
Debt service	2,189	-	-	-
Total law enforcement	<u>2,905,470</u>	<u>2,872,864</u>	<u>3,057,815</u>	<u>[184,951]</u>
Parks and facilities				
Personal services	496,883	518,908	543,259	[24,351]
Contractual services	180,460	141,939	170,050	[28,111]
Commodities	185,709	163,141	257,450	[94,309]
Capital outlay	41,916	43,730	118,000	[74,270]
Total parks and facilities	<u>904,968</u>	<u>867,718</u>	<u>1,088,759</u>	<u>[221,041]</u>

CITY OF ARKANSAS CITY, KANSAS

General Fund - Continued
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance- Over <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Expenditures - Continued				
Public works/streets				
Personal services	\$ 384,695	\$ 414,560	\$ 435,236	\$ [20,676]
Contractual services	722,912	428,119	316,200	111,919
Commodities	78,974	58,727	82,100	[23,373]
Capital outlay	1,322	635	2,000	[1,365]
Total public works/streets	<u>1,187,903</u>	<u>902,041</u>	<u>835,536</u>	<u>66,505</u>
Northwest Community Center				
Personal services	46,307	45,248	46,474	[1,226]
Contractual services	8,074	6,430	10,000	[3,570]
Commodities	2,424	2,751	6,250	[3,499]
Capital outlay	349	144	1,050	[906]
Total Northwest Community Center	<u>57,154</u>	<u>54,573</u>	<u>63,774</u>	<u>[9,201]</u>
Senior center				
Personal services	182,988	191,427	200,390	[8,963]
Contractual services	28,104	28,229	33,700	[5,471]
Commodities	13,243	14,473	30,350	[15,877]
Capital outlay	389	-	1,200	[1,200]
Total senior center	<u>224,724</u>	<u>234,129</u>	<u>265,640</u>	<u>[31,511]</u>
Emergency reserve	-	-	300,000	[300,000]
Appropriation to PBC debt	-	-	79,000	[79,000]
Total Expenditures	<u>10,530,685</u>	<u>9,574,686</u>	<u>\$ 10,421,915</u>	<u>\$ [847,229]</u>
Receipts Over [Under] Expenditures	181,654	910,073		
Unencumbered Cash, Beginning	<u>944,934</u>	<u>1,126,588</u>		
Unencumbered Cash, Ending	<u>\$ 1,126,588</u>	<u>\$ 2,036,661</u>		

CITY OF ARKANSAS CITY, KANSAS

Special Recreation and Parks Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and shared receipts				
Local alcoholic liquor tax	\$ 12,867	\$ 10,092	\$ 11,998	\$ [1,906]
Total Receipts	<u>12,867</u>	<u>10,092</u>	<u>\$ 11,998</u>	<u>\$ [1,906]</u>
Expenditures				
Culture and recreation				
Contractual services	5,248	-	\$ 22,632	\$ [22,632]
Commodities	<u>8,988</u>	<u>88</u>	<u>5,000</u>	<u>[4,912]</u>
Total Expenditures	<u>14,236</u>	<u>88</u>	<u>\$ 27,632</u>	<u>\$ [27,544]</u>
Receipts Over [Under] Expenditures	[1,369]	10,004		
Unencumbered Cash, Beginning	<u>26,979</u>	<u>25,610</u>		
Unencumbered Cash, Ending	<u>\$ 25,610</u>	<u>\$ 35,614</u>		

CITY OF ARKANSAS CITY, KANSAS
 Special Street and Highway Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and shared receipts				
Highway gas tax	\$ 323,989	\$ 305,269	\$ 323,620	\$ [18,351]
County gas tax	53,393	51,371	49,210	2,161
Intergovernmental				
KDOT federal exchange funds	127,191	282	145,000	[144,718]
Other receipts				
Reimbursed expense	111	6,144	-	6,144
Total Receipts	<u>504,684</u>	<u>363,066</u>	<u>\$ 517,830</u>	<u>\$ [154,764]</u>
Expenditures				
General government				
Contractual services	26,937	49,530	\$ 152,400	\$ [102,870]
Commodities	195,887	157,022	151,500	5,522
Capital outlay	83,082	55,824	150,000	[94,176]
Operating transfers to				
Capital Improvements Reserve Fund	-	-	285,000	[285,000]
Total Expenditures	<u>305,906</u>	<u>262,376</u>	<u>\$ 738,900</u>	<u>\$ [476,524]</u>
Receipts Over [Under] Expenditures	198,778	100,690		
Unencumbered Cash, Beginning	<u>486,014</u>	<u>684,792</u>		
Unencumbered Cash, Ending	<u>\$ 684,792</u>	<u>\$ 785,482</u>		

CITY OF ARKANSAS CITY, KANSAS

Tourism Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and shared receipts				
State guest tax	\$ 142,909	\$ 127,670	\$ 130,000	\$ [2,330]
Total Receipts	<u>142,909</u>	<u>127,670</u>	<u>\$ 130,000</u>	<u>\$ [2,330]</u>
Expenditures				
Culture and recreation				
Contractual services	134,493	127,497	\$ 158,729	\$ [31,232]
Total Expenditures	<u>134,493</u>	<u>127,497</u>	<u>\$ 158,729</u>	<u>\$ [31,232]</u>
Receipts Over [Under] Expenditures	8,416	173		
Unencumbered Cash, Beginning	<u>19,691</u>	<u>28,107</u>		
Unencumbered Cash, Ending	<u>\$ 28,107</u>	<u>\$ 28,280</u>		

CITY OF ARKANSAS CITY, KANSAS
 Special Alcohol Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance- Over [Under]
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Taxes and shared receipts				
Local alcoholic liquor tax	\$ 12,867	\$ 10,092	\$ 11,998	\$ [1,906]
Other receipts				
Donations	<u>4,600</u>	<u>1,450</u>	<u>-</u>	<u>1,450</u>
Total Receipts	<u>17,467</u>	<u>11,542</u>	<u>\$ 11,998</u>	<u>\$ [456]</u>
Expenditures				
Culture and recreation				
Contractual services	1,000	1,000	\$ 1,000	\$ -
Commodities	<u>14,107</u>	<u>1,876</u>	<u>69,000</u>	<u>[67,124]</u>
Total Expenditures	<u>15,107</u>	<u>2,876</u>	<u>\$ 70,000</u>	<u>\$ [67,124]</u>
Receipts Over [Under] Expenditures	2,360	8,666		
Unencumbered Cash, Beginning	<u>82,456</u>	<u>84,816</u>		
Unencumbered Cash, Ending	<u>\$ 84,816</u>	<u>\$ 93,482</u>		

CITY OF ARKANSAS CITY, KANSAS

Library Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year	Current Year		Variance- Over
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Taxes and shared receipts				
Ad valorem property tax	\$ 312,265	\$ 318,480	\$ 326,249	\$ [7,769]
Delinquent tax	16,138	15,811	10,500	5,311
Motor vehicle tax	44,704	46,200	97,513	[51,313]
Recreational vehicle tax	387	384	463	[79]
Commercial vehicle tax	-	-	802	[802]
16/20M truck tax	822	801	373	428
Neighborhood revitalization	<u>[9,532]</u>	<u>[9,191]</u>	<u>[12,000]</u>	<u>2,809</u>
Total Receipts	<u>364,784</u>	<u>372,485</u>	<u>\$ 423,900</u>	<u>\$ [51,415]</u>
Expenditures				
Culture and recreation				
Appropriation to library board	<u>364,784</u>	<u>372,485</u>	<u>\$ 423,900</u>	<u>\$ [51,415]</u>
Total Expenditures	<u>364,784</u>	<u>372,485</u>	<u>\$ 423,900</u>	<u>\$ [51,415]</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

CITY OF ARKANSAS CITY, KANSAS
 Land Bank Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Use of money and property				
Rental income	\$ -	\$ -	\$ 1,000	\$ [1,000]
Sale of assets	-	<u>1,000</u>	<u>2,500</u>	<u>[1,500]</u>
Total Receipts	<u>-</u>	<u>1,000</u>	<u>\$ 3,500</u>	<u>\$ [2,500]</u>
Expenditures				
General government				
Contractual	-	<u>14</u>	<u>\$ 3,500</u>	<u>\$ 3,486</u>
Total Expenditures	<u>-</u>	<u>14</u>	<u>\$ 3,500</u>	<u>\$ 3,486</u>
Receipts Over [Under] Expenditures	-	986		
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ 986</u>		

CITY OF ARKANSAS CITY, KANSAS

Hospital Improvements Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year	Current Year		Variance- Over
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Taxes and Shared Revenue:				
Sales tax	\$ 145,506	\$ -	\$ -	\$ -
Debt service sales tax	291,012	-	-	-
Use of money and property				
Interest	<u>11,147</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Receipts	<u>447,665</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Expenditures				
Appropriations to hospital board	684,523	-	\$ -	\$ -
Operating transfers to				
Healthcare Sales Tax Fund	<u>1,226,942</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>1,911,465</u>	<u>-</u>	<u>\$ -</u>	<u>\$ -</u>
Receipts Over [Under] Expenditures	[1,463,800]	-		
Unencumbered Cash, Beginning	<u>1,463,800</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

CITY OF ARKANSAS CITY, KANSAS
 Healthcare Sales Tax Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year	Current Year		Variance- Over
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Taxes and Shared Revenue:				
Sales tax	\$ 1,349,831	\$ 1,777,503	\$ 1,800,000	\$ [22,497]
Operating transfers from				
Public Building Commission Fund	1,962,753	-	79,000	[79,000]
Hospital Improvements Fund	<u>1,226,942</u>	<u>-</u>	<u>70,600</u>	<u>[70,600]</u>
Total Receipts	<u>4,539,526</u>	<u>1,777,503</u>	<u>\$ 1,949,600</u>	<u>\$ [172,097]</u>
Expenditures				
Debt Service				
Principal	-	350,000	\$ -	\$ 350,000
Interest	-	717,962	-	717,962
Appropriations to trustee	<u>4,539,526</u>	<u>709,541</u>	<u>1,949,600</u>	<u>[1,240,059]</u>
Total Expenditures	<u>4,539,526</u>	<u>1,777,503</u>	<u>\$ 1,949,600</u>	<u>\$ [172,097]</u>
Receipts Over [Under] Expenditures	-	-		
Unencumbered Cash, Beginning	<u>-</u>	<u>-</u>		
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>		

CITY OF ARKANSAS CITY, KANSAS

Unpledged Healthcare Sales Tax Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and Shared Revenue:				
Sales tax	\$ 71,044	\$ 339,605	\$ 85,000	\$ 254,605
Use of money and property				
Interest	<u>8,047</u>	<u>245</u>	<u>242,400</u>	<u>[242,155]</u>
Total Receipts	<u>79,091</u>	<u>339,850</u>	<u>\$ 327,400</u>	<u>\$ 12,450</u>
Expenditures				
Appropriations to hospital	-	136,143	\$ 327,400	\$ [191,257]
Appropriations to trustee	-	90,272	-	90,272
Miscellaneous	-	<u>3,000</u>	-	<u>3,000</u>
Total Expenditures	-	<u>229,415</u>	<u>\$ 327,400</u>	<u>\$ [97,985]</u>
Receipts Over [Under] Expenditures	79,091	110,435		
Unencumbered Cash, Beginning	<u>-</u>	<u>79,091</u>		
Unencumbered Cash, Ending	<u>\$ 79,091</u>	<u>\$ 189,526</u>		

CITY OF ARKANSAS CITY, KANSAS

Special Law Enforcement Trust Fund
 Schedule of Receipts and Expenditures - Actual*
 Regulatory Basis
 For the Years Ended December 31, 2020 and 2019

	<u>2019</u>	<u>2020</u>
Receipts		
Other receipts		
Donations	\$ 18,321	\$ 16,464
Total Receipts	<u>18,321</u>	<u>16,464</u>
Expenditures		
Capital improvements		
Contractual services	3,351	705
Capital outlay	<u>15,172</u>	<u>20,348</u>
Total Expenditures	<u>18,523</u>	<u>21,053</u>
Receipts Over [Under] Expenditures	[202]	[4,589]
Unencumbered Cash, Beginning	<u>15,935</u>	<u>15,733</u>
Unencumbered Cash, Ending	<u>\$ 15,733</u>	<u>\$ 11,144</u>

* - This fund is not required to be budgeted.

CITY OF ARKANSAS CITY, KANSAS
 CID Sales Tax Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance- Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Taxes and shared receipts				
Sales tax	\$ 50,979	\$ 51,940	\$ 65,000	\$ [13,060]
Total Receipts	<u>50,979</u>	<u>51,940</u>	<u>\$ 65,000</u>	<u>\$ [13,060]</u>
Expenditures				
Capital improvements				
Contractual services	<u>50,000</u>	<u>52,919</u>	<u>\$ 65,000</u>	<u>\$ [12,081]</u>
Total Expenditures	<u>50,000</u>	<u>52,919</u>	<u>\$ 65,000</u>	<u>\$ [12,081]</u>
Receipts Over [Under] Expenditures	979	[979]		
Unencumbered Cash, Beginning	<u>-</u>	<u>979</u>		
Unencumbered Cash, Ending	<u>\$ 979</u>	<u>\$ -</u>		

CITY OF ARKANSAS CITY, KANSAS
 Equipment Reserve Fund
 Schedule of Receipts and Expenditures - Actual*
 Regulatory Basis
 For the Years Ended December 31, 2020 and 2019

	<u>2019</u>	<u>2020</u>
Receipts		
Operating transfers from		
General Fund	\$ -	\$ -
Total Receipts	-	-
Expenditures		
Capital improvements		
Capital outlay	-	-
Total Expenditures	-	-
Receipts Over [Under] Expenditures	-	-
Unencumbered Cash, Beginning	200,946	200,946
Unencumbered Cash, Ending	\$ 200,946	\$ 200,946

* - This fund is not required to be budgeted.

CITY OF ARKANSAS CITY, KANSAS

Public Building Commission Fund
 Schedule of Receipts and Expenditures - Actual*
 Regulatory Basis
 For the Years Ended December 31, 2020 and 2019

	<u>2019</u>	<u>2020</u>
Receipts		
Use of money and property		
Interest	\$ 16,560	\$ -
Other receipts		
Bond proceeds	18,653,484	-
Reimbursed expense	<u>684,523</u>	<u>-</u>
Total Receipts	<u>19,354,567</u>	<u>-</u>
Expenditures		
Debt service		
Principal	18,336,559	-
Interest	684,523	-
Bond issuance costs	316,925	-
Operating transfers to		
Healthcare Sales Tax Fund	<u>1,962,753</u>	<u>-</u>
Total Expenditures	<u>21,300,760</u>	<u>-</u>
Receipts Over [Under] Expenditures	[1,946,193]	-
Unencumbered Cash, Beginning	<u>1,946,193</u>	<u>-</u>
Unencumbered Cash, Ending	<u>\$ -</u>	<u>\$ -</u>

* - This fund is not required to be budgeted.

CITY OF ARKANSAS CITY, KANSAS
 Capital Improvements Reserve Fund
 Schedule of Receipts and Expenditures - Actual*
 Regulatory Basis
 For the Years Ended December 31, 2020 and 2019

	<u>2019</u>	<u>2020</u>
Receipts		
Use of money and property		
Interest	\$ 24,258	\$ 5,378
Other receipts		
Donations	68,651	271,558
Reimbursed expense	622,697	206,474
Operating transfers from		
General Fund	[2,594,391]	-
Special Street and Highway Fund	192,312	-
Water Utility Fund	2,394,516	-
Sanitation Utility Fund	7,564	-
Total Receipts	<u>715,607</u>	<u>483,410</u>
Expenditures		
General government		
Commodities	-	19,910
Contractual services	13,176	-
Capital outlay	288,217	598,474
Total Expenditures	<u>301,393</u>	<u>618,384</u>
Receipts Over [Under] Expenditures	414,214	[134,974]
Unencumbered Cash, Beginning	<u>1,191,083</u>	<u>1,605,297</u>
Unencumbered Cash, Ending	<u>\$ 1,605,297</u>	<u>\$ 1,470,323</u>

* - This fund is not required to be budgeted.

CITY OF ARKANSAS CITY, KANSAS

Bond and Interest Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year	Current Year		Variance- Over
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Taxes and shared receipts				
Ad valorem property tax	\$ 560,349	\$ 581,310	\$ 616,237	\$ [34,927]
Delinquent tax	42,141	35,572	28,000	7,572
Motor vehicle tax	112,464	84,286	85,185	[899]
Recreational vehicle tax	972	693	831	[138]
Commercial vehicle tax	-	-	1,437	[1,437]
16/20M truck tax	2,135	1,553	668	885
Neighborhood revitalization	[17,104]	[16,774]	[22,000]	5,226
Operating transfers from				
Water Utility Fund	75,000	-	-	-
Sewer Utility Fund	75,000	-	-	-
Debt proceeds				
Sale of bonds	-	21,840,000	-	21,840,000
Bond premium	-	1,254,936	-	1,254,936
Total Receipts	<u>850,957</u>	<u>23,781,576</u>	<u>\$ 710,358</u>	<u>\$ 23,071,218</u>
Expenditures				
Debt service				
Principal	730,000	23,114,128	\$ 915,000	\$ 22,199,128
Interest	72,130	169,746	56,010	113,736
Cost of issuance	-	373,361	100,000	273,361
Miscellaneous	-	-	100	[100]
Cash basis reserve	-	-	250,000	[250,000]
Adjustment for Qualifying Budget Credits	-	-	23,094,936	[23,094,936]
Total Expenditures	<u>802,130</u>	<u>23,657,235</u>	<u>\$ 24,416,046</u>	<u>\$ [758,811]</u>
Receipts Over [Under] Expenditures	48,827	124,341		
Unencumbered Cash, Beginning	<u>80,854</u>	<u>129,681</u>		
Unencumbered Cash, Ending	<u>\$ 129,681</u>	<u>\$ 254,022</u>		

CITY OF ARKANSAS CITY, KANSAS

Water Utility Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance Over <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges for services				
Water receipts	\$ 4,038,692	\$ 4,264,988	\$ 4,542,000	\$ [277,012]
Connection fees	85,184	67,563	80,000	[12,437]
Use of money and property				
Interest	61,117	12,348	13,500	[1,152]
Sale of assets	9,192	-	6,000	[6,000]
Other receipts				
Bad debt collection	273	178	-	178
Penalties	28,354	24,752	-	24,752
Reimbursed expense	3,486	137,651	-	137,651
Miscellaneous	43,674	43,367	20,000	23,367
Total Receipts	4,269,972	4,550,847	\$ 4,661,500	\$ [110,653]
Expenditures				
Treatment				
Personal services	179,200	195,602	\$ 174,601	\$ 21,001
Contractual services	706,343	1,185,193	1,274,700	[89,507]
Commodities	414,761	543,444	498,000	45,444
Capital outlay	108	1,177	-	1,177
Total treatment	1,300,412	1,925,416	1,947,301	[21,885]
Distribution				
Personal services	298,056	509,746	594,086	[84,340]
Contractual services	208,571	44,928	106,600	[61,672]
Commodities	141,740	129,139	159,200	[30,061]
Capital outlay	14,228	104,261	1,010,000	[905,739]
Total distribution	662,595	788,074	1,869,886	[1,081,812]
Environmental				
Personal services	204,824	-	-	-
Contractual services	19,094	-	-	-
Commodities	3,891	-	-	-
Capital outlay	3,368	-	-	-
Total environmental	231,177	-	-	-

CITY OF ARKANSAS CITY, KANSAS

Water Utility Fund - Continued
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year	Current Year		Variance Over
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Expenditures - Continued				
Administration				
Personal services	\$ 11,565	\$ 13,337	\$ 8,500	\$ 4,837
Contractual services	50,442	69,311	53,200	16,111
Commodities	15,380	17,985	15,000	2,985
Capital outlay	<u>30,213</u>	<u>25,857</u>	<u>31,500</u>	<u>[5,643]</u>
Total administration	<u>107,600</u>	<u>126,490</u>	<u>108,200</u>	<u>18,290</u>
Debt service				
Revolving loans				
Principal	893,734	918,341	918,341	-
Interest	520,009	498,551	498,551	-
Agency fees	76,788	73,638	73,639	[1]
Operating transfers to				
General Fund	400,000	400,000	400,000	-
Bond and Interest Fund	<u>75,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	<u>4,267,315</u>	<u>4,730,510</u>	<u>\$ 5,815,918</u>	<u>\$ [1,085,408]</u>
Receipts Over [Under] Expenditures	2,657	[179,663]		
Unencumbered Cash, Beginning	<u>4,254,300</u>	<u>4,256,957</u>		
Unencumbered Cash, Ending	<u>\$ 4,256,957</u>	<u>\$ 4,077,294</u>		

CITY OF ARKANSAS CITY, KANSAS

Sewer Utility Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance Over [Under]
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges for services				
Wastewater receipts	\$ 1,948,769	\$ 1,958,039	\$ 2,100,000	\$ [141,961]
Use of money and property				
Interest	62,637	12,202	60,000	[47,798]
Sale of assets	92	-	-	-
Other receipts				
Penalties	19,633	13,020	20,000	[6,980]
Reimbursed expense	-	1,177	-	1,177
Miscellaneous	21,933	30,635	5,000	25,635
Loan proceeds	-	-	12,000,000	[12,000,000]
Total Receipts	<u>2,053,064</u>	<u>2,015,073</u>	<u>\$ 14,185,000</u>	<u>\$ [12,169,927]</u>
Expenditures				
Treatment				
Personal services	204,629	294,314	\$ 440,847	\$ [146,533]
Contractual services	178,790	148,552	256,800	[108,248]
Commodities	69,548	354,733	101,900	252,833
Capital outlay	29,861	357,693	12,002,000	[11,644,307]
Total treatment	<u>482,828</u>	<u>1,155,292</u>	<u>12,801,547</u>	<u>[11,646,255]</u>
Collections				
Personal services	126,454	160,013	152,806	7,207
Contractual services	319,457	80,632	23,600	57,032
Commodities	44,956	53,774	43,050	10,724
Capital outlay	146,839	-	550,000	[550,000]
Total collections	<u>637,706</u>	<u>294,419</u>	<u>769,456</u>	<u>[475,037]</u>
Environmental				
Personal services	169,600	-	-	-
Contractual services	100	-	-	-
Total environmental	<u>169,700</u>	<u>-</u>	<u>-</u>	<u>-</u>

CITY OF ARKANSAS CITY, KANSAS

Sewer Utility Fund - Continued
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year	Current Year		Variance Over
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Expenditures - Continued				
Administration				
Personal services	\$ 6,939	\$ 8,612	\$ 4,900	\$ 3,712
Contractual services	13,372	16,503	12,600	3,903
Commodities	9,240	10,659	10,500	159
Capital outlay	<u>19,721</u>	<u>15,540</u>	<u>17,500</u>	<u>[1,960]</u>
Total administration	<u>49,272</u>	<u>51,314</u>	<u>45,500</u>	<u>5,814</u>
Operating transfers to				
General Fund	550,000	550,000	550,000	-
Bond and Interest Fund	75,000	-	-	-
Stormwater Utility Fund	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Total Expenditures	<u>2,014,506</u>	<u>2,101,025</u>	<u>\$ 14,216,503</u>	<u>\$ [12,115,478]</u>
Receipts Over [Under] Expenditures	38,558	[85,952]		
Unencumbered Cash, Beginning	<u>3,967,602</u>	<u>4,006,160</u>		
Unencumbered Cash, Ending	<u>\$ 4,006,160</u>	<u>\$ 3,920,208</u>		

CITY OF ARKANSAS CITY, KANSAS

Sanitation Utility Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year <u>Actual</u>	Current Year		Variance Over <u>[Under]</u>
		<u>Actual</u>	<u>Budget</u>	
Receipts				
Charges for services				
Sanitation fees	\$ 1,412,566	\$ 1,511,146	\$ 1,475,200	\$ 35,946
Service fees	15,941	4,147	10,000	[5,853]
Intergovernmental				
State grant	7,706	-	-	-
Use of money and property				
Interest	17,775	3,410	3,800	[390]
Sale of assets	919	170	-	170
Other receipts				
Penalties	14,405	9,354	14,500	[5,146]
Miscellaneous	46	3,363	1,000	2,363
Total Receipts	<u>1,469,358</u>	<u>1,531,590</u>	<u>\$ 1,504,500</u>	<u>\$ 27,090</u>
Expenditures				
General utility services				
Personal services	433,195	610,213	\$ 618,871	\$ [8,658]
Contractual services	347,382	365,873	457,450	[91,577]
Commodities	154,646	142,746	237,050	[94,304]
Capital outlay	<u>65,425</u>	<u>216,461</u>	<u>251,000</u>	<u>[34,539]</u>
Total general utility services	<u>1,000,648</u>	<u>1,335,293</u>	<u>1,564,371</u>	<u>[229,078]</u>
Administration				
Personal services	100,356	8,250	3,800	4,450
Contractual services	13,116	14,478	12,425	2,053
Commodities	6,189	7,119	5,600	1,519
Capital outlay	<u>12,544</u>	<u>10,715</u>	<u>13,500</u>	<u>[2,785]</u>
Total administration	<u>132,205</u>	<u>40,562</u>	<u>35,325</u>	<u>5,237</u>
Operating transfers to				
General Fund	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>-</u>
Total Expenditures	<u>1,332,853</u>	<u>1,575,855</u>	<u>\$ 1,799,696</u>	<u>\$ [223,841]</u>
Receipts Over [Under] Expenditures	136,505	[44,265]		
Unencumbered Cash, Beginning	<u>993,796</u>	<u>1,130,301</u>		
Unencumbered Cash, Ending	<u>\$ 1,130,301</u>	<u>\$ 1,086,036</u>		

CITY OF ARKANSAS CITY, KANSAS

Stormwater Utility Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year Ended December 31, 2020
 (With Comparative Actual Totals for the Prior Year Ended December 31, 2019)

	Prior Year	Current Year		Variance Over
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>[Under]</u>
Receipts				
Charges for services				
Stormwater receipts	\$ 185,914	\$ 187,504	\$ 190,100	\$ [2,596]
Intergovernmental				
Federal grant - FEMA	-	53,094	-	53,094
Use of money and property				
Interest	4,453	572	5,500	[4,928]
Other receipts				
Penalties	2,096	1,338	-	1,338
Miscellaneous	11	12,305	-	12,305
Operating transfers from				
Sewer Utility Fund	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Total Receipts	<u>242,474</u>	<u>304,813</u>	<u>\$ 245,600</u>	<u>\$ 59,213</u>
Expenditures				
General utility services				
Personal services	146,122	142,831	\$ 165,521	\$ [22,690]
Contractual services	28,359	628	22,000	[21,372]
Commodities	15,260	5,859	16,200	[10,341]
Capital outlay	<u>114,173</u>	<u>9,921</u>	<u>69,000</u>	<u>[59,079]</u>
Total Expenditures	<u>303,914</u>	<u>159,239</u>	<u>\$ 272,721</u>	<u>\$ [113,482]</u>
Receipts Over [Under] Expenditures	[61,440]	145,574		
Unencumbered Cash, Beginning	<u>207,517</u>	<u>146,077</u>		
Unencumbered Cash, Ending	<u>\$ 146,077</u>	<u>\$ 291,651</u>		

CITY OF ARKANSAS CITY, KANSAS
 Agency Funds
 Summary of Receipts and Disbursements
 Regulatory Basis
 For the Year Ended December 31, 2020

<u>Fund</u>	<u>Beginning Cash Balance</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Ending Cash Balance</u>
Municipal Court	\$ 6,175	\$ 74,296	\$ 64,548	\$ 15,923
Drug Task Force	<u>37,808</u>	<u>-</u>	<u>37,808</u>	<u>-</u>
	<u>\$ 43,983</u>	<u>\$ 74,296</u>	<u>\$ 102,356</u>	<u>\$ 15,923</u>



City Commission Agenda Item

Meeting Date: 5/4/2021
From: Randy Frazer, City Manager
Item: Enterprise Fleet Management Services Agreements

Purpose:

Consider a Resolution authorizing the City of Arkansas City to enter into a Master Equity Lease Agreement by and between Enterprise FM Trust, of Delaware, and the City of Arkansas City for the lease, use, surrender, maintenance, selection and inspection of City vehicles, as well as authorizing the City of Arkansas City to enter into both a Maintenance Management and Fleet Rental Agreement and a Maintenance Agreement by and between Enterprise Fleet Management, Inc., of Missouri, and the City of Arkansas City for vehicle repairs and service. **(Voice Vote)**

Background:

Pursuant to the discussion at the April 23, 2021, study session, the attached agreements with Enterprise FM Trust and Enterprise Fleet Management, Inc., would initiate the fleet management program as discussed.

Commission Options:

1. Approve the Resolution.
2. Table the Resolution for further consideration.
3. Disapprove the Resolution.

Fiscal Impact:

Amount:

Fund:

Department:

Expense Code:

___ Included in Budget

___ Grant


___ Bonds

___ Other (explain)

Attachments:

- Resolution No. 2021-05-3408 (DRAFT)
- Master Equity Lease Agreement
- Maintenance Management and Fleet Rental Agreement
- Maintenance Agreement
- Enterprise Fleet Management Fleet Analysis
- Enterprise Fleet Management Fleet Profile

Approved for Agenda by:



Randy Frazer, City Manager

A RESOLUTION AUTHORIZING THE CITY OF ARKANSAS CITY TO ENTER INTO A MASTER EQUITY LEASE AGREEMENT BY AND BETWEEN ENTERPRISE FM TRUST, OF DELAWARE, AND THE CITY OF ARKANSAS CITY FOR THE LEASE, USE, SURRENDER, MAINTENANCE, SELECTION AND INSPECTION OF CITY VEHICLES, AS WELL AS AUTHORIZING THE CITY OF ARKANSAS CITY TO ENTER INTO BOTH A MAINTENANCE MANAGEMENT AND FLEET RENTAL AGREEMENT AND A MAINTENANCE AGREEMENT BY AND BETWEEN ENTERPRISE FLEET MANAGEMENT, INC., OF MISSOURI, AND THE CITY OF ARKANSAS CITY FOR VEHICLE REPAIRS AND SERVICE.

WHEREAS, the Governing Body of the City of Arkansas City, Kansas, on April 23, 2021, received a presentation from Enterprise Fleet Management, Inc., of Missouri, regarding its fleet management and procurement services; and

WHEREAS, the Governing Body of the City of Arkansas City, Kansas, pursuant to discussion at the April 23, 2021, directed City staff to proceed with drafting agreements with Enterprise FM Trust and Enterprise Fleet Management, Inc.; and

WHEREAS, the attached agreements would initiate the fleet management plan as discussed during the study session.

NOW, THEREFORE, IN CONSIDERATION OF THE AFORESTATED PREMISES, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF ARKANSAS CITY, KANSAS:

SECTION ONE: The Governing Body of the City of Arkansas City, Kansas, hereby authorizes the City of Arkansas City, Kansas, to enter into a Master Equity Lease Agreement by and between Enterprise FM Trust, of Delaware, and the City of Arkansas City, Kansas, for the lease, use, surrender, maintenance, selection and inspection of City vehicles.

SECTION TWO: The Governing Body of the City of Arkansas City, Kansas, hereby authorizes the City of Arkansas City, Kansas, to enter into a Maintenance Management and Fleet Rental Agreement by and between Enterprise Fleet Management, Inc., of Missouri, and the City of Arkansas City, Kansas, for vehicle repairs and service.

SECTION THREE: The Governing Body of the City of Arkansas City, Kansas, hereby authorizes the City of Arkansas City, Kansas, to enter into a Maintenance Agreement by and between Enterprise Fleet Management, Inc., of Missouri, and the City of Arkansas City, Kansas, for vehicle repairs and service.

SECTION FOUR: The Governing Body of the City of Arkansas City, Kansas, hereby authorizes the City Manager and/or City staff of the City of Arkansas City, Kansas, to take such further and other necessary actions that are required to effectuate the intent and purposes of this Legislative Enactment.

SECTION FIVE: This Resolution shall be in full force and effect from its date of passage by the Governing Body of the City of Arkansas City, Kansas.

PASSED AND RESOLVED by the Governing Body of the City of Arkansas City, Kansas, on this 4th day of May, 2021.

(Seal)

Scott Rogers, Mayor

ATTEST:

Lesley Shook, City Clerk

APPROVED AS TO FORM:

Larry R. Schwartz, City Attorney

CERTIFICATE

Section , Item 1.

I hereby certify that the above and foregoing is a true and correct copy of the Resolution No. 2021-04-3408 of the City of Arkansas City, Kansas, adopted by the Governing Body thereof on May 4, 2021, as the same appears of record in my office.

DATED: _____.

Lesley Shook, City Clerk



MASTER EQUITY LEASE AGREEMENT

This Master Equity Lease Agreement is entered into this _____ day of _____, by and between Enterprise FM Trust, a Delaware statutory trust ("Lessor"), and the lessee whose name and address is set forth on the signature page below ("Lessee").

1. LEASE OF VEHICLES: Lessor hereby leases to Lessee and Lessee hereby leases from Lessor the vehicles (individually, a "Vehicle" and collectively, the "Vehicles") described in the schedules from time to time delivered by Lessor to Lessee as set forth below ("Schedule(s)") for the rentals and on the terms set forth in this Agreement and in the applicable Schedule. References to this "Agreement" shall include this Master Equity Lease Agreement and the various Schedules and addenda to this Master Equity Lease Agreement. Lessor will, on or about the date of delivery of each Vehicle to Lessee, send Lessee a Schedule covering the Vehicle, which will include, among other things, a description of the Vehicle, the lease term and the monthly rental and other payments due with respect to the Vehicle. The terms contained in each such Schedule will be binding on Lessee unless Lessee objects in writing to such Schedule within ten (10) days after the date of delivery of the Vehicle covered by such Schedule. Lessor is the sole legal owner of each Vehicle. This Agreement is a lease only and Lessee will have no right, title or interest in or to the Vehicles except for the use of the Vehicles as described in this Agreement. This Agreement shall be treated as a true lease for federal and applicable state income tax purposes with Lessor having all benefits of ownership of the Vehicles. It is understood and agreed that Enterprise Fleet Management, Inc. or an affiliate thereof (together with any subservicer, agent, successor or assign as servicer on behalf of Lessor, "Servicer") may administer this Agreement on behalf of Lessor and may perform the service functions herein provided to be performed by Lessor.

2. TERM: The term of this Agreement ("Term") for each Vehicle begins on the date such Vehicle is delivered to Lessee (the "Delivery Date") and, unless terminated earlier in accordance with the terms of this Agreement, continues for the "Lease Term" as described in the applicable Schedule.

3. RENT AND OTHER CHARGES:

(a) Lessee agrees to pay Lessor monthly rental and other payments according to the Schedules and this Agreement. The monthly payments will be in the amount listed as the "Total Monthly Rental Including Additional Services" on the applicable Schedule (with any portion of such amount identified as a charge for maintenance services under Section 4 of the applicable Schedule being payable to Lessor as agent for Enterprise Fleet Management, Inc.) and will be due and payable in advance on the first day of each month. If a Vehicle is delivered to Lessee on any day other than the first day of a month, monthly rental payments will begin on the first day of the next month. In addition to the monthly rental payments, Lessee agrees to pay Lessor a pro-rated rental charge for the number of days that the Delivery Date precedes the first monthly rental payment date. A portion of each monthly rental payment, being the amount designated as "Depreciation Reserve" on the applicable Schedule, will be considered as a reserve for depreciation and will be credited against the Delivered Price of the Vehicle for purposes of computing the Book Value of the Vehicle under Section 3(c). Lessee agrees to pay Lessor the "Total Initial Charges" set forth in each Schedule on the due date of the first monthly rental payment under such Schedule. Lessee agrees to pay Lessor the "Service Charge Due at Lease Termination" set forth in each Schedule at the end of the applicable Term (whether by reason of expiration, early termination or otherwise).

(b) In the event the Term for any Vehicle ends prior to the last day of the scheduled Term, whether as a result of a default by Lessee, a Casualty Occurrence or any other reason, the rentals and management fees paid by Lessee will be recalculated in accordance with the rule of 78's and the adjusted amount will be payable by Lessee to Lessor on the termination date.

(c) Lessee agrees to pay Lessor within thirty (30) days after the end of the Term for each Vehicle, additional rent equal to the excess, if any, of the Book Value of such Vehicle over the greater of (i) the wholesale value of such Vehicle as determined by Lessor in good faith or (ii) except as provided below, twenty percent (20%) of the Delivered Price of such Vehicle as set forth in the applicable Schedule. If the Book Value of such Vehicle is less than the greater of (i) the wholesale value of such Vehicle as determined by Lessor in good faith or (ii) except as provided below, twenty percent (20%) of the Delivered Price of such Vehicle as set forth in the applicable Schedule, Lessor agrees to pay such deficiency to Lessee as a terminal rental adjustment within thirty (30) days after the end of the applicable Term. Notwithstanding the foregoing, if (i) the Term for a Vehicle is greater than forty-eight (48) months (including any extension of the Term for such Vehicle), (ii) the mileage on a Vehicle at the end of the Term is greater than 15,000 miles per year on average (prorated on a daily basis) (i.e., if the mileage on a Vehicle with a Term of thirty-six (36) months is greater than 45,000 miles) or (iii) in the sole judgment of Lessor, a Vehicle has been subject to damage or any abnormal or excessive wear and tear, the calculations described in the two immediately preceding sentences shall be made without giving effect to clause (ii) in each such sentence. The "Book Value" of a Vehicle means the sum of (i) the "Delivered Price" of the Vehicle as set forth in the applicable Schedule minus (ii) the total Depreciation Reserve paid by Lessee to Lessor with respect to such Vehicle plus (iii) all accrued and unpaid rent and/or other amounts owed by Lessee with respect to such Vehicle.

(d) Any security deposit of Lessee will be returned to Lessee at the end of the applicable Term, except that the deposit will first be applied to any losses and/or damages suffered by Lessor as a result of Lessee's breach of or default under this Agreement and/or to any other amounts then owed by Lessee to Lessor.

(e) Any rental payment or other amount owed by Lessee to Lessor which is not paid within twenty (20) days after its due date will accrue interest, payable on demand of Lessor, from the date due until paid in full at a rate per annum equal to the lesser of (i) Eighteen Percent (18%) per annum or (ii) the highest rate permitted by applicable law (the "Default Rate").

(f) If Lessee fails to pay any amount due under this Agreement or to comply with any of the covenants contained in this Agreement, Lessor, Servicer or any other agent of Lessor may, at its option, pay such amounts or perform such covenants and all sums paid or incurred by Lessor in connection therewith will be repayable by Lessee to Lessor upon demand together with interest thereon at the Default Rate.

(g) Lessee's obligations to make all payments of rent and other amounts under this Agreement are absolute and unconditional and such payments shall be made in immediately available funds without setoff, counterclaim or deduction of any kind. Lessee acknowledges and agrees that neither any Casualty Occurrence to any Vehicle nor any defect, unfitness or lack of governmental approval in, of, or with respect to, any Vehicle regardless of the cause or consequence nor any breach by Enterprise Fleet Management, Inc. of any maintenance agreement between Enterprise Fleet Management, Inc. and Lessee covering any Vehicle regardless of the cause or consequence will relieve Lessee from the performance of any of its obligations under this Agreement, including, without limitation, the payment of rent and other amounts under this Agreement.

4. USE AND SURRENDER OF VEHICLES: Lessee agrees to allow only duly authorized, licensed and insured drivers to use and operate the Vehicles. Lessee agrees to comply with, and cause its drivers to comply with, all laws, statutes, rules, regulations and ordinances and the provisions of all insurance policies affecting or covering the Vehicles or their use or operation. Lessee agrees to keep the Vehicles free of all liens, charges and encumbrances. Lessee agrees that in no event will any Vehicle be used or operated for transporting hazardous substances or persons for hire, for any illegal purpose or to pull trailers that exceed the manufacturer's trailer towing recommendations. Lessee agrees that no Vehicle is intended to be or will be utilized as a "school bus" as defined in the Code of Federal Regulations or any applicable state or municipal statute or regulation. Lessee agrees not to remove any Vehicle from the continental United States without first obtaining Lessor's written consent. At the expiration or earlier termination of this Agreement with respect to each Vehicle, or upon demand by Lessor made pursuant to Section 14, Lessee at its risk and expense agrees to return such Vehicle to Lessor at such place and by such reasonable means as may be designated by Lessor. If for any reason Lessee fails to return any Vehicle to Lessor as and when required in accordance with this Section, Lessee agrees to pay Lessor additional rent for such Vehicle at twice the normal pro-rated daily rent. Acceptance of such additional rent by Lessor will in no way limit Lessor's remedies with respect to Lessee's failure to return any Vehicle as required hereunder.

5. COSTS, EXPENSES, FEES AND CHARGES: Lessee agrees to pay all costs, expenses, fees, charges, fines, tickets, penalties and taxes (other than federal and state income taxes on the income of Lessor) incurred in connection with the titling, registration, delivery, purchase, sale, rental, use or operation of the Vehicles during the Term. If Lessor, Servicer or any other agent of Lessor incurs any such costs or expenses, Lessee agrees to promptly reimburse Lessor for the same.

6. LICENSE AND CHARGES: Each Vehicle will be titled and licensed in the name designated by Lessor at Lessee's expense. Certain other charges relating to the acquisition of each Vehicle and paid or satisfied by Lessor have been capitalized in determining the monthly rental, treated as an initial charge or otherwise charged to Lessee. Such charges have been determined without reduction for trade-in, exchange allowance or other credit attributable to any Lessor-owned vehicle.

7. REGISTRATION PLATES, ETC.: Lessee agrees, at its expense, to obtain in the name designated by Lessor all registration plates and other plates, permits, inspections and/or licenses required in connection with the Vehicles, except for the initial registration plates which Lessor will obtain at Lessee's expense. The parties agree to cooperate and to furnish any and all information or documentation, which may be reasonably necessary for compliance with the provisions of this Section or any federal, state or local law, rule, regulation or ordinance. Lessee agrees that it will not permit any Vehicle to be located in a state other than the state in which such Vehicle is then titled for any continuous period of time that would require such Vehicle to become subject to the titling and/or registration laws of such other state.

8. MAINTENANCE OF AND IMPROVEMENTS TO VEHICLES:

(a) Lessee agrees, at its expense, to (i) maintain the Vehicles in good condition, repair, maintenance and running order and in accordance with all manufacturer's instructions and warranty requirements and all legal requirements and (ii) furnish all labor, materials, parts and other essentials required for the proper operation and maintenance of the Vehicles. Any alterations, additions, replacement parts or improvements to a Vehicle will become and remain the property of Lessor and will be returned with such Vehicle upon such Vehicle's return pursuant to Section 4. Notwithstanding the foregoing, so long as no Event of Default has occurred and is continuing, Lessee shall have the right to remove any additional equipment installed by Lessee on a Vehicle prior to returning such Vehicle to Lessor under Section 4. The value of such alterations, additions, replacement parts and improvements will in no instance be regarded as rent. Without the prior written consent of Lessor, Lessee will not make any alterations, additions, replacement parts or improvements to any Vehicle which detract from its economic value or functional utility. Lessor will not be required to make any repairs or replacements of any nature or description with respect to any Vehicle, to maintain or repair any Vehicle or to make any expenditure whatsoever in connection with any Vehicle or this Agreement.

(b) Lessor and Lessee acknowledge and agree that if Section 4 of a Schedule includes a charge for maintenance, (i) the Vehicle(s) covered by such Schedule are subject to a separate maintenance agreement between Enterprise Fleet Management, Inc. and Lessee and (ii) Lessor shall have no liability or responsibility for any failure of Enterprise Fleet Management, Inc. to perform any of its obligations thereunder or to pay or reimburse Lessee for its payment of any costs and expenses incurred in connection with the maintenance or repair of any such Vehicle(s).

9. SELECTION OF VEHICLES AND DISCLAIMER OF WARRANTIES:

(a) LESSEE ACCEPTANCE OF DELIVERY AND USE OF EACH VEHICLE WILL CONCLUSIVELY ESTABLISH THAT SUCH VEHICLE IS OF A SIZE, DESIGN, CAPACITY, TYPE AND MANUFACTURE SELECTED BY LESSEE AND THAT SUCH VEHICLE IS IN GOOD CONDITION AND REPAIR AND IS SATISFACTORY IN ALL RESPECTS AND IS SUITABLE FOR LESSEE'S PURPOSE. LESSEE ACKNOWLEDGES THAT LESSOR IS NOT A MANUFACTURER OF ANY VEHICLE OR AN AGENT OF A MANUFACTURER OF ANY VEHICLE.

(b) LESSOR MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO ANY VEHICLE, INCLUDING, WITHOUT LIMITATION, ANY REPRESENTATION OR WARRANTY AS TO CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE, IT BEING AGREED THAT ALL SUCH RISKS ARE TO BE BORNE BY LESSEE. THE VEHICLES ARE LEASED "AS IS," "WITH ALL FAULTS." All warranties made by any supplier, vendor and/or manufacturer of a Vehicle are hereby assigned by Lessor to Lessee for the applicable Term and Lessee's only remedy, if any, is against the supplier, vendor or manufacturer of the Vehicle.

(c) None of Lessor, Servicer or any other agent of Lessor will be liable to Lessee for any liability, claim, loss, damage (direct, incidental or consequential) or expense of any kind or nature, caused directly or indirectly, by any Vehicle or any inadequacy of any Vehicle for any purpose or any defect (latent or patent) in any Vehicle or the use or maintenance of any Vehicle or any repair, servicing or adjustment of or to any Vehicle, or any delay in providing or failure to provide any Vehicle, or any interruption or loss of service or use of any Vehicle, or any loss of business or any damage whatsoever and however caused. In addition, none of Lessor, Servicer or any other agent of Lessor will have any liability to Lessee under this Agreement or under any order authorization form executed by Lessee if Lessor is unable to locate or purchase a Vehicle ordered by Lessee or for any delay in delivery of any Vehicle ordered by Lessee.

10. RISK OF LOSS: Lessee assumes and agrees to bear the entire risk of loss of, theft of, damage to or destruction of any Vehicle from any cause whatsoever ("Casualty Occurrence"). In the event of a Casualty Occurrence to a Vehicle, Lessee shall give Lessor prompt notice of the Casualty Occurrence and thereafter will place the applicable Vehicle in good repair, condition and working order; provided, however, that if the applicable Vehicle is determined by Lessor to be lost, stolen, destroyed or damaged beyond repair (a "Totaled Vehicle"), Lessee agrees to pay Lessor no later than the date thirty (30) days after the date of the Casualty Occurrence the amounts owed under Sections 3(b) and 3(c) with respect to such Totaled Vehicle. Upon such payment, this Agreement will terminate with respect to such Totaled Vehicle.

11. INSURANCE:

(a) Lessee agrees to purchase and maintain in force during the Term, insurance policies in at least the amounts listed below covering each Vehicle, to be written by an insurance company or companies satisfactory to Lessor, insuring Lessee, Lessor and any other person or entity designated by Lessor against any damage, claim, suit, action or liability:

(i) Commercial Automobile Liability Insurance (including Uninsured/Underinsured Motorist Coverage and No-Fault Protection where required by law) for the limits listed below (Note - \$2,000,000 Combined Single Limit Bodily Injury and Property Damage with No Deductible is required for each Vehicle capable of transporting more than 8 passengers):

<u>State of Vehicle Registration</u>	<u>Coverage</u>
Connecticut, Massachusetts, Maine, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont	\$1,000,000 Combined Single Limit Bodily Injury and Property Damage - No Deductible
Florida	\$500,000 Combined Single Limit Bodily Injury and Property Damage or \$100,000 Bodily Injury Per Person, \$300,000 Per Occurrence and \$50,000 Property Damage (100/300/50) - No Deductible
All Other States	\$300,000 Combined Single Limit Bodily Injury and Property Damage or \$100,000 Bodily Injury Per Person, \$300,000 Per Occurrence and \$50,000 Property Damage (100/300/50) - No Deductible

(ii) Physical Damage Insurance (Collision & Comprehensive): Actual cash value of the applicable Vehicle. Maximum deductible of \$500 per occurrence - Collision and \$250 per occurrence - Comprehensive).

If the requirements of any governmental or regulatory agency exceed the minimums stated in this Agreement, Lessee must obtain and maintain the higher insurance requirements. Lessee agrees that each required policy of insurance will by appropriate endorsement or otherwise name Lessor and any other person or entity designated by Lessor as additional insureds and loss payees, as their respective interests may appear. Further, each such insurance policy must provide the following: (i) that the same may not be cancelled, changed or modified until after the insurer has given to Lessor, Servicer and any other person or entity designated by Lessor at least thirty (30) days prior written notice of such proposed cancellation, change or modification, (ii) that no act or default of Lessee or any other person or entity shall affect the right of Lessor, Servicer, any other agent of Lessor or any of their respective successors or assigns to recover under such policy or policies of insurance in the event of any loss of or damage to any Vehicle and (iii) that the coverage is "primary coverage" for the protection of Lessee, Lessor, Servicer, any other agent of Lessor and their respective successors and assigns notwithstanding any other coverage carried by Lessee, Lessor, Servicer, any other agent of Lessor or any of their respective successors or assigns protecting against similar risks. Original certificates evidencing such coverage and naming Lessor, Servicer, any other agent of Lessor and any other person or entity designated by Lessor as additional insureds and loss payees shall be furnished to Lessor prior to the Delivery Date, and annually thereafter and/or as reasonably requested by Lessor from time to time. In the event of default, Lessee hereby appoints Lessor, Servicer and any other agent of Lessor as Lessee's attorney-in-fact to receive payment of, to endorse all checks and other documents and to take any other actions necessary to pursue insurance claims and recover payments if Lessee fails to do so. Any expense of Lessor, Servicer or any other agent of Lessor in adjusting or collecting insurance shall be borne by Lessee.

Lessee, its drivers, servants and agents agree to cooperate fully with Lessor, Servicer, any other agent of Lessor and any insurance carriers in the investigation, defense and prosecution of all claims or suits arising from the use or operation of any Vehicle. If any claim is made or action commenced for death, personal injury or property damage resulting from the ownership, maintenance, use or operation of any Vehicle, Lessee will promptly notify Lessor of such action or claim and forward to Lessor a copy of every demand, notice, summons or other process received in connection with such claim or action.

(b) Notwithstanding the provisions of Section 11(a) above: (i) if Section 4 of a Schedule includes a charge for physical damage waiver, Lessor agrees that (A) Lessee will not be required to obtain or maintain the minimum physical damage insurance (collision and comprehensive) required under Section 11(a) for the Vehicle(s) covered by such Schedule and (B) Lessor will assume the risk of physical damage (collision and comprehensive) to the Vehicle(s) covered by such Schedule; provided, however, that such physical damage waiver shall not apply to, and Lessee shall be and remain liable and responsible for, damage to a covered Vehicle caused by wear and tear or mechanical breakdown or failure, damage to or loss of any parts, accessories or components added to a covered Vehicle.

Initials: EFM JS Customer RF

Vehicle by Lessee without the prior written consent of Lessor and/or damage to or loss of any property and/or personal effects contained in a covered Vehicle. In the event of a Casualty Occurrence to a covered Vehicle, Lessor may, at its option, replace, rather than repair, the damaged Vehicle with an equivalent vehicle, which replacement vehicle will then constitute the "Vehicle" for purposes of this Agreement; and (ii) if Section 4 of a Schedule includes a charge for commercial automobile liability enrollment, Lessor agrees that it will, at its expense, obtain for and on behalf of Lessee, by adding Lessee as an additional insured under a commercial automobile liability insurance policy issued by an insurance company selected by Lessor, commercial automobile liability insurance satisfying the minimum commercial automobile liability insurance required under Section 11(a) for the Vehicle(s) covered by such Schedule. Lessor may at any time during the applicable Term terminate said obligation to provide physical damage waiver and/or commercial automobile liability enrollment and cancel such physical damage waiver and/or commercial automobile liability enrollment upon giving Lessee at least ten (10) days prior written notice. Upon such cancellation, insurance in the minimum amounts as set forth in 11(a) shall be obtained and maintained by Lessee at Lessee's expense. An adjustment will be made in monthly rental charges payable by Lessee to reflect any such change and Lessee agrees to furnish Lessor with satisfactory proof of insurance coverage within ten (10) days after mailing of the notice. In addition, Lessor may change the rates charged by Lessor under this Section 11(b) for physical damage waiver and/or commercial automobile liability enrollment upon giving Lessee at least thirty (30) days prior written notice.

12. INDEMNITY: To the extent permitted by state law, Lessee agrees to defend and indemnify Lessor, Servicer, any other agent of Lessor and their respective successors and assigns from and against any and all losses, damages, liabilities, suits, claims, demands, costs and expenses (including, without limitation, reasonable attorneys' fees and expenses) which Lessor, Servicer, any other agent of Lessor or any of their respective successors or assigns may incur by reason of Lessee's breach or violation of, or failure to observe or perform, any term, provision or covenant of this Agreement, or as a result of any loss, damage, theft or destruction of any Vehicle or related to or arising out of or in connection with the use, operation or condition of any Vehicle. The provisions of this Section 12 shall survive any expiration or termination of this Agreement. Nothing herein shall be deemed to affect the rights, privileges, and immunities of Lessee and the foregoing indemnity provision is not intended to be a waiver of any sovereign immunity afforded to Lessee pursuant to the law.

13. INSPECTION OF VEHICLES; ODOMETER DISCLOSURE; FINANCIAL STATEMENTS: Lessee agrees to accomplish, at its expense, all inspections of the Vehicles required by any governmental authority during the Term. Lessor, Servicer, any other agent of Lessor and any of their respective successors or assigns will have the right to inspect any Vehicle at any reasonable time(s) during the Term and for this purpose to enter into or upon any building or place where any Vehicle is located. Lessee agrees to comply with all odometer disclosure laws, rules and regulations and to provide such written and signed disclosure information on such forms and in such manner as directed by Lessor. Providing false information or failure to complete the odometer disclosure form as required by law may result in fines and/or imprisonment. Lessee hereby agrees to promptly deliver to Lessor such financial statements and other financial information regarding Lessee as Lessor may from time to time reasonably request.

14. DEFAULT; REMEDIES: The following shall constitute events of default ("Events of Default") by Lessee under this Agreement: (a) if Lessee fails to pay when due any rent or other amount due under this Agreement and any such failure shall remain unremedied for ten (10) days; (b) if Lessee fails to perform, keep or observe any term, provision or covenant contained in Section 11 of this Agreement; (c) if Lessee fails to perform, keep or observe any other term, provision or covenant contained in this Agreement and any such failure shall remain unremedied for thirty (30) days after written notice thereof is given by Lessor, Servicer or any other agent of Lessor to Lessee; (d) any seizure or confiscation of any Vehicle or any other act (other than a Casualty Occurrence) otherwise rendering any Vehicle unsuitable for use (as determined by Lessor); (e) if any present or future guaranty in favor of Lessor of all or any portion of the obligations of Lessee under this Agreement shall at any time for any reason cease to be in full force and effect or shall be declared to be null and void by a court of competent jurisdiction, or if the validity or enforceability of any such guaranty shall be contested or denied by any guarantor, or if any guarantor shall deny that it, he or she has any further liability or obligation under any such guaranty or if any guarantor shall fail to comply with or observe any of the terms, provisions or conditions contained in any such guaranty; (f) the occurrence of a material adverse change in the financial condition or business of Lessee or any guarantor; or (g) if Lessee or any guarantor is in default under or fails to comply with any other present or future agreement with or in favor of Lessor, The Crawford Group, Inc. or any direct or indirect subsidiary of The Crawford Group, Inc.. For purposes of this Section 14, the term "guarantor" shall mean any present or future guarantor of all or any portion of the obligations of Lessee under this Agreement.

Upon the occurrence of any Event of Default, Lessor, without notice to Lessee, will have the right to exercise concurrently or separately (and without any election of remedies being deemed made), the following remedies: (a) Lessor may demand and receive immediate possession of any or all of the Vehicles from Lessee, without releasing Lessee from its obligations under this Agreement; if Lessee fails to surrender possession of the Vehicles to Lessor on default (or termination or expiration of the Term), Lessor, Servicer, any other agent of Lessor and any of Lessor's independent contractors shall have the right to enter upon any premises where the Vehicles may be located and to remove and repossess the Vehicles; (b) Lessor may enforce performance by Lessee of its obligations under this Agreement; (c) Lessor may recover damages and expenses sustained by Lessor, Servicer, any other agent of Lessor or any of their respective successors or assigns by reason of Lessee's default including, to the extent permitted by applicable law, all costs and expenses, including court costs and reasonable attorneys' fees and expenses, incurred by Lessor, Servicer, any other agent of Lessor or any of their respective successors or assigns in attempting or effecting enforcement of Lessor's rights under this Agreement (whether or not litigation is commenced) and/or in connection with bankruptcy or insolvency proceedings; (d) upon written notice to Lessee, Lessor may terminate Lessee's rights under this Agreement; (e) with respect to each Vehicle, Lessor may recover from Lessee all amounts owed by Lessee under Sections 3(b) and 3(c) of this Agreement (and, if Lessor does not recover possession of a Vehicle, (i) the estimated wholesale value of such Vehicle for purposes of Section 3(c) shall be deemed to be \$0.00 and (ii) the calculations described in the first two sentences of Section 3(c) shall be made without giving effect to clause (ii) in each such sentence); and/or (f) Lessor may exercise any other right or remedy which may be available to Lessor under the Uniform Commercial Code, any other applicable law or in equity. A termination of this Agreement shall occur only upon written notice by Lessor to Lessee. Any termination shall not affect Lessee's obligation to pay all amounts due for periods prior to the effective date of such termination or Lessee's obligation to pay any indemnities under this Agreement. All remedies of Lessor under this Agreement or at law or in equity are cumulative.

15. ASSIGNMENTS: Lessor may from time to time assign, pledge or transfer this Agreement and/or any or all of its rights and obligations under this Agreement to any person or entity. Lessee agrees, upon notice of any such assignment, pledge or transfer of any amounts due or to become due to Lessor under this Agreement to pay all such amounts to such assignee, pledgee or transferee. Any such assignee, pledgee or transferee of any rights or obligations of Lessor under this Agreement will have all of the rights and obligations that have been assigned to it. Lessee's rights and interest in and to the Vehicles are and will continue

at all times to be subject and subordinate in all respects to any assignment, pledge or transfer now or hereafter executed by Lessor with or in favor of any such assignee, pledgee or transferee, provided that Lessee shall have the right of quiet enjoyment of the Vehicles so long as no Event of Default under this Agreement has occurred and is continuing. Lessee acknowledges and agrees that the rights of any assignee, pledgee or transferee in and to any amounts payable by the Lessee under any provisions of this Agreement shall be absolute and unconditional and shall not be subject to any abatement whatsoever, or to any defense, setoff, counterclaim or recoupment whatsoever, whether by reason of any damage to or loss or destruction of any Vehicle or by reason of any defect in or failure of title of the Lessor or interruption from whatsoever cause in the use, operation or possession of any Vehicle, or by reason of any indebtedness or liability howsoever and whenever arising of the Lessor or any of its affiliates to the Lessee or to any other person or entity, or for any other reason.

Without the prior written consent of Lessor, Lessee may not assign, sublease, transfer or pledge this Agreement, any Vehicle, or any interest in this Agreement or in and to any Vehicle, or permit its rights under this Agreement or any Vehicle to be subject to any lien, charge or encumbrance. Lessee's interest in this Agreement is not assignable and cannot be assigned or transferred by operation of law. Lessee will not transfer or relinquish possession of any Vehicle (except for the sole purpose of repair or service of such Vehicle) without the prior written consent of Lessor.

16. MISCELLANEOUS: This Agreement contains the entire understanding of the parties. This Agreement may only be amended or modified by an instrument in writing executed by both parties. Lessor shall not by any act, delay, omission or otherwise be deemed to have waived any of its rights or remedies under this Agreement and no waiver whatsoever shall be valid unless in writing and signed by Lessor and then only to the extent therein set forth. A waiver by Lessor of any right or remedy under this Agreement on any one occasion shall not be construed as a bar to any right or remedy, which Lessor would otherwise have on any future occasion. If any term or provision of this Agreement or any application of any such term or provision is invalid or unenforceable, the remainder of this Agreement and any other application of such term or provision will not be affected thereby. Giving of all notices under this Agreement will be sufficient if mailed by certified mail to a party at its address set forth below or at such other address as such party may provide in writing from time to time. Any such notice mailed to such address will be effective one (1) day after deposit in the United States mail, duly addressed, with certified mail, postage prepaid. Lessee will promptly notify Lessor of any change in Lessee's address. This Agreement may be executed in multiple counterparts (including facsimile and pdf counterparts), but the counterpart marked "ORIGINAL" by Lessor will be the original lease for purposes of applicable law. All of the representations, warranties, covenants, agreements and obligations of each Lessee under this Agreement (if more than one) are joint and several.

17. SUCCESSORS AND ASSIGNS; GOVERNING LAW: Subject to the provisions of Section 15, this Agreement will be binding upon Lessee and its heirs, executors, personal representatives, successors and assigns, and will inure to the benefit of Lessor, Servicer, any other agent of Lessor and their respective successors and assigns. This Agreement will be governed by and construed in accordance with the substantive laws of the State of Missouri (determined without reference to conflict of law principles).

18. NON-PETITION: Each party hereto hereby covenants and agrees that, prior to the date which is one year and one day after payment in full of all indebtedness of Lessor, it shall not institute against, or join any other person in instituting against, Lessor any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings or other similar proceeding under the laws of the United States or any state of the United States. The provisions of this Section 18 shall survive termination of this Master Equity Lease Agreement.

19. NON-APPROPRIATION: Lessee's funding of this Agreement shall be on a Fiscal Year basis and is subject to annual appropriations. Lessor acknowledges that Lessee is a municipal corporation, is precluded by the County or State Constitution and other laws from entering into obligations that financially bind future governing bodies, and that, therefore, nothing in this Agreement shall constitute an obligation of future legislative bodies of the County or State to appropriate funds for purposes of this Agreement. Accordingly, the parties agree that the lease terms within this Agreement or any Schedules relating hereto are contingent upon appropriation of funds. The parties further agree that should the County or State fail to appropriate such funds, the Lessor shall be paid all rentals due and owing hereunder up until the actual day of termination. In addition, Lessor reserves the right to be paid for any reasonable damages. These reasonable damages will be limited to the losses incurred by the Lessor for having to sell the vehicles on the open used car market prior to the end of the scheduled term (as determined in Section 3 and Section 14 of this Agreement).

IN WITNESS WHEREOF, Lessor and Lessee have duly executed this Master Equity Lease Agreement as of the day and year first above written.

LESSEE: please match exactly as audit reports

Signature: _____

By: Randy Frazer

Title: City Manager

Address: 118 W. Central Ave.
Arkansas City, KS 67005

Date Signed: _____, _____

LESSOR: Enterprise FM Trust
By: Enterprise Fleet Management, Inc. its attorney in fact

Signature: _____

By: Jesse Sparks

Title: Finance Director

Address: 5359 Merriam Drive
Merriam, KS 66203

Date Signed: _____, _____

Initials: EFM JS Customer RF



MAINTENANCE MANAGEMENT AND FLEET RENTAL AGREEMENT

This Agreement is entered into as of the ____ day of _____, by and between Enterprise Fleet Management, Inc., a Missouri corporation, doing business as "Enterprise Fleet Management" ("EFM"), and _____ (the "Company").

WITNESSETH:

1. ENTERPRISE CARDS: Upon request from the Company, EFM will provide a driver information packet outlining its vehicle maintenance program (the "Program") and a card ("Card") for each Company vehicle included in the Company's request. All drivers of vehicles subject to this Agreement must be a representative of the Company, its subsidiaries or affiliates. All Cards issued by EFM upon request of the Company shall be subject to the terms of this Agreement and the responsibility of the Company. All Cards shall bear an expiration date.

Cards issued to the Company shall be used by the Company in accordance with this Agreement and limited solely to purchases of certain products and services for Company vehicles, which are included in the Program. The Program is subject to all other EFM instructions, rules and regulations which may be revised from time to time by EFM. Cards shall remain the property of EFM and returned to EFM upon expiration or cancellation.

2. VEHICLE REPAIRS AND SERVICE: EFM will provide purchase order control by phone or in writing authorizing charges for repairs and service over \$75, or such other amount as may be established by EFM from time to time under the Program. All charges for repairs and services will be invoiced to EFM. Invoices will be reviewed by EFM for accuracy, proper application of potential manufacturer's warranties, application of potential discounts and unnecessary, unauthorized repairs.

Notwithstanding the above, in the event the repairs and service are the result of damage from an accident or other non-maintenance related cause (including glass claims), these matters will be referred to the Company's Fleet Manager. If the Company prefers that EFM handle the damage repair, the Company agrees to assign the administration of the matter to EFM. EFM will administer such claims in its discretion. The fees for this service will be up to \$125.00 per claim and the Company agrees to reimburse for repairs as outlined in this agreement. If the Company desires the assistance of EFM in recovering damage amounts from at fault third parties, a Vehicle Risk Management Agreement must be on file for the Company.

3. BILLING AND PAYMENT: All audited invoices paid by EFM on behalf of the Company will be consolidated and submitted to the Company on a single monthly invoice for the entire Company fleet covered under this Agreement. The Company is liable for, and will pay EFM within ten (10) days after receipt of an invoice or statement for, all purchases invoiced to the Company by EFM, which were paid by EFM for or on behalf of the Company. EFM will be entitled to retain for its own account, and treat as being paid by EFM for purposes of this Agreement, any discounts it receives from a supplier with respect to such purchases which are based on the overall volume of business EFM provides to such supplier and not solely the Company's business. EFM will exercise due care to prevent additional charges from being incurred once the Company has notified EFM of its desire to cancel any outstanding Card under this Agreement. The Company will use its best efforts to obtain and return any such cancelled Card.

4. RENTAL VEHICLES: The Card will authorize the Company's representative to arrange for rental vehicles with a subsidiary of Enterprise Rent-A-Car Company for a maximum of two (2) days without prior authorization. Extensions beyond two (2) days must be granted by an EFM representative. The Company assumes all responsibility for all rental agreements arranged by EFM with a subsidiary of Enterprise Rent-A-Car Company through an EFM representative or through the use of the Card. All drivers must be at least 21 years of age, hold a valid driver's license, be an employee of the Company or authorized by the Company through established reservation procedures and meet other applicable requirements of the applicable subsidiary of Enterprise Rent-A-Car Company.

5. NO WARRANTY: EFM MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO PRODUCTS, REPAIRS OR SERVICES PROVIDED FOR UNDER THIS AGREEMENT BY THIRD PARTIES, INCLUDING, WITHOUT LIMITATION, ANY REPRESENTATION OR WARRANTY AS TO MERCHANTABILITY, COMPLIANCE WITH SPECIFICATIONS, OPERATION, CONDITION, SUITABILITY, PERFORMANCE, QUALITY OR FITNESS FOR USE. Any defect in the performance of any product, repair or service will not relieve the Company from its obligations under this Agreement, including without limitation the payment to EFM of monthly invoices.

6. CANCELLATION: Either party may cancel any Card under this Agreement or this Agreement in its entirety at any time by giving written notice to the other party. The cancellation of any Card or termination of this Agreement will not affect any rights or obligations under this Agreement, which shall have previously accrued or shall thereafter arise with respect to any occurrence prior to such cancellation or termination. A Card shall be immediately returned to EFM upon cancellation to: Enterprise Fleet Management, 600 Corporate Park Drive, St. Louis, MO 63105, Attention: Enterprise Card Department. Notice to EFM regarding the cancellation of any Card shall specify the Card number and identify the Company's representative. In the case of a terminated representative, such notice shall include a brief description of the efforts made to reclaim the Card.

7. NOTICES: All notices of cancellation or termination under this Agreement shall be mailed postage prepaid by registered or certified mail, or sent by express overnight delivery service, to the other party at its address set forth on the signature page of this Agreement or at such other address as such party may provide in writing from time to time. Any such notice sent by mail will be effective three (3) days after deposit in the United States mail, duly addressed, with registered or certified mail postage prepaid. Any such notice sent by express overnight delivery service will be effective one (1) day after deposit with such delivery service, duly addressed, with delivery fees prepaid. The Company will promptly notify EFM of any change in the Company's address.

Initials: EFM_JS _____ Customer_RF _____

8. FEES: EFM will charge the Company for the service under this Agreement \$ 6 per month per Card, plus a one time set-up fee of \$ 0.

9. MISCELLANEOUS: This Agreement may be amended only by an agreement in writing signed by EFM and the Company. This Agreement is governed by the substantive laws of the State of Missouri (determined without reference to conflict of law principles).

IN WITNESS WHEREOF, EFM and the Company have executed this Maintenance Management and Fleet Rental Agreement as of the day and year first above written.

Company: please match exactly as audit reports

EFM: Enterprise Fleet Management, Inc.

Signature: _____

Signature: _____

By: Randy Frazer

By: Jesse Sparks

Title: City Manager

Title: Finance Director

Address: 118 W. Central Ave.

Address: Merriam, KS 66203

Arkansas City, KS 67005

Date Signed: _____, _____

Date Signed: _____, _____

Initials: EFM JS Customer RF



MAINTENANCE AGREEMENT

This Maintenance Agreement (this "Agreement") is made and entered into this ____ day of _____, by Enterprise Fleet Management, Inc., a Missouri corporation ("EFM"), and please match exactly as audit reports _____ ("Lessee").

WITNESSETH

1. LEASE. Reference is hereby made to that certain Master Lease Agreement dated as of the ____ day of _____, by and between Enterprise FM Trust, a Delaware statutory trust, as lessor ("Lessor"), and Lessee, as lessee (as the same may from time to time be amended, modified, extended, renewed, supplemented or restated, the "Lease"). All capitalized terms used and not otherwise defined in this Agreement shall have the respective meanings ascribed to them in the Lease.

2. COVERED VEHICLES. This Agreement shall only apply to those vehicles leased by Lessor to Lessee pursuant to the Lease to the extent Section 4 of the Schedule for such vehicle includes a charge for maintenance (the "Covered Vehicle(s)").

3. TERM AND TERMINATION. The term of this Agreement ("Term") for each Covered Vehicle shall begin on the Delivery Date of such Covered Vehicle and shall continue until the last day of the "Term" (as defined in the Lease) for such Covered Vehicle unless earlier terminated as set forth below. Each of EFM and Lessee shall each have the right to terminate this Agreement effective as of the last day of any calendar month with respect to any or all of the Covered Vehicles upon not less than sixty (60) days prior written notice to the other party. The termination of this Agreement with respect to any or all of the Covered Vehicles shall not affect any rights or obligations under this Agreement which shall have previously accrued or shall thereafter arise with respect to any occurrence prior to termination, and such rights and obligations shall continue to be governed by the terms of this Agreement.

4. VEHICLE REPAIRS AND SERVICE. EFM agrees that, during the Term for the applicable Covered Vehicle and subject to the terms and conditions of this Agreement, it will pay for, or reimburse Lessee for its payment of, all costs and expenses incurred in connection with the maintenance or repair of a Covered Vehicle. This Agreement does not cover, and Lessee will remain responsible for and pay for, (a) fuel, (b) oil and other fluids between changes, (c) tire repair and replacement, (d) washing, (e) repair of damage due to lack of maintenance by Lessee between scheduled services (including, without limitation, failure to maintain fluid levels), (f) maintenance or repair of any alterations to a Covered Vehicle or of any after-market components (this Agreement covers maintenance and repair only of the Covered Vehicles themselves and any factory-installed components and does not cover maintenance or repair of chassis alterations, add-on bodies (including, without limitation, step vans) or other equipment (including, without limitation, lift gates and PTO controls) which is installed or modified by a dealer, body shop, upfitter or anyone else other than the manufacturer of the Covered Vehicle, (g) any service and/or damage resulting from, related to or arising out of an accident, a collision, theft, fire, freezing, vandalism, riot, explosion, other Acts of God, an object striking the Covered Vehicle, improper use of the Covered Vehicle (including, without limitation, driving over curbs, overloading, racing or other competition) or Lessee's failure to maintain the Covered Vehicle as required by the Lease, (h) roadside assistance or towing for vehicle maintenance purposes, (i) mobile services, (j) the cost of loaner or rental vehicles or (k) if the Covered Vehicle is a truck, (i) manual transmission clutch adjustment or replacement, (ii) brake adjustment or replacement or (iii) front axle alignment. Whenever it is necessary to have a Covered Vehicle serviced, Lessee agrees to have the necessary work performed by an authorized dealer of such Covered Vehicle or by a service facility acceptable to EFM. In every case, if the cost of such service will exceed \$50.00, Lessee must notify EFM and obtain EFM's authorization for such service and EFM's instructions as to where such service shall be made and the extent of service to be obtained. Lessee agrees to furnish an invoice for all service to a Covered Vehicle, accompanied by a copy of the shop or service order (odometer mileage must be shown on each shop or service order). EFM will not be obligated to pay for any unauthorized charges or those exceeding \$50.00 for one service on any Covered Vehicle unless Lessee has complied with the above terms and conditions. EFM will not have any responsibility to pay for any services in excess of the services recommended by the manufacturer, unless otherwise agreed to by EFM. Notwithstanding any other provision of this Agreement to the contrary, (a) all service performed within one hundred twenty (120) days prior to the last day of the scheduled "Term" (as defined in the Lease) for the applicable Covered Vehicle must be authorized by and have the prior consent and approval of EFM and any service not so authorized will be the responsibility of and be paid for by Lessee and (b) EFM is not required to provide or pay for any service to any Covered Vehicle after 100,000 miles.

5. ENTERPRISE CARDS: EFM may, at its option, provide Lessee with an authorization card (the "EFM Card") for use in authorizing the payment of charges incurred in connection with the maintenance of the Covered Vehicles. Lessee agrees to be liable to EFM for, and upon receipt of a monthly or other statement from EFM, Lessee agrees to promptly pay to EFM, all charges made by or for the account of Lessee with the EFM Card (other than any charges which are the responsibility of EFM under the terms of this Agreement). EFM reserves the right to change the terms and conditions for the use of the EFM Card at any time. The EFM Card remains the property of EFM and EFM may revoke Lessee's right to possess or use the EFM Card at any time. Upon the termination of this Agreement or upon the demand of EFM, Lessee must return the EFM Card to EFM. The EFM Card is non-transferable.

6. PAYMENT TERMS. The amount of the monthly maintenance fee will be listed on the applicable Schedule and will be due and payable in advance on the first day of each month. If the first day of the Term for a Covered Vehicle is other than the first day of a calendar month, Lessee will pay EFM, on the first day of the Term for such Covered Vehicle, a pro-rated maintenance fee for the number of days that the Delivery Date precedes the first monthly maintenance fee payment date. Any monthly maintenance fee or other amount owed by Lessee to EFM under this Agreement which is not paid within twenty (20) days after its due date will accrue interest, payable upon demand of EFM, from the date due until paid in full at a rate per annum equal to the lesser of (i) Eighteen Percent (18%) per annum or (ii) the highest rate allowed by applicable law. The monthly maintenance fee set forth on each applicable Schedule allows the number of miles per month as set fo

Initials: EFM JS Customer RF

in such Schedule. Lessee agrees to pay EFM at the end of the applicable Term (whether by reason of termination of this Agreement or otherwise) an overmileage maintenance fee for any miles in excess of this average amount per month at the rate set forth in the applicable Schedule. EFM may, at its option, permit Lessor, as an agent for EFM, to bill and collect amounts due to EFM under this Agreement from Lessee on behalf of EFM.

7. NO WARRANTIES. Lessee acknowledges that EFM does not perform maintenance or repair services on the Covered Vehicles but rather EFM arranges for maintenance and/or repair services on the Covered Vehicles to be performed by third parties. EFM MAKES NO REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, WITH RESPECT TO ANY PRODUCTS, REPAIRS OR SERVICES PROVIDED FOR UNDER THIS AGREEMENT BY THIRD PARTIES, INCLUDING, WITHOUT LIMITATION, ANY REPRESENTATION OR WARRANTY AS TO MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, COMPLIANCE WITH SPECIFICATIONS, OPERATION, CONDITION, SUITABILITY, PERFORMANCE OR QUALITY. ANY DEFECT IN THE PERFORMANCE OF ANY PRODUCT, REPAIR OR SERVICE WILL NOT RELIEVE LESSEE OF ITS OBLIGATIONS UNDER THIS AGREEMENT, INCLUDING THE PAYMENT TO EFM OF THE MONTHLY MAINTENANCE FEES AND OTHER CHARGES DUE UNDER THIS AGREEMENT.

8. LESSOR NOT A PARTY. Lessor is not a party to, and shall have no rights, obligations or duties under or in respect of, this Agreement.

9. NOTICES. Any notice or other communication under this Agreement shall be in writing and delivered in person or sent by facsimile, recognized overnight courier or registered or certified mail, return receipt requested and postage prepaid, to the applicable party at its address or facsimile number set forth on the signature page of this Agreement, or at such other address or facsimile number as any party hereto may designate as its address or facsimile number for communications under this Agreement by notice so given. Such notices shall be deemed effective on the day on which delivered or sent if delivered in person or sent by facsimile, on the first (1st) business day after the day on which sent, if sent by recognized overnight courier or on the third (3rd) business day after the day on which mailed, if sent by registered or certified mail.

10. MISCELLANEOUS. This Agreement embodies the entire Agreement between the parties relating to the subject matter hereof. This Agreement may be amended only by an agreement in writing signed by EFM and Lessee. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provisions in any other jurisdiction. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, except that Lessee may not assign, transfer or delegate any of its rights or obligations under this Agreement without the prior written consent of EFM. This Agreement shall be governed by and construed in accordance with the substantive laws of the State of Missouri (without reference to conflict of law principles).

IN WITNESS WHEREOF, EFM and Lessee have executed this Maintenance Agreement as of the day and year first above written.

LESSEE: please match exactly as audit reports

EFM: Enterprise Fleet Management, Inc.

Signature: _____

Signature: _____

By: Randy Frazer

By: Jesse Sparks

Title: City Manager

Title: Finance Director

Address: 118 W. Central Ave.
Arkansas City, KS 67005

Address: 5359 Merriam Drive
Merriam, KS 66203

Attention: _____

Attention: _____

Fax #: _____

Fax #: _____

Date Signed: _____, _____

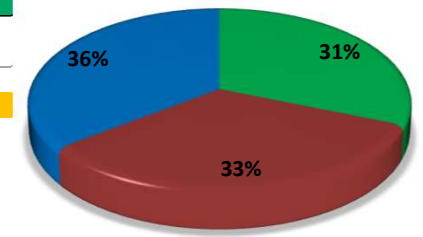
Date Signed: _____, _____

Initials: EFM JS Customer RF

City of Arkansas City - Fleet Planning Analysis

Current Fleet	48	Fleet Growth	-1.43%	Proposed Fleet	45
Current Cycle	15.00	Annual Miles	9,200	Proposed Cycle	2.44
Current Maint.	\$168.67	Current MPG	10	Proposed Maint.	\$47.32
Maint. Cents Per Mile	\$0.22			Price/Gallon	\$2.20

Fleet Costs Analysis



Fleet Mix			Fleet Cost							Annual		
Fiscal Year	Fleet Size	Annual Needs	Owned	Leased	Purchase	Lease*	Equity (Owned)	Equity (Leased)	Maintenance	Fuel	Fleet Budget	Net Cash
Average	48	3.2	48	0	103,165	0	-1,600		97,152	90,816	289,533	0
'21	45	16	29	16	0	109,192	-70,400	-65,878	67,782	84,358	125,054	164,479
'22	45	19	19	26	0	201,641	-68,425	-170,781	53,221	80,322	95,977	193,555
'23	45	28	12	33	0	256,525	-60,550	-129,026	43,028	77,496	187,473	102,060
'24	45	24	6	39	0	296,938	-87,300	-203,190	34,291	75,075	115,814	173,719
'25	45	32	0	45	0	330,926	-71,750	-180,079	25,554	72,653	177,304	112,229
'26	45	25	0	45	0	330,926		-224,682	25,554	72,653	204,451	85,082
'27	45	31	0	45	0	330,926		-169,420	25,554	72,653	259,713	29,820
'28	45	24	0	45	0	330,926		-269,843	25,554	72,653	159,289	130,243
'29	45	31	0	45	0	330,926		-206,303	25,554	72,653	222,829	66,703
'30	45	28	0	45	0	330,926		-236,316	25,554	72,653	192,817	96,715

10 Year Savings	\$1,154,605	Avg. Sustainable Savings	\$81,713
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Current Fleet Equity Analysis

YEAR	2021	2022	2023	2024	2025	Under-Utilized
QTY	16	10	7	6	6	3
Est \$	\$3,838	\$6,843	\$8,650	\$14,550	\$11,958	\$3,000
TOTAL	\$61,400	\$68,425	\$60,550	\$87,300	\$71,750	\$9,000
	Estimated Current Fleet Equity**					\$358,425

* Lease Rates are conservative estimates

**Estimated Current Fleet Equity is based on the current fleet "sight unseen" and can be adjusted after physical inspection

Lease Maintenance costs are exclusive of tires unless noted on the lease rate quote.

KEY OBJECTIVES

Lower average age of the fleet

38% of the current light and medium duty fleet is over 10 years old
Resale of the aging fleet is significantly reduced

Reduce operating costs

Newer vehicles have a significantly lower maintenance expense
Newer vehicles have increased fuel efficiency with new technology implementations

Maintain a manageable vehicle budget

Challenged by inconsistent yearly budgets
Currently vehicle budget is underfunded



City of Arkansas City - Fleet Profile

Fleet Profile

Fleet Replacement Schedule

Replacement Criteria

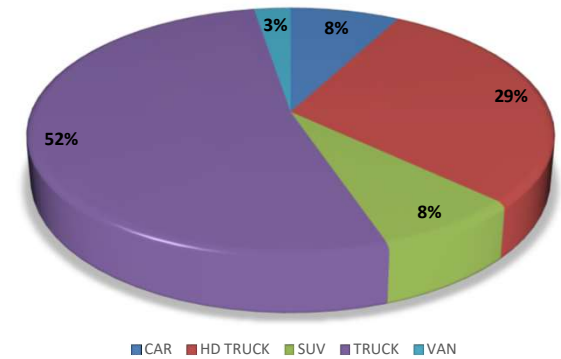
Section , Item 1.

Vehicle Type	# of Type	Average Age (years)	Average Annual Mileage
Mid-size Sedan	3	7.6	6,200
1 Ton Van Cargo	1	3.3	10,400
Compact SUV 4x2	1	19.4	6,600
Full Size SUV 4x4	2	13.3	7,500
Compact Pickup Reg 4x2	2	17.4	3,500
Compact Pickup Quad 4x2	3	15.4	4,300
1/2 Ton Pickup Reg 4x2	7	8.0	5,800
1/2 Ton Pickup Reg 4x4	1	10.3	4,800
1/2 Ton Pickup Ext 4x2	3	7.3	8,000
1/2 Ton Pickup Quad 4x2	4	9.8	7,000
3/4 Ton Pickup Reg 4x2	1	25.5	5,700
3/4 Ton Pickup Reg 4x4	1	15.4	2,700
3/4 Ton Pickup Ext 4x2	1	10.3	3,100
3/4 Ton Pickup Quad 4x2	1	5.3	3,400
1 Ton Pickup Reg 4x2	1	23.5	800
1 Ton Pickup Ext 4x2	1	3.3	5,500
1 Ton Cab Chassis	5	10.3	3,800
Full Size SUV 4x4 - ERV	3	2.9	16,100
Full-size Sedan - ERV	2	5.3	9,500
Mid Size SUV 4x4 - ERV	5	2.8	27,700
Totals/Averages	48	9.3	8,600

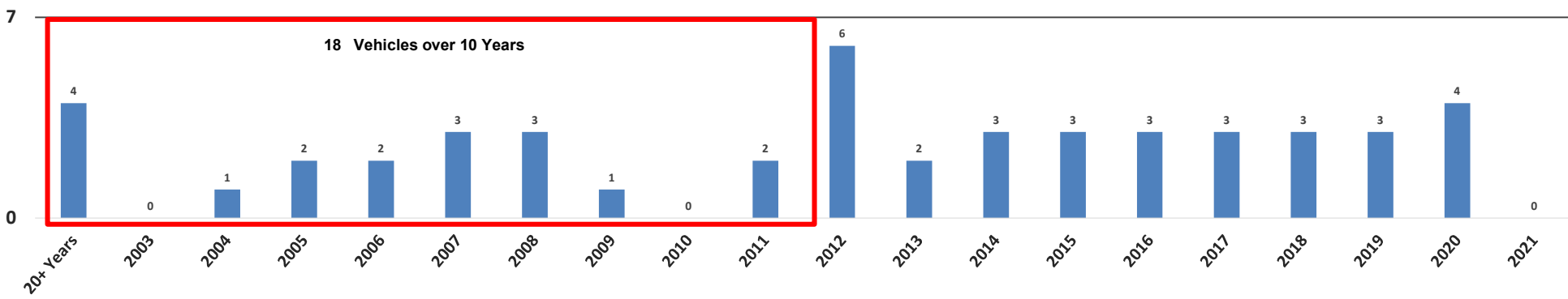
2021	2022	2023	2024	2025	Under-Utilized
0	1	2	0	0	0
0	0	0	1	0	0
1	0	0	0	0	0
2	0	0	0	0	0
2	0	0	0	0	0
3	0	0	0	0	0
1	4	1	0	1	0
1	0	0	0	0	0
1	0	1	0	1	0
1	2	0	1	0	0
1	0	0	0	0	0
1	0	0	0	0	0
1	0	0	0	0	0
0	0	0	1	0	0
0	0	0	0	0	1
0	0	0	0	1	0
0	1	0	0	1	0
0	2	2	1	0	0
16	10	7	6	6	3

- * Fiscal Year 2021 = 10 years old and older, or odometer over 100,000
- * Fiscal Year 2022 = 8 years old and older, or odometer over 75,000
- * Fiscal Year 2023 = 6 years old and older, or odometer over 50,000
- * Fiscal Year 2024 = 4 years old and older, or odometer over 25,000
- * Fiscal Year 2025 = Remaining Vehicles
- * Underutilized = Annual Mileage less than 2,500

Vehicle Types



Model Year Analysis





City Commission Agenda Item

Meeting Date: 5/4/2021
From: Randy Frazer, City Manager
Item: Hold a public hearing regarding the 2021 Housing Assessment Tool (HAT) for the City of Arkansas City.

Purpose:

As part of developing the 2021 Housing Assessment Tool (HAT), the City has offered a variety of opportunities for citizens and stakeholders to provide input of the status of housing within the City and the City's future needs.

This public hearing offers an opportunity for anyone who wishes to address the City Commission about housing and have their comments noted for the record as part of the HAT that will be compiled later this month.

Background:

The City of Arkansas City is working on applying for a Community Development Block Grant for Housing this summer. As part of this process, staff must soon create a report using the Kansas Department of Commerce's Housing Assessment Tool (HAT). The purpose of conducting a housing assessment is to help local communities to identify their strengths, weaknesses, opportunities and priorities before allocating resources to implement strategies or tasks that will address those priorities. It should be participatory and completed locally, and this evolving process should be driven by locals. Part of this process involves reaching out to various stakeholders in housing for their thoughts and needs. If you are unable to attend a public meeting, but would like to offer some input, please fill out the HAT questionnaire at <http://bit.ly/arkcityhat> or email comments to housing@arkcity.org.

Commission Options:

1. Hold a public hearing.

Approved for Agenda by:



 Randy Frazer, City Manager



City Commission Agenda Item

Meeting Date: 5/4/2021
From: Randy Frazer, City Manager
Item: City Manager Updates

Purpose:

City Manager's Report on Upcoming Activities

Background:

1. The Arkansas City Police Department will be participating in the annual **Cowley County Job Fair** from **10 a.m. to 5:30 p.m. Wednesday, May 5** at the Agri-Business Building, located at 712 W. Washington Ave.
2. The monthly **Cowley Indoor Market** will have a Cinco de Mayo event from **5 to 8 p.m. Wednesday, May 5** at Burford Theatre Arts, located at 118 S. Summit St. in downtown Arkansas City.
3. **"Halfalalah"** events are scheduled from **10:30 a.m. to 11 p.m. Saturday, May 8** in the 100 blocks of North and South Summit Street in downtown Ark City. There will be a corn hole tournament from **10:30 a.m. to 2:30 p.m.**, food vendors, entertainment, and a Sunset Sinners concert at **8 p.m.** at the Burford.
4. The next **RISE Cowley** steering committee meeting will be at **10 a.m. Tuesday, May 11** at the Cowley County Courthouse, located at 311 E. Ninth Ave. in Winfield. (This meeting also is available via [Zoom](#).)
5. The next monthly **Cowley County Legislative Committee** meeting is at **noon Tuesday, May 11** at the Winfield Area Chamber of Commerce office, located at 123 E. Ninth Ave., and also via [Zoom](#).
6. The next **City Commission** study session will be at **noon Friday, May 14** here at City Hall. This is the meeting that has been scheduled for external agencies to make their budget presentations for 2022.
7. The Arkansas City Fire-EMS and Police departments will be host to **"Pop in the Park"** from **5:30 to 7 p.m. Saturday, May 15** at Wilson Park, located at 701 N. Summit St. Stop by for a refreshing cold beverage!

Approved for Agenda by:



Randy Frazer, City Manager



City Commission Agenda Item

Meeting Date: 5/4/2021
From: Andrew Lawson, Public Information Officer
Item: City Advisory Board Reports

Purpose:

The City Commission receives regular reports from its appointed advisory boards and committees in the form of their approved minutes.

Commission Options:


- 1. No action needed.

Attachments:

The following approved board and committee minutes are included in this packet:

- March 15 — Historic Preservation Board
- March 18 — Arkansas City Recreation Commission
- March 18 — Tacolalah Executive Committee
- March 25 — Beautification and Tree Advisory Board
- April 1 — Tacolalah Executive Committee (*special meeting*)

Approved for Agenda by:



Randy Frazer, City Manager

Call to Order:

Roll Call: Kevin Cox [x] Foss Farrar [x] Charles Jennings [x] Kayleigh Lawson [x] JW Lozano []

Staff present at roll call included Principal Planner Josh White and Public Information Officer Andrew Lawson.

1. Consent Agenda

K. Lawson made a motion to approve the Meeting Minutes, February 15, 2021 as written. Cox seconded the motion. Voice vote carried the motion.

2. Historic Review-Sign (314 S Summit St)-Sage & Soul Hair Co.

White discussed a proposed sign that was an unlit wall sign, he showed a picture of the proposed sign. He stated the sign appeared to meet the Standards in its size and location and recommended it be approved. K. Lawson made a motion to adopt the findings and approve the building permit for 314 S Summit St as reviewed in accordance with K.S.A. 75-224. Jennings seconded the motion. Voice vote carried the motion.

3. Walking Tour Update

Farrar reported on his progress in researching the buildings. He again noted that fires had destroyed a lot of the buildings at some point and the buildings were then rebuilt. White reported that he will work on getting the descriptions into the web map. A. Lawson showed a mockup of a couple buildings in the brochure. K. Lawson noted any photos can be looked into being added to the brochure. A. Lawson noted that there were some discrepancies with dates and Farrar noted that he was using primary sources that have the best information. Jennings asked about how adding buildings would affect the brochure. A. Lawson said that was a consideration but not a major issue. He also commented on the cover design and noted that its color scheme will be used throughout the brochure. There was also some question on the building name or headline. It was agreed that K. Lawson will use her own judgement. A. Lawson asked about footnotes. Farrar said he would look into this. Cox recommended sources be listed on the website to avoid taking up too much space. Everyone agreed that it was important to cite the sources in some manner.

4. Other Items

There were no other items discussed.

Adjournment:

Farrar made a motion to adjourn the meeting. Cox seconded the motion. Voice vote carried the motion. Meeting Adjourned at 6:15 pm.

Arkansas City Recreation Commission
MINUTES OF REGULAR MEETING

March 18, 2021 @ 7:00 a.m.
Arkansas City Recreation Center, 225 East 5th Ave – Arkansas City, Kansas 67005

Board Members Present: Mrs. Sandra Davis
Mr. Dustin Quint
Mr. Jason O’Toole
Mr. Andy Paton
Mr. Dave Pontious

Board Members Absent: None

Staff Members Present: Mr. Landon West

Guests/Registrants Present: None

- 1) Call to Order: Approve the Agenda for Regular Meeting: Andy Paton called the meeting to order at 7:00 a.m. Jason O’Toole moved to approve the agenda and Dave Pontious seconded, motion passed.
- 2) Approve the Minutes of the Previous Meeting: Motion was made by Dave Pontious to approve the minutes of the February meeting as submitted, seconded by Sandra Davis, motion passed.
- 3) Public Comment: None
- 4) Financial Reports: Review YTD Budget Expenditures and Consider Approval of Purchase Order from February 16 – March 15: Motion was made by Dustin Quint and seconded by Sandra Davis to approve the purchase orders and expenditures from January 13 – February 15.
- 5) Consider Proposals & Bids

Auditor for FY ending June 30, 2021: A continuation from February 18, 2021 Board Meeting. Landon West had further discussion with Chad A. Andra of Chad A. Andra, CPA, LLC of Wellington, KS. Mr. Andra was willing to agree to a three-year contract for at \$6,100 a year; not to exceed \$18,300 for three years for the auditing purposes of ACRC. Tami Shaw, ACRC’s accountant was also willing to accept a three-year agreement for \$1,200 a year; not to exceed \$3,600 for three years to prepare for auditing; completing the summary of expenditures, schedule of receipts and expenditures both actual and budgeted. Jason O’Toole motioned to approve the Auditor for FY ending June 30, 2021, June 30, 2022, June 30, 2023 not to exceed \$21,900. Dave Pontious seconded; motion passed.

PFC Row Machine

There has been interest in obtaining a row machine for the fitness center from staff and patrons. After much discussion with staff and vendors, the Precor Water Rower M1 HiRise is at the top of our list. This machine does not need hard-lined power and is considered to be a quiet machine. We currently work with Mid-States Fitness Equipment out of Wichita, and they provided the best price for this machine. Sandra Davis motioned to approve the purchase of the PFC Row Machine from Mid-States Fitness Equipment for \$1,795. Dustin Quint seconded; motion passed.

Baseball Complex Mounds

After an overview of the current mounds for the sports complex, there is a desire to begin to purchase one or two in a replacement cycle over the next few years. Two companies proposed bids for replacement. The desire of the ACRC Board is to have the most similar mound to what is currently there, and there was a consensus amongst the ACRC Board to find the original maker. The board felt of the two mounds presented the TruePitch Game mound may be the maker of our current mounds. The board requested Landon make contact and research to find out. Jason O’Toole motioned to approve the expense up to \$5,000 delivered for a mound of the same quality and craftsmanship of those we currently own. Dustin Quint seconded; motion passed.

EMC Insurance Renewal

We have received the annual renewal notice from EMC Insurance for 2021-2022 at \$29,146 for building and business property, liability, and workers compensation. Combining the coverage and utilizing one agency has dropped our premium from 2020-2021 premium by \$1,224. Jason O'Toole motioned to approve the EMC Insurance Coverage for 2021-2022 at \$29,146. Dustin Quint seconded; motion passed.

6) Review Superintendent report: Landon's report to the board included the following:

Family Aquatics Center will be open for spring break hours this week beginning at 1pm. ACHS is expected to move back to the 5-day a week rotation April 6th, so the FAC will start to see more PE classes. Water Aerobic classes are continuing to hold good numbers. Coop has been coming in more regularly, too. Feeding program summer menu and production records have been approved and will begin serving in June at IYQ. Paris Park Pool and IYQ planning has begun. We look to have a large majority of returning employees for IYQ but will need to hire some lifeguards. Completed a mandatory reporting certification for tools to know what to look for with child abuse and neglect. Participated in the districts FEMA Emergency Weather Meeting and coordinated access to Francis Willard FEMA shelter for summer storm shelter needs.

The Physical Fitness Center has purchased a few items to continue to improve the facility. The purchase of a half-ball and bands as well as adding instruction signage by free-weight equipment to help provide additional usage of equipment. We are excited for the potential of getting a water rower. Active Members; 211.

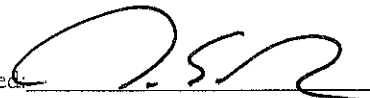
Wrestling has just completed at their state tournament with 10 athletes participating and placing 4. The spring soccer season will begin March 29th. There are a total of 21 teams this spring with all receiving sponsorships. Softball and Baseball registrations are on-going, as well gathering their sponsorships. A youth track and field clinic hosted by the ACHS team will be April 26/28 with a meet on May 1. Hoop Vision was a success this late winter and will be looking to host another event at the end of May and first week of June for a variety of ages.

We have approved the hire of Erica Fitzpatrick for Office Manager at \$30,014.40. Her first day will be March 29. We are extremely excited to have the position filled and Landon looks forward to her customer service and having someone back at the front desk. We have continued efforts of collaboration between the City of Arkansas City, Cowley College in hopes of a partnership that may evolve and benefit the taxpayers of our community. CONCO has all but concluded their work of the grate repair between the two buildings.

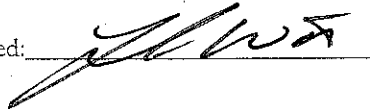
7) Executive Session:

Jason O'Toole motioned to enter into executive session for 10 minutes. Sandra Davis, seconded. At 8:09am Jason O'Toole motioned to extend executive session for 5 minutes. Dustin Quint, seconded. At 8:14am, Jason O'Toole motioned to extend executive session for 5 minutes. Dustin Quint seconded. At 8:19am concluded executive session. No Action Taken.

8) Adjournment: Jason O'Toole made a motion to adjourn at 8:20am, seconded by Sandra Davis; motion passed.

Approved: 

Date: 4/15/21

Approved: 

Date: 4/15/21



2021 TACOLALAH COMMITTEE

MEETING: 12:10 PM THURSDAY, MARCH 18, 2021 @ WATER TREATMENT PLANT

Roll Call:	<u>Executive Committee Members</u>	<u>Executive Committee Alternates</u>
<i>Beautification</i>	Candace Hendricks , Vice Chair <input checked="" type="checkbox"/>	Nancy Holman <input type="checkbox"/>
<i>Community Spirit</i>	Charles Tweedy , Treasurer <input type="checkbox"/>	Kim Hager <input type="checkbox"/>
<i>Equal Opportunity</i>	JoAnn Bierle <input checked="" type="checkbox"/>	Anita Judd-Jenkins <input checked="" type="checkbox"/>
<i>NWCC</i>	Gary Hale , Volunteer Coordinator <input type="checkbox"/>	Ruben Garcia <input type="checkbox"/>
<i>Visit Ark City</i>	Liz Shepard , Chairwoman <input checked="" type="checkbox"/>	
<i>Outdoor Market</i>	Kelly Dillner , Market Coordinator <input checked="" type="checkbox"/>	<u>Non-Voting Advisors</u>
<i>At-Large Member</i>	Vacancy <input type="checkbox"/>	Pam Crain , Fiscal Agent <input checked="" type="checkbox"/>
<i>Guest: Bob Baker</i>		Andrew Lawson , Secretary <input checked="" type="checkbox"/>

1. Approve minutes of the February 18, 2021, executive committee meeting.

Motion: **Kelly Dillner** Second: **Candace Hendricks** Vote: **4-0**

2. Approve Tacolalah Festival financial report as of February 28, 2021:

There were no changes since this was last presented. The current account balance is **\$3,814.14**.

Motion: **Kelly Dillner** Second: **Gary Hale** Vote: **4-0**

3. OLD BUSINESS: Nominate At-Large Member for Tacolalah Executive Committee

This item was tabled again to **April** so we can continue to visit with more folks about the role.

4. OLD BUSINESS: Set Dates/Times for Future Meetings

Andrew said this can be finalized in **April** so as to accommodate the seventh member's schedule.

5. NEW BUSINESS: Set 2021 Tacolalah Festival Budget

Andrew and Pam reviewed the 2019 Tacolalah Festival vendor payouts and expenses. For **2021**, vendor payouts will be calculated as follows (this plan was approved back in **February 2020**):

- **\$0-\$499** in sales (*non-business/home vendors only!*) — 8.5% tax, 1.5% fee (**10%** withheld)
- **\$0-\$499** in sales (*businesses/food trucks*) — 8.5% tax, 5% fee (**13.5%** total withheld)
- **\$500-\$999** in sales — 8.5% sales tax, 8.5% fee (**17%** total withheld)
- **\$1,000-\$1,999** in sales — 8.5% sales tax, 10% fee (**18.5%** total withheld)
- **\$2,000** or more in sales — 8.5% sales tax, 11.5% fee (**20%** max total withheld)



Andrew displayed a draft 2021 budget based on projected entertainment expenses from 2020 (these will be updated as acts are booked and confirmed) and known expenses from 2019.

Pam said \$500 sponsorships have already been secured from Mike Morgan, RCB Bank, United Agency and Visit Ark City, as well as \$500 in in-kind radio advertising from 1025 The River.

Candace suggested different sponsorship levels, with one signature event sponsor still available.

There was a discussion about new types of 150th celebration merchandise we could offer for sale.

Pam said Visit Ark City will pay for dancers' meals, printing of posters and the volunteer party.

6. Subcommittee Reports:

- **Arts and Crafts** — Amy Lawson, Nancy Holman, Rags Smith
 - *Report:* Purchasing supplies and planning activities
- **Beer Garden** — Andrew, Liz
 - *Tasks:* Secure Bottle Service LLC; visit with Frank Arnold about security options
- **Cultural/Dancing/Entertainment/Music** — Andrew, Candace, Debbie Savala
 - *Task:* Call performers and get them re-booked during the 150th celebration week
- **Games/Activities** — Doug Darst, Gage Musson, Kim Hager, Landon West, Liz, Zach Stoy
 - *Tasks:* Brainstorm, select and plan possible activities; recruit volunteers to run them
- **Merchandise** — Pam, Visit Ark City Board of Trustees
 - *Report:* Selecting types/amounts of merchandise and placing orders
- **Sponsorships** — Andrew, Jose Esparza, Liz, Pam
 - *Targets:* Community National Bank, Creekstone Farms, KanPak, La Fiesta, PenFed Realty, The Stock Exchange Bank, Summit Realty, Union State Bank
- **Vendors** — Andrew, JoAnn, Kelly (Outdoor Market), Tammy Lanman-Henderson
 - *Task:* Continue to reach out to and sign up food and Outdoor Market vendors
- **Volunteers** — Gary, James Fry, Liz, Pam (training event at Burford), Patti Morgan
 - *Tasks:* Continue to recruit volunteers and send link to web form; schedule training

7. Other Miscellaneous Items:

Andrew suggested having a special meeting at **noon April 1** to interview a potential 7th member.

8. Adjourned at 1:16 p.m. Motion: Kelly Dillner Second: JoAnn Bierle Vote: 4-0

NEXT MEETING: NOON THURSDAY, APRIL 1, 2021 @ 400 W. MADISON AVE.

A regular meeting was held **Thursday, March 25, 2021**, at Knebler Pond, 28674 71st Rd. The meeting was called to order at **4:07 p.m.**

Roll Call:

Board Members

- Robin Henderson
- Candace Hendricks
- Nancy Holman
- Paisley Howerton
- Harrison Taylor

Staff Liaisons

- Mike Bellis
- Randy Frazer
- Evan Haney
- Andrew Lawson
- Josh White

1. Approve February Meeting Minutes:

Robin made a motion to approve the minutes of the **February 25, 2021**, regular meeting as presented. Paisley seconded the motion. The motion was approved **4-0** on a voice vote.

2. Approve March Special Meeting Minutes:

Robin made a motion to approve the minutes of the **March 4, 2021**, special meeting as presented. Paisley seconded the motion. The motion was approved **4-0** on a voice vote.

3. Adoption Update: Knebler Pond (WVDGA)

Andrew said the City Commission unanimously approved the WVDGA’s adoption request at its meeting on **March 16**, despite some objections from the neighboring property owners to the west. Their concerns were noted and will be monitored.

The City may need to put up a “no outlet” and/or “no parking” signs in front of the neighbors’ house at **28395 71st Road**.

Robin suggested putting out more trash cans to prevent littering, but Andrew said Tony would have to determine feasibility.

4. Review ADA Transition Plan: Knebler Pond

Equal Opportunity and Accessibility Advisory Board members present were **Anita Judd-Jenkins** and **Frances “Rags” Smith**.

Knebler Pond (also known as the **Prairie Passage Recreation Area**) consists of maintained (but undeveloped) grass with no amenities, served by several gravel parking lots. The 2006 ADA Transition Plan has no recommendations for improvement.

However, the Plan does state that if, at some point in the future, amenities are added to the area, various accessibility aspects should be incorporated (such as parking, accessible routes, etc.). The planned disc golf course does not necessarily rise to the level of an “amenity,” Andrew said, but if it proves popular and permanent, parking improvements may be needed someday.

Members of both Boards agreed there are no immediate needs for ADA improvements at Knebler Pond/Prairie Passage Area.

5. Comprehensive Plan Discussion:

Andrew said **Chapter 5**, “Parks, Recreation, and Natural and Historical Resources,” will be the main topic for the Board for the next two to three meetings, as this is its main focus area within the Comprehensive Plan. It will be split into two chapters.

He asked the Board to read through the chapter prior to the **April 22** meeting so they will be prepared for discussion then.

The Board noted a need to update the park amenities list and design a better citizen survey. Andrew said the City will work more closely with the Arkansas City Recreation Commission this time around on the “Recreation” section of **Chapter 5**.

6. Mayor’s Monarch Pledge / The Pollinator Project:

Andrew invited any members who wish to attend an informal meeting at **1 p.m. March 31** to complete the Mayor’s Monarch Pledge form and action items. This is not a mandatory meeting. He asked if there are any additional changes to the selections.

Earth Day is **April 22** and Arbor Day is **April 30**. In between is “Earth Week” and Citywide Pickup Week is **April 26-30**.

The City will plant a tree on Earth Day in a park (*later designated as Lovie Watson Park*) and the Board will

7. Tacolalah Executive Committee Report:

The next Tacolalah Executive Committee meeting will be at **noon April 1** at the Water Treatment Facility. The Committee should finally be able to select its seventh and final member. Andrew asked members to volunteer online for Tacolalah 2021.

8. Other Miscellaneous Items:

Andrew provided an update on **Wilson Park**. Demolition is complete. The Farm & Art Market pavilion will be ordered soon.

Robin made a motion to adjourn the meeting. Paisley seconded the motion, which was approved **4-0** on a voice vote. The meeting was adjourned at **5:07 p.m.** The next regular meeting of the Beautification and Tree Advisory Board will be at **4 p.m. April 22, 2021.**



2021 TACOLALAH COMMITTEE

MEETING: NOON THURSDAY, APRIL 1, 2021 @ WATER TREATMENT PLANT

Roll Call:	<u>Executive Committee Members</u>	<u>Executive Committee Alternates</u>
<i>Beautification</i>	Candace Hendricks , Vice Chair <input type="checkbox"/>	Nancy Holman <input type="checkbox"/>
<i>Community Spirit</i>	Charles Tweedy , Treasurer <input checked="" type="checkbox"/>	Kim Hager <input type="checkbox"/>
<i>Equal Opportunity</i>	JoAnn Bierle <input checked="" type="checkbox"/>	Tammy Lanman-Henderson <input checked="" type="checkbox"/>
<i>NWCC</i>	Gary Hale , Volunteer Coordinator <input checked="" type="checkbox"/>	Ruben Garcia <input type="checkbox"/>
<i>Visit Ark City</i>	Liz Shepard , Chairwoman <input type="checkbox"/>	
<i>Outdoor Market</i>	Kelly Dillner , Market Coordinator <input checked="" type="checkbox"/>	<u>Non-Voting Advisors</u>
<i>At-Large Member</i>	Melissa Mendez <input checked="" type="checkbox"/>	Pam Crain , Fiscal Agent <input type="checkbox"/>
<i>Guests: Jose Esparza, Martha Moreno, Debbie Savala, Rags Smith</i>		Andrew Lawson , Secretary <input checked="" type="checkbox"/>

1. OLD BUSINESS: Nominate At-Large Member for Tacolalah Executive Committee

Melissa introduced herself to the rest of the committee. Everyone welcomed her to the committee.

Motion: **Charles Tweedy** Second: **JoAnn Bierle** Vote: **4-0**

2. OLD BUSINESS: Set Dates/Times for Future Meetings

Melissa said she was fine with the current meeting times, so this will be tabled until **September**.

3. Subcommittee Reports:

- **Arts and Crafts** — Amy Lawson, Nancy Holman, Rags Smith
 - *Report:* Purchasing supplies and planning activities
- **Beer Garden** — Andrew, Liz
 - *Tasks:* Secure Bottle Service LLC; visit with Frank Arnold about security options
- **Cultural/Dancing/Entertainment/Music** — Andrew, Debbie Savala
 - *Report:* Calling performers and re-booking during the 150th celebration week
- **Games/Activities** — Candace, Gage Musson, Kim Hager, Landon West, Liz, Zach Stoy
 - *Tasks:* Brainstorm, select and plan possible activities; recruit volunteers to run them
- **Merchandise** — Pam, Visit Ark City Board of Trustees
 - *Report:* Selecting types/amounts of merchandise and placing orders
- **Sponsorships** — Andrew, Gary, Jose Esparza, Liz, Pam



- *Targets:* Community National Bank, Creekstone Farms, Fastenal, GE IUE-CWA, KanPak, La Fiesta, PenFed Realty, Pizza Ranch, The Property Shop, The Stock Exchange Bank, Summit Realty, Union State Bank
- **Vendors** — Andrew, JoAnn, Kelly (Outdoor Market), Tammy Lanman-Henderson
 - *Task:* Continue to reach out to and sign up food and Outdoor Market vendors
- **Volunteers** — Gary, James Fry, Liz, Pam (training event at Burford), Patti Morgan
 - *Tasks:* Continue to recruit volunteers and send link to web form; schedule training

4. Other Miscellaneous Items:

There was a discussion of whether to try to make this a two-day event in **2022** (May 6-7). This decision will be the responsibility of the next iteration of this committee starting in **September**.

Andrew said we can use the Friday night concert as a test case and also survey vendors’ interest.

Andrew provided an update on Wilson Park Master Plan Phase 1 Upgrades, which are under way.

Debbie is working to re-book all performers but Ponca City also has an event on **July 17** and we are in competition with them. She is reaching out as far as Oklahoma City and Tulsa, Oklahoma.

7. Adjourned at 1:13 p.m. Motion: JoAnn Bierle Second: Gary Hale Vote: 5-0

NEXT MEETING: NOON THURSDAY, APRIL 15, 2021 @ 400 W. MADISON AVE.