

AGENDA

CALL TO ORDER

PLEDGE OF ALLEGIANCE

ROLL CALL

OLD BUSINESS

- [1.](#) 05.05.2022 Minutes

AUDIENCE PARTICIPATION

PRESENTATIONS

NEW BUSINESS

- [2.](#) Approval of Audit Ending December 31, 2021
- [3.](#) Resolution No. B-4-2022 - A Resolution authorizing the offering for sale of General Obligation Bonds of the City of Lansing, Kansas
- [4.](#) City-wide Compensation and Benefits study
- [5.](#) Purchase of Radar Detection Equipment for K7 (Main Street) & Mary Traffic Signal
- [6.](#) Resolution B-5-2022 Condemnation for Town Centre Sewer Extension
- [7.](#) Easement Acquisition Request - City Project 2021-03
- [8.](#) Supplemental Agreement – Town Centre Sewer Extension (City Project 2021-03)
- [9.](#) Executive Session for Land Acquisition

REPORTS - City Attorney, City Administrator, Department Heads, Councilmembers

- [10.](#) Fleet Reports
- [11.](#) City Administrator Report

PROCLAMATIONS

- [12.](#) National Public Works Week Proclamation

OTHER ITEMS OF INTEREST

ADJOURNMENT

Regular meetings are held on the first and third Thursday of each month. For information on how to view prior meetings, please visit our website at <https://www.lansingks.org>. Any person wishing to address the City Council, simply proceed to the microphone in front of the dais after the agenda item has been introduced and wait to be recognized by the Mayor. When called upon, please begin by stating your name and address. A time designated "Audience Participation" is listed on the agenda for any matter that does not appear on this agenda. The Mayor will call for audience participation. Please be aware that the City Council and staff may not have had advance notice of your topic and that the City Council may not be able to provide a decision at the meeting. If you require any special assistance, please notify the City Clerk prior to the meeting.

AGENDA ITEM

TO: Tim Vandall, City Administrator
FROM: Shantel Scrogin, Assistant City Clerk
DATE: May 13, 2022
SUBJECT: Approval of Minutes

The Regular Meeting Minutes of May 5, 2022, are enclosed for your review.

Action: Staff recommends a motion to approve the Regular Meeting May 5, 2022, as presented.

AGENDA ITEM

CITY OF LANSING
CITY COUNCIL MEETING

REGULAR MEETING MINUTES
May 5, 2022

Call To Order:

The regular meeting of the Lansing City Council was called to order by Mayor McNeill at 7:00 p.m.

Roll Call:

Mayor McNeill called the roll and indicated which Councilmembers were in attendance.

Councilmembers Present:

Ward 1: Gene Kirby
Ward 2: Don Studnicka and Marcus Majure
Ward 3:
Ward 4: Gregg Buehler and Dan Clemons

Councilmembers Absent: Dave Trinkle, Jesse Garvey and Kerry Brungardt

Councilmember Kirby attended via telephone

OLD BUSINESS:

Approval of Minutes: Councilmember Buehler moved to approve the Regular Meeting Minutes of April 21, 2022, as presented. Councilmember Majure seconded the motion. The motion was unanimously approved.

Audience Participation: Mayor McNeill called for audience participation and there was none.

Presentations: none

COUNCIL CONSIDERATION OF AGENDA ITEMS:

Ordinance No. 1082 – An Ordinance to rezone 00000 Gilman Rd from A-1 Agricultural District to L-1 Light Industrial District: Councilmember Buehler moved to approve Ordinance No. 1082. Councilmember Studnicka seconded the motion.

- Councilmember Studnicka asked if we have any idea what they want to put in there.
 - Community and Economic Development Director Matthew Schmitz replied they are planning to do another Business Park. It's twenty-nine acres. A portion will go to Crestline Storage and then sell off the other lots.

The motion was unanimously approved.

Final Plat – Reeslon Addition: Councilmember Buehler moved to approve the final plat for Reeslon Addition. Councilmember Majure seconded the motion.

- Councilmember Majure asked who owns this property. I thought it was Brian and Lisa Rees.
 - Community and Economic Development Director Matthew Schmitz replied they own a portion of it but because the property line is being moved over to the Scanlon property. It took both of them to be signatories on the plat to do this.

The motion was unanimously approved.

Lansing Planning Commission Appointment: Councilmember Buehler moved to appoint Jake Kowalewski to the Lansing Planning Commission for a three-year term expiring on April 30, 2025. Councilmember Majure seconded the motion. The motion was unanimously approved.

Skid Steer Purchase: Councilmember Buehler moved to accept Price Quote from Victor Phillips for the purchase of the Case Skid Steer with specified equipment for \$57,676.60 and authorize the necessary signatures. Councilmember Clemons seconded the motion.

- Councilmember Clemons asked what will be done with the old one.
 - Public Works Director Mike Spickelmier replied it will be put on Purple Wave.

The motion was unanimously approved.

REPORTS:

Department Heads: Department Heads had nothing to report.

City Attorney: City Attorney Greg Robinson had nothing to report.

City Administrator: City Administrator Tim Vandall let everyone know staff met with Clearview Fiber today. They will have a representative at an upcoming meeting where they can answer any questions and give a brief on their timeline. Our current health insurance provider increased substantially so we are getting bids for the next year. We did conduct a survey with employees and most of them were okay with switching providers. We had previously brought the ward maps to the Council and some changes had been made. We found out recently the Secretary of State will not allow us to split census tracts. So what staff brings to you at a future meeting will probably look pretty similar to what it does now.

- Mayor McNeill stated he would like to know if we can home rule out of the decision to not split the tracts.
 - City Attorney Greg Robinson responded it may be at the federal question since they were talking to the Census Bureau.

Governing Body: Councilmember Buehler thanked Jake for volunteering. The Fishing Derby is this Saturday at Bernard Park. He also provided a fun fact, on this day in 1862, an outnumbered Mexican army defeated a French army in the Battle of Puebla. During the celebration afterwards, as the supply of tequila was running low, the General ordered his men to mix the tequila with lime juice to make it last longer.

Councilmember Majure thanked Jake. He asked about the door hangers we were going to put out in regard to the new Ordinance for RV's, campers, boats, etc.

- City Administrator Tim Vandall replied the ordinance is in effect. Staff is creating a list of places that are non-compliant. We do want to give a verbal heads up before we start writing tickets.
 - Community and Economic Development Director Matthew Schmitz responded the idea was to educate citizens during the summer and then August/September start enforcing it.

ADJOURNMENT:

Councilmember Majure moved to adjourn. Councilmember Buehler seconded the motion. The motion was unanimously approved. The meeting was adjourned at 7:24 p.m.

ATTEST:

Assistant City Clerk, Shantel Scrogin

AGENDA ITEM

TO: Tim Vandall, City Administrator
FROM: Beth Sanford, Finance Director
DATE: May 16, 2022
SUBJECT: Approval of Audit Ending December 31, 2021

Staff from the firm of Adams Brown LLC performed an audit of the financial statements for the City of Lansing for the year ended December 31, 2021.

Ms. Jami Benyshek, a Senior Audit Manager for the firm, will present a brief overview of the audit and answer any questions.

Action:

Staff recommends a motion to approve the final audit for the City of Lansing for the year ended December 31, 2021.

AGENDA ITEM



The City of Lansing

Finance Department
www.lansings.org

May 19, 2022

AdamsBrown, LLC
2006 Broadway Ave, Suite 2A
Great Bend, KS 67530

This representation letter is provided in connection with your audit of the financial statements of City of Lansing, Kansas, which comprise the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information as of December 31, 2021, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the disclosures (collectively, the "financial statements"), for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

We confirm, to the best of our knowledge and belief, as of May 19, 2022, the following representations made to you during your audit.

Financial Statements

- We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated January 18, 2022, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP and for preparation of the supplementary information in accordance with the applicable criteria.
- Except for the exclusion of the required annual cost and long-term obligations of the City as required by Governmental Auditing Standards Board Statements Number 75, the financial statements referred to above are fairly presented in conformity with U.S. GAAP and include all properly classified funds and other financial information of the government required by generally accepted accounting principles to be included in the financial reporting entity.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- There are no known related-party relationships or transactions that need to be accounted for or disclosed in accordance with U.S. GAAP.

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- Adjustments or disclosures have been made for all events, including instances of noncompliance, subsequent to the date of the financial statements that would require adjustment to or disclosure in the financial statements.
- The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to the representation letter. In addition, you have proposed adjusting journal entries that have been posted to the City's accounts. We are in agreement with those adjustments.
- The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- Guarantees, whether written or oral, under which the City is contingently liable, if any, have been properly recorded or disclosed.

Information Provided

- We have provided you with:
 - Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters.
 - Additional information that you have requested from us for the purpose of the audit.
 - Unrestricted access to persons within the City from whom you determined it necessary to obtain audit evidence.
 - Minutes of the meetings of the City Council or summaries of actions of recent meetings for which minutes have not yet been prepared.
- All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have no knowledge of any fraud or suspected fraud that affects the City and involves:
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any allegations of fraud or suspected fraud affecting the City's financial statements communicated by employees, former employees, regulators, or others.

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- We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.
- We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- We are not aware of any related parties or related-party relationships or transactions.

Government – specific

- There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- We have taken timely and appropriate steps to remedy identified and suspected fraud, noncompliance with provisions of laws, regulations, contracts, and grant agreements that you have reported to us.
- We have a process to track the status of audit findings and recommendations.
- We have identified to you any previous audits, attestation engagements, and other studies related to the objectives of the audit and whether related recommendations have been implemented.
- We have identified to you any investigations or legal proceedings that have been initiated with respect to the period under audit.
- We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
- The City has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
- We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts; and legal and contractual provisions for reporting specific activities in separate funds.
- We have identified and disclosed to you all instances of identified and suspected fraud and noncompliance with provisions of laws, regulations and grant agreements that we believe have a material effect on the financial statements.
- There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets except as noted in the audit report), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
- As part of your audit, you assisted with preparation of the financial statements and disclosures. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge or experience; evaluate the adequacy and results

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of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and disclosures.

- The City has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- The City has complied with all aspects of contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- The financial statements include all fiduciary activities required by GASBS No. 84.
- The financial statements properly classify all funds and activities in accordance with GASBS No. 34, as amended.
- All funds that meet the quantitative criteria in GASBS Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
- Components of net position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified and, if applicable, approved.
- Investments are properly valued.
- Provisions for uncollectible receivables have been properly identified and recorded.
- Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
- Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
- Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
- Deposits and investment securities are properly classified as to risk and are properly disclosed.
- Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.
- We have appropriately disclosed the City's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.
- We are following our established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes.

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- We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.

- With respect to the combining and individual fund financial statements and schedules:
 - We acknowledge our responsibility for presenting the combining and individual fund financial statements and schedules in accordance with accounting principles generally accepted in the United States of America, and we believe the combining and individual fund financial statements and schedules, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America. The methods of measurement and presentation of the combining and individual fund financial statements and schedules have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.

 - If the combining and individual fund financial statements and schedules is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditors' report thereon.

Signed

Signed

May 19, 2022

To the City Council
City of Lansing, Kansas
Lansing, KS

Governance Letter

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of **City of Lansing, Kansas** for the year ended December 31, 2021, and have issued our report thereon dated May 19, 2022. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated January 18, 2022. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by **City of Lansing, Kansas** are described in Note 1 to the financial statements. As described in Note 1, in 2021, the City implemented GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. Accordingly, the accounting change has been prospectively applied. We noted no transactions entered into by the City during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were for estimated useful lives for depreciation expense, allowance for doubtful accounts on property taxes, deferred outflows of resources, accounts payable/encumbrances, deferred inflows of resources, net pension liability, and accrued paid leave.

The financial statements disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

City of Lansing, Kansas

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Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes material misstatements detected as a result of audit procedures and corrected by management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. The uncorrected misstatements or the matters underlying them could potentially cause future period financial statements to be materially misstated, even though, in our judgment, such uncorrected misstatements are immaterial to the financial statements under audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated May 19, 2022.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the City's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the City's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the management's discussion and analysis and schedules of revenues, expenditures, and changes in fund balance – budget and actual for major governmental funds, proportionate share of collective net pension liability, and the City's retirement contributions, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

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We were engaged to report on the supplementary information, which accompanies the financial statements but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

Audit Recommendations

We wish to communicate to the governing body recommendations that we discussed with management to improve operational or administrative efficiencies and for improving internal control.

- The City did not identify all capital assets purchased or constructed during the year. Capital assets with an initial cost of \$5,000 and a useful life greater than three years should be capitalized and depreciated over their estimated useful life. This spreads the cost over the useful life rather than recognizing the entire cost in one year. We recommend that a second review of invoices be implemented to ensure no assets were missed during the year.

We will review the status of these items during our next audit engagement. We have already discussed many of these items and suggestions with the appropriate personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

INTERNAL CONTROLS

In planning and performing our audit of the financial statements of **City of Lansing, Kansas** as of and for the year ended December 31, 2021, in accordance with auditing standards generally accepted in the United States of America, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a certain deficiency in internal control that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the City's financial statements will not be prevented, or detected and corrected, on a timely basis. We consider the following deficiency in internal control to be a material weakness:

- The Budgeting for Kansas Municipalities manual states that budgeted funds must be monitored annually to ensure expenditures do not exceed budgeted limits. If a fund is going to exceed its budget, a budget amendment must be made. This manual also dictates which funds must follow

City of Lansing, Kansas

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May 19, 2022

the encumbrance basis of accounting and which ones are exempt. Material amounts of encumbrances were identified during audit procedures. We suggest that this manual be reviewed so that no findings or violations occur in the future.

We would like to express our appreciation for the opportunity to perform the December 31, 2021 audit for **City of Lansing, Kansas** and to the employees for the cooperation and assistance given to us during the audit.

This communication is intended solely for the information and use of management, the City Council, others within the organization, and State of Kansas and is not intended to be, and should not be, used by anyone other than these specified parties.

Adams Brown, LLC

ADAMSBROWN, LLC

Certified Public Accountants

Great Bend, Kansas

As management of the City of Lansing, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Lansing for the calendar year ended December 31, 2021.

Financial Highlights

- Assets of the City of Lansing exceeded its liabilities at the close of the most recent calendar year by \$20,273,217.
- At the close of the current calendar year, the City of Lansing's governmental funds reported combined ending fund balances of \$6,376,109.
- At the end of the current calendar year, the unassigned fund balance for the general fund was \$3,323,891.
- The City's total long term-debt decreased by \$2,715,487 during the current calendar year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Lansing's basic financial statements. The City of Lansing's basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Lansing's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all the City of Lansing's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Lansing is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent calendar year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Government-wide financial statements distinguish functions of the City of Lansing that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Lansing include general government, public safety, public works (roads, utilities and traffic controls), parks and recreation, library and employee benefits. The business-type activities of the City of Lansing include wastewater and solid waste activities. The City of Lansing has no component units, which are entities that are legally separate, but for which the City is financially accountable.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. City of Lansing, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City of Lansing can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the calendar year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements.

By doing so, readers may better understand the long-term impact of the city's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The basic governmental funds financial statements can be found on pages 12 and 14 of this report. The City of Lansing adopts an annual appropriated budget for all governmental funds as required by state statute.

Proprietary funds. The City of Lansing maintains two proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Lansing uses enterprise funds to account for its Wastewater and Solid Waste activities. The basic proprietary fund financial statements can be found on pages 16-18 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* available to support the City of Lansing's own programs and therefore are not reflected in the government-wide financial statements. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on page 19 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Lansing, assets exceeded liabilities by \$20,273,217 at the close of 2021.

By far, the largest portion of the City of Lansing's net position reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure), less any related debt used to acquire those assets that are still outstanding. The City of Lansing used these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Lansing's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF LANSING CONDENSED NET POSITION
December 31, 2021

	Governmental Activities	Business-Type Activities	Total 2021	Total 2020
Assets				
Current and Other Assets	\$ 13,804,239	3,459,448	17,263,687	14,796,589
Capital Assets, Net of Depreciation	19,369,801	16,615,150	35,984,951	37,901,748
Total Assets	33,174,040	20,074,598	53,248,638	52,698,337
Deferred Outflows of Resources	1,064,698	73,113	1,137,811	1,339,633
Liabilities				
Current and Other Liabilities	1,276,701	268,004	1,544,705	602,859
Long-Term Liabilities	17,006,387	10,222,522	27,228,909	31,180,066
Total Liabilities	18,283,088	10,490,526	28,773,614	31,782,925
Deferred Inflows of Resources	5,268,232	71,386	5,339,618	3,873,013
Net Position				
Net Investment in Capital Assets	7,694,468	6,604,386	14,298,854	13,616,282
Restricted for Expendable - Debt Service	135,290	-	135,290	91,434
Unrestricted	2,857,660	2,981,413	5,839,073	4,674,316
Total Net Position	\$ 10,687,418	9,585,799	20,273,217	18,382,032

A portion of the City of Lansing's net assets \$135,290 represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets \$5,839,073 may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current calendar year, the City of Lansing can report positive balances in all three categories of net assets for the government as a whole.

CITY OF LANSING, KANSAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

CITY OF LANSING CONDENSED STATEMENT OF ACTIVITIES
December 31, 2021

Functions/Programs	Expenses	Program Revenues		Net (Expenses) Revenues and Change in Net Position		Totals	
		Charges For Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	2021	2020
Governmental Activities							
General Government	\$ (2,001,425)	636,999	1,821	(1,362,605)	-	(1,362,605)	(178,412)
Public Safety	(2,103,459)	34,530	-	(2,068,929)	-	(2,068,929)	(2,112,417)
Public Works	(2,963,174)	92,123	138,051	(2,733,000)	-	(2,733,000)	(2,271,725)
Library	(324,260)	4,453	16,882	(302,925)	-	(302,925)	(302,553)
Culture and Recreation	(1,212,051)	50,447	-	(1,161,604)	-	(1,161,604)	(892,739)
Interest	(390,238)	-	-	(390,238)	-	(390,238)	(449,617)
Total Governmental Activities	(8,994,607)	818,552	156,754	(8,019,301)	-	(8,019,301)	(6,207,463)
Business-Type Activities							
Sewer Utility	(2,458,196)	3,339,659	-	-	881,463	881,463	95,715
Refuse Utility	(559,824)	606,716	-	-	46,892	46,892	(121,717)
Total Business-Type Activities	(3,018,020)	3,946,375	-	-	928,355	928,355	(26,002)
Total	\$ (12,012,627)	4,764,927	156,754	(8,019,301)	928,355	(7,090,946)	(6,233,465)
General Revenues and Transfers							
Property Tax				\$ 4,379,249	-	4,379,249	4,174,186
Sales Tax				3,176,677	-	3,176,677	2,810,259
Franchise Tax				680,517	-	680,517	654,021
Motor Fuel Tax				489,023	-	489,023	460,657
Alcoholic Beverage Tax				53,826	-	53,826	48,926
Transient Guest Tax				200,109	-	200,109	135,739
Use of Money or Property				122	75	197	13,372
Costs of Issuance				-	-	-	(107,477)
Gain (Loss) on Sale of Assets				2,533	-	2,533	24,108
Total General Revenues and Transfers				8,982,056	75	8,982,131	8,213,791
Change in Net Position				962,755	928,430	1,891,185	1,980,326
Net Position - Beginning of Year				9,835,245	8,546,787	18,382,032	16,165,586
Prior Period Restatement				(110,582)	110,582	-	236,120
Net Position - End of Year				\$ 10,687,418	9,585,799	20,273,217	18,382,032

As further explained in Note 11, the financial statements have been restated to accurately reflect the General Obligation Bonds for various sewer projects in the Wastewater Fund that was previously recorded in the Bond and Interest Fund.

Financial Analysis of the Government's Funds

As noted earlier, the City of Lansing uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The financial reporting focus of the City of Lansing's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information may be useful in assessing the City of Lansing's financing requirements. In particular, *unreserved fund balance* may serve as useful measure of a government's net resources available for spending at the end of the calendar year.

As of the end of the current calendar year, the City of Lansing's governmental funds reported combined ending fund balances of \$6,376,109. Of this total amount \$3,323,891 constitutes the portion of the fund balance which is available to meet the future financial needs of the City. The remainder of the fund balance is nonspendable, restricted, or assigned to indicate that it is not available for new spending because it has already been expended.

The general fund is the chief operating fund of the City of Lansing. At the end of the current calendar year, unassigned fund balance of the general fund was \$3,323,891. The City of Lansing's general fund balance increased by \$313,205 during the current calendar year.

Proprietary funds. The City of Lansing's proprietary fund provides the same type of information found in the government-wide financial statements, but in more detail. The ending net assets for the proprietary funds were \$9,585,799, a net increase of \$1,039,012.

The unrestricted net assets of the two enterprise funds totaled \$2,981,413.

General Fund Budgetary Highlights

The City continues to develop long term strategies to manage debt, while limiting the fiscal burden on the citizens of Lansing. Management is watching the City's debt load to ensure that future revenues will be sufficient to retire the debt without jeopardizing essential City services.

Revenues for the general fund operations were more than estimated by \$714,789, and departmental expenditures on the budgetary basis were less than appropriated amounts by \$1,014,849.

Transfers out of the general fund totaled \$1,035,000 for the year ended December 31, 2021 (see Statement of Revenues, Expenditures and Change in Fund Balances on page 14 of this report).

Revenues from ad valorem taxes represented the largest general fund revenue source with collections totaling \$2.37 million or 41% of all general fund revenues. At \$2.60 million or 40% of all general fund revenue collected, current year retail sales and use taxes represent the second largest revenue source for the general fund. The Mill Levy increased by .016 mills in 2021, to 41.571 mills.

Enterprise Operations

The City's enterprise operations consist of two separately accounted for operations which are administered by two different departments: Finance and Wastewater. Operating revenues for the City's combined enterprise operations *increased* by \$941,206.

Capital Asset and Debt Administration

Capital assets. The City of Lansing's investment in capital assets for its governmental and business type activities as of December 31, 2021 amount to \$35,984,951 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, machinery and equipment, park and municipal facilities, roads, highways and sidewalks. The total decrease in the City of Lansing's investment in capital assets for the current calendar year was \$956,780. Details of the City of Lansing's capital assets are continued in Note 3 to financial statements on page 29.

Long-term debt. At the end of the current calendar year, the City of Lansing had total bonded debt outstanding of \$23,933,489, which comprises debt backed by the full faith and credit of the City. (More detailed information about the agency's long-term liabilities is presented in Note 4 to the financial statement on pages 30-31).

The City of Lansing's total debt decreased by 10.19% during the current year.

Economic Factors and Next Year's Budgets and Rates

The local economy of City of Lansing continues to show growth despite the impact of COVID-19. Sales tax revenues continue to increase. The city still endeavors to limit expenditures to ensure long-term financial sustainability. The assessed valuation is estimated to change significantly for 2022. The most recent data indicates that valuations will increase between 11% and 13%.

In adopting the budget for the ensuing calendar year 2022, City officials considered many factors in making judgments and estimates about the finances of the upcoming year. The biggest consideration was still the

impact of COVID-19 on revenues such as sales and use tax. The Revenue Neutral Rate (SB 13) was also a factor in budget preparation. Thus, City officials remained conservative with revenue projections.

Upcoming and current capital projects scheduled are:

- Street, Sidewalk and Drainage Projects
- Construction of a Baseball/Softball Complex at Bernard Park
- K7 & Eisenhower Intersection Improvements
- Development in Towne Centre
- McIntyre Sewer Project

The primary objective of the Council was to continue to provide basic city services to the citizens, while attempting to keep the property tax rate substantially the same. The City's Mill Levy rate of 41.571 in 2021 decreased to 41.027 for 2022.

Requests for Information

This financial report is designed to provide a general overview of the City of Lansing's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report, or requests for additional financial information should be addressed to the Finance Department, 800 1st Terrace, Lansing, Kansas 66043.

Elizabeth Sanford
Finance Director
City of Lansing, Kansas

CITY OF LANSING, KANSAS

Financial Statements With Independent Auditors' Report

For the Year Ended December 31, 2021

CITY OF LANSING, KANSAS
Financial Statements With Independent Auditors' Report
For the Year Ended December 31, 2021

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CITY OF LANSING, KANSAS
Financial Statements With Independent Auditors' Report
For the Year Ended December 31, 2021

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INDEPENDENT AUDITORS' REPORT

To the Mayor and City Council
City of Lansing, Kansas
 Lansing, Kansas

Qualified and Unmodified Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of **City of Lansing, Kansas**, as of and for the year ended December 31, 2021, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Summary of Opinions

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Qualified
Business-Type Activities	Qualified
Each Major Fund	Unmodified
Aggregate Remaining Fund Information	Unmodified

Qualified Opinions on Governmental Activities and Business-Type Activities

In our opinion, except for the effects of the matter described in the Basis for Qualified and Unmodified Opinions section of our report, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and business-type activities of **City of Lansing, Kansas** as of December 31, 2021, and the changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinions on Each Major Fund and Aggregate Remaining Fund Information

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of **City of Lansing, Kansas**, as of December 31, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Qualified and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the *Kansas Municipal Audit and Accounting Guide*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified and unmodified audit opinions.

City of Lansing, Kansas

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Matter Giving Rise to Qualified Opinion on the Governmental Activities and Business-Type Activities

The financial statements do not include the required annual cost and long-term obligations of the City as required by Governmental Auditing Standards Board Statements Number 75. Accounting principles generally accepted in the United States of America require the financial data for these other postemployment benefits be reported in the financial statements. The amount by which this departure from accounting principles generally accepted in the United States of America would affect the assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position of the financial statements has not been determined.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit 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 City's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

City of Lansing, Kansas

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Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis and required supplementary information listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise **City of Lansing, Kansas’** basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. They are not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except for the effects on the supplementary information of the qualified opinion on the basic financial statements as explained in the “Basis for Qualified and Unmodified Opinions” paragraph, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.



ADAMSBROWN, LLC
 Certified Public Accountants
 Great Bend, Kansas

May 19, 2022

As management of the City of Lansing, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City of Lansing for the calendar year ended December 31, 2021.

Financial Highlights

- Assets of the City of Lansing exceeded its liabilities at the close of the most recent calendar year by \$20,273,217.
- At the close of the current calendar year, the City of Lansing's governmental funds reported combined ending fund balances of \$6,376,109.
- At the end of the current calendar year, the unassigned fund balance for the general fund was \$3,323,891.
- The City's total long term-debt decreased by \$2,715,487 during the current calendar year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City of Lansing's basic financial statements. The City of Lansing's basic financial statements comprise of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the City of Lansing's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all the City of Lansing's assets and liabilities, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the City of Lansing is improving or deteriorating.

The *statement of activities* presents information showing how the City's net position changed during the most recent calendar year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Government-wide financial statements distinguish functions of the City of Lansing that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the City of Lansing include general government, public safety, public works (roads, utilities and traffic controls), parks and recreation, library and employee benefits. The business-type activities of the City of Lansing include wastewater and solid waste activities. The City of Lansing has no component units, which are entities that are legally separate, but for which the City is financially accountable.

Fund financial statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. City of Lansing, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City of Lansing can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the calendar year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements.

By doing so, readers may better understand the long-term impact of the city's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The basic governmental funds financial statements can be found on pages 12 and 14 of this report. The City of Lansing adopts an annual appropriated budget for all governmental funds as required by state statute.

Proprietary funds. The City of Lansing maintains two proprietary funds. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the government-wide financial statements. The City of Lansing uses enterprise funds to account for its Wastewater and Solid Waste activities. The basic proprietary fund financial statements can be found on pages 16-18 of this report.

Fiduciary funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are *not* available to support the City of Lansing's own programs and therefore are not reflected in the government-wide financial statements. The accounting used for fiduciary funds is much like that used for proprietary funds. The basic fiduciary fund financial statements can be found on page 19 of this report.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the City of Lansing, assets exceeded liabilities by \$20,273,217 at the close of 2021.

By far, the largest portion of the City of Lansing's net position reflects its investment in capital assets (e.g., land, buildings, machinery, equipment, and infrastructure), less any related debt used to acquire those assets that are still outstanding. The City of Lansing used these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City of Lansing's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF LANSING CONDENSED NET POSITION
 December 31, 2021

	Governmental Activities	Business-Type Activities	Total 2021	Total 2020
Assets				
Current and Other Assets	\$ 13,804,239	3,459,448	17,263,687	14,796,589
Capital Assets, Net of Depreciation	19,369,801	16,615,150	35,984,951	37,901,748
Total Assets	33,174,040	20,074,598	53,248,638	52,698,337
Deferred Outflows of Resources	1,064,698	73,113	1,137,811	1,339,633
Liabilities				
Current and Other Liabilities	1,276,701	268,004	1,544,705	602,859
Long-Term Liabilities	17,006,387	10,222,522	27,228,909	31,180,066
Total Liabilities	18,283,088	10,490,526	28,773,614	31,782,925
Deferred Inflows of Resources	5,268,232	71,386	5,339,618	3,873,013
Net Position				
Net Investment in Capital Assets	7,694,468	6,604,386	14,298,854	13,616,282
Restricted for Expendable - Debt Service	135,290	-	135,290	91,434
Unrestricted	2,857,660	2,981,413	5,839,073	4,674,316
Total Net Position	\$ 10,687,418	9,585,799	20,273,217	18,382,032

A portion of the City of Lansing's net assets \$135,290 represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets \$5,839,073 may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current calendar year, the City of Lansing can report positive balances in all three categories of net assets for the government as a whole.

CITY OF LANSING, KANSAS
MANAGEMENT'S DISCUSSION AND ANALYSIS

CITY OF LANSING CONDENSED STATEMENT OF ACTIVITIES
December 31, 2021

Functions/Programs	Expenses	Program Revenues		Net (Expenses) Revenues and Change in Net Position		Totals	
		Charges For Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	2021	2020
Governmental Activities							
General Government	\$ (2,001,425)	636,999	1,821	(1,362,605)	-	(1,362,605)	(233,674)
Public Safety	(2,103,459)	8,730	-	(2,094,729)	-	(2,094,729)	(2,112,417)
Public Works	(2,963,174)	92,123	138,051	(2,733,000)	-	(2,733,000)	(2,271,725)
Library	(324,260)	4,453	16,882	(302,925)	-	(302,925)	(302,553)
Culture and Recreation	(1,212,051)	50,447	-	(1,161,604)	-	(1,161,604)	(892,739)
Interest	(390,238)	-	-	(390,238)	-	(390,238)	(449,617)
Total Governmental Activities	(8,994,607)	792,752	156,754	(8,045,101)	-	(8,045,101)	(6,262,725)
Business-Type Activities							
Sewer Utility	(2,458,196)	3,339,659	-	-	881,463	881,463	43,500
Refuse Utility	(559,824)	606,716	-	-	46,892	46,892	(121,717)
Total Business-Type Activities	(3,018,020)	3,946,375	-	-	928,355	928,355	(78,217)
Total	\$ (12,012,627)	4,739,127	156,754	(8,045,101)	928,355	(7,116,746)	(6,340,942)
General Revenues and Transfers							
Property Tax				\$ 4,379,249	-	4,379,249	4,174,186
Sales Tax				3,176,677	-	3,176,677	2,810,259
Franchise Tax				680,517	-	680,517	654,021
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Alcoholic Beverage Tax				53,826	-	53,826	48,926
Transient Guest Tax				200,109	-	200,109	135,739
Use of Money or Property				122	75	197	13,372
Gain (Loss) on Sale of Assets				28,333	-	28,333	24,108
Total General Revenues and Transfers				9,007,856	75	9,007,931	8,321,268
Change in Net Position				962,755	928,430	1,891,185	1,980,326
Net Position - Beginning of Year				9,835,245	8,546,787	18,382,032	16,165,586
Prior Period Restatement				(110,582)	110,582	-	236,120
Net Position - End of Year				\$ 10,687,418	9,585,799	20,273,217	18,382,032

As further explained in Note 11, the financial statements have been restated to accurately reflect the General Obligation Bonds for various sewer projects in the Wastewater Fund that was previously recorded in the Bond and Interest Fund.

Financial Analysis of the Government's Funds

As noted earlier, the City of Lansing uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The financial reporting focus of the City of Lansing's *governmental funds* is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information may be useful in assessing the City of Lansing's financing requirements. In particular, *unreserved fund balance* may serve as useful measure of a government's net resources available for spending at the end of the calendar year.

As of the end of the current calendar year, the City of Lansing's governmental funds reported combined ending fund balances of \$6,376,109. Of this total amount \$3,323,891 constitutes the portion of the fund balance which is available to meet the future financial needs of the City. The remainder of the fund balance is nonspendable, restricted, or assigned to indicate that it is not available for new spending because it has already been expended.

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The unrestricted net assets of the two enterprise funds totaled \$2,981,413.

General Fund Budgetary Highlights

The City continues to develop long term strategies to manage debt, while limiting the fiscal burden on the citizens of Lansing. Management is watching the City's debt load to ensure that future revenues will be sufficient to retire the debt without jeopardizing essential City services.

Revenues for the general fund operations were more than estimated by \$714,789, and departmental expenditures on the budgetary basis were less than appropriated amounts by \$1,014,849.

Transfers out of the general fund totaled \$1,035,000 for the year ended December 31, 2021 (see Statement of Revenues, Expenditures and Change in Fund Balances on page 14 of this report).

Revenues from ad valorem taxes represented the largest general fund revenue source with collections totaling \$2.37 million or 41% of all general fund revenues. At \$2.60 million or 40% of all general fund revenue collected, current year retail sales and use taxes represent the second largest revenue source for the general fund. The Mill Levy increased by .016 mills in 2021, to 41.571 mills.

Enterprise Operations

The City's enterprise operations consist of two separately accounted for operations which are administered by two different departments: Finance and Wastewater. Operating revenues for the City's combined enterprise operations *increased* by \$941,206.

Capital Asset and Debt Administration

Capital assets. The City of Lansing's investment in capital assets for its governmental and business type activities as of December 31, 2021 amount to \$35,984,951 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, buildings, machinery and equipment, park and municipal facilities, roads, highways and sidewalks. The total increase in the City of Lansing's investment in capital assets for the current calendar year was \$720,198. Details of the City of Lansing's capital assets are continued in Note 3 to financial statements on page 29.

Long-term debt. At the end of the current calendar year, the City of Lansing had total bonded debt outstanding of \$23,933,489, which comprises debt backed by the full faith and credit of the City. (More detailed information about the agency's long-term liabilities is presented in Note 4 to the financial statement on pages 30-31).

The City of Lansing's total debt decreased by 10.19% during the current year.

Economic Factors and Next Year's Budgets and Rates

The local economy of City of Lansing continues to show growth despite the impact of COVID-19. Sales tax revenues continue to increase. The city still endeavors to limit expenditures to ensure long-term financial sustainability. The assessed valuation is estimated to change significantly for 2022. The most recent data indicates that valuations will increase between 11% and 13%.

In adopting the budget for the ensuing calendar year 2022, City officials considered many factors in making judgments and estimates about the finances of the upcoming year. The biggest consideration was still the impact of COVID-19 on revenues such as sales and use tax. The Revenue Neutral Rate (SB 13)

was also a factor in budget preparation. Thus, City officials remained conservative with revenue projections.

Upcoming and current capital projects scheduled are:

- Street, Sidewalk and Drainage Projects
- Construction of a Baseball/Softball Complex at Bernard Park
- K7 & Eisenhower Intersection Improvements
- Development in Towne Centre
- McIntyre Sewer Project

The primary objective of the Council was to continue to provide basic city services to the citizens, while attempting to keep the property tax rate substantially the same. The City's Mill Levy rate of 41.571 in 2021 decreased to 41.027 for 2022.

Requests for Information

This financial report is designed to provide a general overview of the City of Lansing's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report, or requests for additional financial information should be addressed to the Finance Department, 800 1st Terrace, Lansing, Kansas 66043.

Elizabeth Sanford
Finance Director
City of Lansing, Kansas

CITY OF LANSING, KANSAS
 Statement of Net Position
 December 31, 2021
 (With Comparative Totals as of December 31, 2020)

<u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>	Governmental Activities	Business-Type Activities	Totals	
			2021	2020
Assets				
Cash and Cash Equivalents	\$ 7,357,755	2,825,843	10,183,598	8,169,184
Receivables, Net of Allowance	3,959,406	630,806	4,590,212	4,341,098
Prepaid Expenses	410,174	2,799	412,973	135,541
Assets Held for Sale	2,076,904	-	2,076,904	2,150,765
Capital Assets				
Land	1,353,970	19,547	1,373,517	1,311,517
Depreciable Buildings, Property and Equipment, Net of Depreciation	18,015,831	16,595,603	34,611,434	36,488,485
Construction in Progress	-	-	-	35,465
Asset Not in Use	-	-	-	66,281
Total Assets	33,174,040	20,074,598	53,248,638	52,698,336
Deferred Outflows of Resources				
Pension Plan	1,064,698	73,113	1,137,811	1,339,633
Total Assets and Deferred Outflows of Resources	34,238,738	20,147,711	54,386,449	54,037,969
 <u>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</u>				
Liabilities				
Accounts Payable	169,694	115,156	284,850	253,153
Customer Deposits	-	21,150	21,150	20,925
Accrued Interest Payable	121,912	98,457	220,369	242,619
Salaries and Wages Payable	73,332	33,241	106,573	86,161
Deferred Revenue - Grants	911,763	-	911,763	-
Noncurrent Liabilities				
Net Pension Liability	3,083,662	211,758	3,295,420	4,531,090
Due Within One Year	1,233,750	1,293,819	2,527,569	2,692,209
Due in More Than One Year	12,688,975	8,716,945	21,405,920	23,956,767
Total Liabilities	18,283,088	10,490,526	28,773,614	31,782,924
Deferred Inflows of Resources				
Deferred Receivable - Property Taxes	4,196,436	-	4,196,436	3,732,851
Pension Plan	1,039,544	71,386	1,110,930	102,535
Early Debt Refunding	32,252	-	32,252	37,627
Total Deferred Inflows of Resources	5,268,232	71,386	5,339,618	3,873,013
Total Liabilities and Deferred Inflows of Resources	23,551,320	10,561,912	34,113,232	35,655,937
 <u>NET POSITION</u>				
Net Investment in Capital Assets	7,694,468	6,604,386	14,298,854	13,578,656
Restricted for Expendable - Debt Service	135,290	-	135,290	91,434
Unrestricted	2,857,660	2,981,413	5,839,073	4,711,942
Total Net Position	\$ 10,687,418	9,585,799	20,273,217	18,382,032

Notes to the financial statements are an integral part of these statements.

CITY OF LANSING, KANSAS
 Statement of Activities
 For the Year Ended December 31, 2020
 (With Comparative Totals as of December 31, 2020)

	Expenses	Program Revenues		Net (Expenses) Revenues and Change in Net Position		Totals	
		Charges For Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	2021	2020
Governmental Activities							
General Government	\$ (2,001,425)	636,999	1,821	(1,362,605)	-	(1,362,605)	(233,674)
Public Safety	(2,103,459)	8,730	-	(2,094,729)	-	(2,094,729)	(2,112,417)
Public Works	(2,963,174)	92,123	138,051	(2,733,000)	-	(2,733,000)	(2,271,725)
Library	(324,260)	4,453	16,882	(302,925)	-	(302,925)	(302,553)
Culture and Recreation	(1,212,051)	50,447	-	(1,161,604)	-	(1,161,604)	(892,739)
Interest	(390,238)	-	-	(390,238)	-	(390,238)	(449,617)
Total Governmental Activities	(8,994,607)	792,752	156,754	(8,045,101)	-	(8,045,101)	(6,262,725)
Business-Type Activities							
Wastewater Utility	(2,458,196)	3,339,659	-	-	881,463	881,463	43,500
Solid Waste Utility	(559,824)	606,716	-	-	46,892	46,892	(121,717)
Total Business-Type Activities	(3,018,020)	3,946,375	-	-	928,355	928,355	(78,217)
Total	\$ (12,012,627)	4,739,127	156,754	(8,045,101)	928,355	(7,116,746)	(6,340,942)
		General Revenues					
				\$ 4,379,249	-	4,379,249	4,174,186
				3,176,677	-	3,176,677	2,810,259
				680,517	-	680,517	654,021
				489,023	-	489,023	460,657
				53,826	-	53,826	48,926
				200,109	-	200,109	135,739
				122	75	197	13,372
				28,333	-	28,333	24,108
			Total General Revenues	9,007,856	75	9,007,931	8,321,268
			Change in Net Position	962,755	928,430	1,891,185	1,980,326
			Net Position - Beginning of Year	9,835,245	8,546,787	18,382,032	16,165,586
			Prior Period Restatement	(110,582)	110,582	-	236,120
			Net Position - End of Year	\$ 10,687,418	9,585,799	20,273,217	18,382,032

The notes to the financial statements are an integral part of these statements.

CITY OF LANSING, KANSAS
 Balance Sheet
 Governmental Funds
 December 31, 2021
 (With Comparative Totals as of December 31, 2020)

	General Fund	Bond and Interest Fund	Capital Improvement Fund	ARPA Fund	Other Governmental Funds	Totals	
						2021	2020
<u>ASSETS</u>							
Assets							
Cash and Cash Equivalents	\$ 3,519,779	372,321	965,724	511,763	1,988,168	7,357,755	5,993,544
Property Taxes Receivable	2,744,033	904,041	-	-	311,332	3,959,406	3,732,851
Prepaid Expenses	10,174	-	-	400,000	-	410,174	130,475
Total Assets	\$ 6,273,986	1,276,362	965,724	911,763	2,299,500	11,727,335	9,856,870
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</u>							
Liabilities							
Accounts Payable	\$ 104,017	-	-	-	65,677	169,694	202,607
Salaries and Wages Payable	64,428	-	-	-	8,905	73,333	54,016
Deferred Revenue - Grants	-	-	-	911,763	-	911,763	-
Total Liabilities	168,445	-	-	911,763	74,582	1,154,790	256,623
Deferred Inflows of Resources							
Deferred Receivable - Property Taxes	2,744,033	1,141,072	-	-	311,331	4,196,436	3,732,851
Total Liabilities and Deferred Inflows of Resources	2,912,478	1,141,072	-	911,763	385,913	5,351,226	3,989,474
Fund Balance							
Nonspendable	10,174	-	-	-	-	10,174	130,475
Restricted	27,443	135,290	965,724	-	1,812,058	2,940,515	1,824,753
Assigned	-	-	-	-	101,529	101,529	994,340
Unassigned	3,323,891	-	-	-	-	3,323,891	2,917,828
Total Fund Balance	3,361,508	135,290	965,724	-	1,913,587	6,376,109	5,867,396
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 6,273,986	1,276,362	965,724	911,763	2,299,500	11,727,335	9,856,870

The notes to the financial statements are an integral part of these statements.

CITY OF LANSING, KANSAS
 Reconciliation of the Statement of Net Position to the
 Balance Sheet for Governmental Funds
 December 31, 2021

Fund balances of governmental funds from the balance sheet.	\$ 6,376,109
Amounts reported for governmental activities in the statement of net position differ from the fund balances of governmental funds on the preceding balance sheet as shown in the following reconciliation:	
Capital assets and construction in process, net of depreciation, have not been included as financial resources in governmental fund activity on the balance sheet.	21,446,705
Long-term debt has not been included in the governmental funds activity on the balance sheet.	
General Obligation Bonds	(13,710,564)
Capital Leases	(9,421)
Compensated Absences	(202,740)
Net pension liability has not been included in the governmental fund activity on the balance sheet.	(3,083,662)
Deferred pension contributions and other resulting from the pension liability are recognized as deferred outflows and inflows on the balance sheet.	25,154
Early debt refunding has not been included in the governmental fund activity on the balance sheet.	(32,252)
Accrued interest payable for the current portion of interest due on bonds and capital leases has not been reported in the governmental funds on the balance sheet.	<u>(121,911)</u>
Net position of governmental activities as reported.	<u>\$ 10,687,418</u>

The notes to the financial statements are an integral part of these statements.

CITY OF LANSING, KANSAS
 Statement of Revenues, Expenditures, and Changes in Fund Balance
 Governmental Funds
 December 31, 2021
 (With Comparative Totals for the Year Ended December 31, 2020)

	General Fund	Bond and Interest Fund	Capital Improvement Fund	ARPA Fund	Other Governmental Funds	Totals	
						2021	2020
Revenues							
Taxes	\$ 5,300,470	1,441,838	-	-	1,556,577	8,298,885	7,629,767
Intergovernmental	1,821	-	138,051	-	16,882	156,754	2,053,924
Licenses, Permits and Franchise Fees	833,046	-	-	-	-	833,046	764,893
Fines and Forfeitures	409,697	-	-	-	-	409,697	293,848
Interest	33	6	1	-	82	122	5,798
Other	34,084	391	91,916	-	224,226	350,617	160,149
Total Revenues	6,579,151	1,442,235	229,968	-	1,797,767	10,049,121	10,908,379
Expenditures							
General Government	1,901,199	-	-	-	179,281	2,080,480	4,171,175
Public Safety	2,067,892	-	-	-	44,333	2,112,225	2,166,669
Public Works	628,099	-	1,070,045	-	469,805	2,167,949	2,047,263
Culture and Recreation	633,756	-	-	-	611,127	1,244,883	971,493
Construction and Engineering	-	-	14,295	-	135,922	150,217	1,412,958
Debt Service	-	1,784,654	-	-	-	1,784,654	3,036,333
Small Business Grants	-	-	-	-	-	-	220,000
Total Expenditures	5,230,946	1,784,654	1,084,340	-	1,440,468	9,540,408	14,025,891
Excess (Deficit) of Revenues Over Expenditures	1,348,205	(342,419)	(854,372)	-	357,299	508,713	(3,117,512)
Other Financing Sources (Uses)							
Proceeds - General Obligation Bonds	-	-	-	-	-	-	1,000,000
Proceeds - Temporary Notes	-	-	-	-	-	-	2,210,000
Original Issue Premium	-	-	-	-	-	-	62,922
Bond Costs of Issuance	-	-	-	-	-	-	(55,262)
Transfers In	-	386,275	840,000	-	195,000	1,421,275	1,789,282
Transfers Out	(1,035,000)	-	-	-	(386,275)	(1,421,275)	(1,726,782)
Net Other Financing Sources (Uses)	(1,035,000)	386,275	840,000	-	(191,275)	-	3,280,160
Net Change in Fund Balance	313,205	43,856	(14,372)	-	166,024	508,713	162,648
Fund Balance - Beginning of Year	3,048,303	91,434	980,096	-	1,747,563	5,867,396	5,704,748
Fund Balance - End of Year	\$ 3,361,508	135,290	965,724	-	1,913,587	6,376,109	5,867,396

The notes to the financial statements are an integral part of these statements.

CITY OF LANSING, KANSAS
 Reconciliation of the Statement of Revenues,
 Expenditures, and Changes in Fund Balance of Governmental Funds
 to the Statement of Activities
 December 31, 2021

Net change in fund balance - total governmental funds	\$	508,713	
<p>Amounts reported for governmental activities in the statement of activities are different because of the following:</p>			
<p>Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which depreciation (\$1,149,584) and loss on sale of assets (\$91,757) and exceeded capital outlays (\$210,700) in the current period.</p>		(1,030,641)	
<p>Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Bond repayments were paid (\$1,374,553) and capital lease payments were made (\$4,208), which are recorded in the governmental funds as receipts and expenditures.</p>		1,378,761	
<p>The amortization of bond premiums and discounts affects long-term liabilities on the Statement of Net Position, but does not provide or consume current financial resources of the governmental</p>		53,934	
<p>Deferred refunding costs reduce current financial resources of governmental funds, but do not decrease long-term liabilities in the Statement of Net Position.</p>		5,375	
<p>An expense is recorded for pension liability when incurred. In the governmental funds, an expense is recorded when the benefits are paid.</p>		15,689	
<p>Accrued interest payable decreased from the prior year. This balance is not accounted for in the governmental funds. However, the changes are reflected in the statement of activities.</p>		20,919	
<p>An expense is recorded for compensated absences when incurred. In the governmental funds, an expense is recorded when the benefits are paid.</p>		<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border-top: 1px solid black; text-align: right;">10,005</td> </tr> </table>	10,005
10,005			
Change in net position of governmental activities.	\$	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="border-top: 1px solid black; border-bottom: 3px double black; text-align: right;">962,755</td> </tr> </table>	962,755
962,755			

The notes to the financial statements are an integral part of these statements.

CITY OF LANSING, KANSAS
 Statement of Net Position
 Proprietary Funds
 December 31, 2021
 (With Comparative Totals as of December 31, 2020)

<u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>	Business-Type Activities Enterprise Funds		Totals	
	Wastewater Fund	Solid Waste Fund	2021	2020
Current Assets				
Cash and Cash Equivalents	\$ 2,659,153	166,690	2,825,843	2,175,640
Receivables, Net of Allowance	547,202	83,604	630,806	608,247
Prepaid Expenses	2,799	-	2,799	5,066
Total Current Assets	3,209,154	250,294	3,459,448	2,788,953
Noncurrent Assets				
Capital Assets				
Land	19,547	-	19,547	19,547
Depreciable Buildings, Property, and Equipment, Net of Depreciation	16,595,603	-	16,595,603	17,520,155
Construction in Progress	-	-	-	35,465
Total Noncurrent Assets	16,615,150	-	16,615,150	17,575,167
Deferred Outflows of Resources				
Pension Plan	73,113	-	73,113	89,388
Total Assets and Deferred Outflows of Resources	19,897,417	250,294	20,147,711	20,453,508
<u>LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</u>				
Current Liabilities				
Accounts Payable	68,718	46,438	115,156	50,545
Salaries and Wages Payable	33,241	-	33,241	32,145
Customer Deposits	21,150	-	21,150	20,925
Accrued Interest Payable	98,457	-	98,457	99,790
Current Portion of General Obligation Bonds Payable	1,293,819	-	1,293,819	1,294,067
Total Current Liabilities	1,515,385	46,438	1,561,823	1,497,472
Noncurrent Liabilities				
Net Pension Liability	211,758	-	211,758	302,341
General Obligation Bonds Payable	8,716,945	-	8,716,945	10,100,066
Total Noncurrent Liabilities	8,928,703	-	8,928,703	10,402,407
Total Liabilities	10,444,088	46,438	10,490,526	11,899,879
Deferred Inflows of Resources				
Pension Plan	71,386	-	71,386	6,842
Total Liabilities and Deferred Inflows of Resources	10,515,474	46,438	10,561,912	11,906,721
<u>NET POSITION</u>				
Net Position				
Invested in Capital Assets, Net of Related Debt	6,604,386	-	6,604,386	6,181,034
Unrestricted	2,777,557	203,856	2,981,413	2,365,753
Total Net Position	\$ 9,381,943	203,856	9,585,799	8,546,787

The notes to the financial statements are an integral part of these statements.

CITY OF LANSING, KANSAS
Statement of Revenues, Expenses, and Changes in Net Position
Proprietary Funds
December 31, 2021
(With Comparative Totals for the Year Ended December 31, 2020)

	Business-Type Activities		Enterprise Funds	
	Wastewater	Solid Waste	Totals	
	Fund	Fund	2021	2020
Operating Revenue				
Wastewater Service Charges	\$ 3,098,623	-	3,098,623	2,570,644
Solid Waste Service Charges	-	605,178	605,178	429,814
Other Income	241,036	1,538	242,574	4,711
Total Operating Revenues	3,339,659	606,716	3,946,375	3,005,169
Operating Expenses				
Salaries, Wages, and Benefits	413,832	-	413,832	431,178
Purchased Services	213,345	-	213,345	258,564
Commodities	27,057	-	27,057	36,907
Insurance	39,183	-	39,183	31,068
Sewer Maintenance	439,822	-	439,822	413,230
Waste Collection	-	559,824	559,824	553,826
Depreciation and Amortization	1,018,898	-	1,018,898	985,917
Total Operating Expenses	2,152,137	559,824	2,711,961	2,710,690
Net Operating Income	1,187,522	46,892	1,234,414	294,479
Nonoperating Revenues (Expenses)				
Interest Income	69	6	75	7,574
Bond Issuance Costs	-	-	-	(52,215)
Bond Interest	(306,059)	-	(306,059)	(320,481)
Total Nonoperating Revenues	(305,990)	6	(305,984)	(365,122)
Net Income Before Capital Contributions and Transfers	881,532	46,898	928,430	(70,643)
Capital Contributions and Transfers				
Transfers Out	-	-	-	(62,500)
Contributed Capital	-	-	-	2,054,058
Net Capital Contributions and Transfers	-	-	-	1,991,558
Change in Net Position	881,532	46,898	928,430	1,920,915
Net Position - Beginning of Year	8,389,829	156,958	8,546,787	13,202,652
Prior Period Restatement	110,582	-	110,582	(6,576,780)
Net Position - End of Year	\$ 9,381,943	203,856	9,585,799	8,546,787

The notes to the financial statements are an integral part of these statements.

CITY OF LANSING, KANSAS
 Statement of Cash Flows
 Proprietary Funds
 December 31, 2021
 (With Comparative Totals as of December 31, 2020)

	Business-type Activities		Enterprise Funds	
	Wastewater	Solid Waste	Totals	
	Fund	Fund	2021	2020
Cash Flows From Operating Activities				
Receipts From Customers	\$ 3,313,612	610,204	3,923,816	3,421,586
Payments to Suppliers	(652,373)	(559,755)	(1,212,128)	(1,336,675)
Payments to Employees	(422,500)	-	(422,500)	(431,177)
Net Cash Provided by Operating Activities	<u>2,238,739</u>	<u>50,449</u>	<u>2,289,188</u>	<u>1,653,734</u>
Cash Flows From Investing Activities				
Interest on Investments and Deposits	69	6	75	7,574
Cash Flows From Noncapital Financing Activities				
Transfers to Other Funds	-	-	-	(62,500)
Cash Flows From Capital and Related Financing Activities				
Purchase and Construction of Capital Assets	(107,948)	-	(107,948)	(388,679)
General Obligation Bond Proceeds	-	-	-	3,180,000
Principal Payments - General Obligation Bonds	(1,210,447)	-	(1,210,447)	(4,355,000)
Bond Refunding	-	-	-	135,599
Interest Payments	(320,665)	-	(320,665)	(362,796)
Net Cash Used by Capital and Related Financing Activities	<u>(1,639,060)</u>	<u>-</u>	<u>(1,639,060)</u>	<u>(1,790,876)</u>
Net Increase (Decrease) in Cash	599,748	50,455	650,203	(192,068)
Cash - Beginning of Year	<u>2,059,405</u>	<u>116,235</u>	<u>2,175,640</u>	<u>2,367,708</u>
Cash - End of Year	<u>\$ 2,659,153</u>	<u>166,690</u>	<u>2,825,843</u>	<u>2,175,640</u>
Reconciliation of Net Operating Income to Net Cash Provided by Operating Activities				
Net Operating Income	\$ 1,187,522	46,892	1,234,414	294,479
Adjustments to Reconcile Net Operating Income to Net Cash Provided by Operating Activities				
Depreciation and Amortization	1,018,898	-	1,018,898	985,917
(Increase) Decrease in Accounts Receivable	(26,046)	3,488	(22,558)	450,818
(Increase) Decrease in Prepaid Expenses	2,267	-	2,267	(5,065)
(Increase) Decrease in Deferred Outflows	16,275	-	16,275	(36,470)
Increase (Decrease) in Accounts Payable	64,541	69	64,610	(82,592)
Increase (Decrease) in Accrued Liabilities	1,096	-	1,096	(10,307)
Increase (Decrease) in Customer Deposits	225	-	225	1,650
Increase (Decrease) in Net Pension Liability	(90,583)	-	(90,583)	58,780
Increase (Decrease) in Deferred Inflows	64,544	-	64,544	(3,476)
Net Cash Provided by Operating Activities	<u>\$ 2,238,739</u>	<u>50,449</u>	<u>2,289,188</u>	<u>1,653,734</u>

The notes to the financial statements are an integral part of these statements.

CITY OF LANSING, KANSAS
 Statement of Fiduciary Net Position
 Combined Fiduciary Funds
 December 31, 2021
 (With Comparative Totals as of December 31, 2020)

		<u>2021</u>	<u>2020</u>
	<u>ASSETS</u>		
Cash and Cash Equivalents		\$ <u>35,371</u>	<u>35,979</u>
	<u>LIABILITIES</u>		
Due to Others		\$ 17,453	17,935
Bonds Posted Escrow		<u>17,918</u>	<u>18,044</u>
Total Liabilities		\$ <u>35,371</u>	<u>35,979</u>

CITY OF LANSING, KANSAS
 Statement of Changes in Fiduciary Net Position
 Combined Fiduciary Funds
 December 31, 2021
 (With Comparative Totals as of December 31, 2020)

		<u>2021</u>	<u>2020</u>
Revenues	\$	-	-
Expenditures		<u>-</u>	<u>-</u>
Excess (Deficit) of Revenues Over Expenditures		-	-
Net Change in Fund Balance		<u>-</u>	<u>-</u>
Fund Balance - Beginning of Year	\$	<u>-</u>	<u>-</u>

The notes to the financial statements are an integral part of these statements.

CITY OF LANSING, KANSAS
Notes to Financial Statements
December 31, 2021

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting and reporting policies of **City of Lansing, Kansas**, relating to the funds included in the accompanying financial statements, conform to generally accepted accounting principles applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled Audits of State and Local Governments (GASB 34 Edition), and by the Financial Accounting Standards Board, when applicable. The following is a summary of such significant policies.

Financial Reporting Entity

The City is a municipal corporation governed by an elected mayor and eight-member council. The City receives funding from local, state, and federal governmental sources and must comply with the requirements of these funding sources. The financial statements of the City consist of all the funds of the City and governmental entities that are considered to be controlled by or dependent on the City. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and appointment of the respective governing board. The City does not have a legally separate component unit.

Use of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect certain reported amounts and disclosures that can affect these financial statements. Actual results could differ from those estimates.

Government-Wide and Fund Financial Statements

The government-wide financial statements, (i.e. the statement of net position and the statement of activities) report financial information for the City as a whole excluding fiduciary activities. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities reports the direct expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Direct expenses are those that are clearly identifiable with a specific function or segment.

Program revenues include charges for services which report fees, fines and forfeitures, and other charges to users of the City's services, operating grants which finance annual operating activities including investment income, and capital grants which fund the acquisition, construction, or rehabilitation of capital assets and include fees to developers. These revenues are subject to externally imposed restrictions to these program uses. Taxes and other revenue sources not properly included with program revenues are reported as general revenues.

Governmental fund financial statements distinguish revenues and expenditures from other financing sources and uses. Other financing sources and uses are increases or decreases in the fund balance of a governmental fund that are not considered revenues or expenditures. Only items identified as other financing sources and uses by authoritative standards may be classified as such (e.g. proceeds from the issuance of long-term debt and transfers between funds).

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise funds are

CITY OF LANSING, KANSAS
Notes to Financial Statements
December 31, 2021

charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major proprietary funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements, except for custodial funds, which have no measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Special assessments are recognized as revenue when levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fund Financial Statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available within the current period or soon enough thereafter to pay liabilities of the current period. The City considers all revenues available if they are collected within 60 days after year end. Expenditures are recorded when the liability is incurred; however, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Those revenues susceptible to accrual are franchise taxes, special assessments, investment earnings, and certain Federal and State grants and entitlements. Licenses, permits, fees for services, and fines are not susceptible to accrual, because generally they are not measurable until received in cash. While property taxes and special assessments are shown on the balance sheet as current assets of the City, they are not recognized as revenue at year-end, because statutory provisions prohibit their use until the year for which they were levied and budgeted. Instead, they are offset by deferred inflows accounts.

The government reports the following major governmental funds:

General Fund – The general fund is the main operating fund of the City. This fund is used to account for all financial resources of the City, except those required to be accounted for in other funds. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges, and capital improvement costs that are not paid through other funds are paid from the general fund.

Bond and Interest Fund – The bond and interest fund is used to account for the accumulation of financial resources for the payment of principal, interest, and related costs on general long-term debt paid primarily from taxes levied by the City. The fund balance of the bond and interest fund is reserved, to signify that amounts are restricted exclusively for bond and interest expenditures.

Capital Improvement Fund – The capital improvement fund accounts for the financial resources to be used for the acquisition or construction of major capital improvement projects of the City.

ARPA Fund – The ARPA fund accounts for the financial resources to be used for allowable expenditures under the American Rescue Plan Act of 2021.

CITY OF LANSING, KANSAS
Notes to Financial Statements
December 31, 2021

The government reports the following major proprietary funds:

Wastewater Fund – This fund provides accountability for all phases of operation and maintenance of the City’s public sewer system.

Solid Waste Fund – This fund accounts for solid waste operations and maintenance.

The government also reports the following fund types:

Special Revenue Fund – to account for the proceeds of specific revenue sources that are legally restricted to expenditure for a specified purpose.

Capital Projects Fund – to account for financial resources to be used for the acquisition of major capital facilities and capital assets.

Custodial Fund – to account for assets held by the City either as trustee or agent for others.

Budgetary Information

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

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least 10 days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

If the municipality is holding a revenue neutral rate hearing, the budget timeline for adoption of the final budget has been adjusted to on or before September 20th.

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 10 days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for the year ended December 31, 2021.

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 statements 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 modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements, 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. All unencumbered appropriations (legal budget expenditure authority) lapse at year end. Encumbrances outstanding at year end in the governmental funds

CITY OF LANSING, KANSAS
 Notes to Financial Statements
 December 31, 2021

are reported as reservations of fund balances and do not constitute liabilities because the commitments will be honored during subsequent years.

A legal operating budget is not required for capital project funds, fiduciary funds and the following special revenue fund: Police Equipment Reserve Fund, Equipment Reserve Fund, and ARPA Fund.

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

Fund	Expenses and Transfers Out Per Fund Statement	Encumbrances	Prepaid Expenses	Expenditures and Transfers Out Per Budget Basis
General Fund	\$ 6,265,946	27,443	(120,303)	6,173,086

Accounting for Capital Assets and Depreciation

Capital assets, which include property, plant, equipment and infrastructure, are reported in the applicable governmental or business-type activities columns of the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of three years. These assets are recorded at historical cost, estimated historical cost if actual cost is not available, or estimated fair value on the date donated.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The sale or disposal of capital assets is recorded by removing cost and accumulated depreciation from the accounts and charging the resulting gain or loss to income.

Capital assets of proprietary funds are capitalized and depreciated over the remaining useful lives of the related capital asset categories, as applicable.

Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Office Equipment	5 years
Infrastructure	30 years
Machinery and Equipment	7 to 10 years
Sewer Treatment Plant and Improvements	30 to 40 years

The City reports its infrastructure assets on a network and subsystem basis. Accordingly, the amounts spent for the construction or acquisition of infrastructure assets are capitalized and reported in the government-wide financial statements, regardless of their amount.

Statement of Cash Flows

For purposes of the statement of cash flows, the City considers all restricted and unrestricted, highly liquid deposits as cash.

Deposits and Investments

The City follows the practice of pooling cash and investments of all funds. Each fund's portion of total cash and investments is summarized by fund type in the combining balance sheet.

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 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 banks provide an

CITY OF LANSING, KANSAS
Notes to Financial Statements
December 31, 2021

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 rating of the City's investments is noted below.

As of December 31, 2021, the City had the following investments and maturities.

Investment Type	Fair Value	Investment Maturities (in years) Less than One	Rating
Kansas Municipal Investment Pool	\$ 2,232,720	2,232,720	N/A

Concentration of Credit Risk

State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405. The City's allocation of investments as of December 31, 2021, is as follows:

Investments	Percentage of Investments
Kansas Municipal Investment Pool	100%

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, except during designated "peak periods" when required coverage is 50%. The City did not use "peak periods" during 2021. All deposits were legally secured at December 31, 2021.

At December 31, 2021, the City's and Fiduciary's carrying amount of deposits, including certificates of deposit, was \$7,950,878 and \$35,371, respectively. The bank balance was \$8,204,933. The bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$250,000 was covered by FDIC insurance and \$7,954,933 was collateralized with securities held by the pledging financial institutions' agents in the City's name.

Custodial Credit Risk – Investments

For an investment, this is the risk that, in the event of the failure of the issuer or counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. State statutes require investments to be adequately secured.

Receivables

The City records utility revenues on a monthly basis. The balance shown as accounts receivable at December 31, 2021 is comprised of accounts considered to be collectible by management. Balances are stated at net of anticipated uncollectible accounts. For the year ended December 31, 2021, allowance for doubtful accounts was estimated at \$1,043,662.

Collection of current year property tax by the County Treasurer is not completed, apportioned nor distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing state

CITY OF LANSING, KANSAS
Notes to Financial Statements
December 31, 2021

statutes. Property taxes are collected and remitted to the County Treasurer. Taxes levied annually on November 1st are due one-half by December 20th and one-half by May 10th. Taxes are recognized as revenue in the year received. Delinquent tax payments are recognized as revenue in the year received. Consequently, current year property taxes receivable are not available as a resource that can be used to finance the current year operations of the City and therefore, are not susceptible to accrual. At December 31, such taxes are recorded as taxes receivable, net of anticipated delinquencies with a corresponding amount recorded as deferred inflows of resources on the balance sheet of the appropriate funds. It is not practicable to apportion delinquent taxes at the end of the year and, further, the amounts are not material in relation to the basic government financial statements.

Recognized state-shared taxes represent payments received during the current fiscal period. State statutes specify distribution dates for such shared taxes. For revenue recognition purposes, amounts collected and held by the State on behalf of the City at year end are not due and receivable until the ensuing year.

Prepaid Expenses

Payments made to vendors for goods or services that will benefit periods beyond the date of this report are recorded as prepaid expenses.

Compensated Absences

The City's policy is a general leave policy of paid time off (PTO). PTO shall be accrued by full-time employees and shall have a maximum amount of PTO accrual based on the chart below. Full-time employees are permitted to carryover 200 hours of PTO. Regular part-time employees shall accrue 1.85 hours per pay period and are permitted to carryover 80 hours. Upon separation from employment with the City, employees who terminate in good standing will be paid for all accrued but unused PTO at their current rate of pay. The City's maximum potential liability under the plan at December 31, 2021 has been estimated at \$202,740.

	Per Pay Period (26)		Per Year		*Employees Hired on or after 1/1/2018	
	Hours	Days	Hours	Days	Hours	Days
1st Year (Group 1)	3.08	0.38	80	10.00	*80	*10
2nd - 5th Year (Group 2)	3.69	0.46	96	12.00	*96	*12
6th - 9th Year (Group 3)	5.54	0.69	144	18.00	*144	*18
10th Year & Beyond (Group 4)	7.38 or *6.46	0.92 or *0.81	192	24.00	*168	*21

Deferred Compensation Plan

City employees may participate in a deferred compensation plan created in accordance with Internal Revenue Code Section 457(b). Permanent and part-time employees are eligible to participate under the plan. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. The employee is responsible for the amount of deferred compensation to be contributed. The amount selected is invested for the employee. The City is not required to make any contributions. The deferred compensation is not available to employees until termination, retirement, death, or in case of limited specific circumstances.

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.

CITY OF LANSING, KANSAS
Notes to Financial Statements
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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 City for this coverage. The premium is paid in full by the insured. There is no cost to the City under this program.

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, 2021. However, the cost of this benefit has not been quantified in these financial statements.

Deferred Outflows and Inflows of Resources

In addition to assets, the statement of net position may report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports a collective deferred inflow of resources related to pensions, which is described in more detail in Note 5 – Defined Benefit Pension Plan.

In addition to liabilities, the statement of net position may report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. Unavailable revenue, which arises only under a modified accrual basis of accounting, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenue from several sources: long-term accounts and notes receivable, forgivable loans, property taxes and special assessments. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Deferred revenues are reported in both the government-wide statement of net position and the governmental funds balance sheet for property tax receivable. Property taxes are not recognized as revenue until the period for which they are levied. Additionally, the City reports collective deferred inflow of resources related to pensions, which is described in more detail in Note 5 – Defined Benefit Pension Plan. The City also reports deferred charges on refunding which is the difference in the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Net Position and Fund Balance

In the government-wide and proprietary fund financial statements net position is classified into three components:

- Net investment in capital assets - consisting of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, leases, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- Restricted net position - consisting of net position with constraints placed on its use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The City first utilizes restricted resources to finance qualifying activities.
- Unrestricted net position - All other net position that does not meet the definition of "restricted" or "net investment in capital assets".

In the governmental fund financial statements, fund balance is comprised of five different classifications designed to disclose the hierarchy of constraints placed on how fund balance can be spent. The fund balance is classified as follows:

CITY OF LANSING, KANSAS
Notes to Financial Statements
December 31, 2021

- Non-spendable - Assets legally or contractually required to be maintained or are not in spendable form. Such constraint is binding until the legal requirement is repealed or the amounts become spendable.
- Restricted - Assets with externally imposed constraints, such as those mandated by creditors, grantors, and contributors, or laws and regulations. Such constraint is binding unless modified or rescinded by the applicable external body, laws, or regulations.
- Committed - Assets with a purpose formally imposed by resolution by the City Council, binding unless modified or rescinded by the City Council.
- Assigned - Comprised of amounts intended to be used by the City for specific purposes that are neither restricted nor committed. Intent is expressed by (1) the City Council or (2) a body or official to whom the City Council has delegated the authority to assign amounts to be used for specific purposes as prescribed by the City's fund balance and cash policy.
- Unassigned - All amounts not included in the other fund balance classifications. The general fund shall be the only fund to report positive unassigned fund balance. All other governmental funds may report negative unassigned fund balance.

In circumstances when an expenditure is made for a purpose which amounts are available in multiple fund balance classifications, fund balance is depleted in the order of restricted, committed, assigned, and unassigned.

Adoption of New Governmental Accounting Standards Board Statements

GASB Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*, enhances the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and simplifies accounting for interest cost incurred before the end of a construction period. This Statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. This Statement also reiterates that in financial statements prepared using the current financial resources measurement focus, interest cost incurred before the end of a construction period should be recognized as an expenditure on a basis consistent with governmental fund accounting principles.

Pending Governmental Accounting Standards Board Statements

At December 31, 2021, the Governmental Accounting Standards Board (GASB) has issued several statements not yet implemented by the City. The Statements that might impact the City are as follows:

GASB Statement No. 87, *Leases*, improves accounting and financial reporting for leases by governments. Statement 87 increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this Statement are effective for periods beginning after June 15, 2021, as a result of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*.

CITY OF LANSING, KANSAS
Notes to Financial Statements
December 31, 2021

GASB Statement No. 91, *Conduit Debt Obligations*, eliminates diversity in practice associated with government issuers' financial reporting of conduit debt obligations. The Statement achieves that objective by classifying the existing definition of a conduit debt obligation, establishing that a conduit debt obligation is not a liability of the issuer, establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations, and improving required note disclosures. The requirements for this statement are effective for periods beginning after December 15, 2021, as a result of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*.

GASB Statement No. 93, *Replacement of Interbank Offered Rates*, provides guidance where some governments have entered into agreements in which variable payments made or received depend on an interbank offered rate (IBOR) -most notably, the London Interbank Offered Rate (LIBOR). As a result of global reference rate reform, LIBOR is expected to cease to exist in its current form at the end of 2021, prompting governments to amend or replace financial instruments for the purpose of replacing LIBOR with other reference rates, by either changing the reference rate or adding or changing fallback provisions related to the reference rate. The requirements of this Statement are effective for periods beginning after June 15, 2021, as a result of GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance*.

GASB Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). A PPP is an arrangement in which a government contracts with an operator to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset, for a period of time in an exchange or exchange-like transaction. This statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs), which is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The requirements for this statement are effective for periods beginning after June 15, 2022.

GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The requirements for this statement are effective for periods beginning after June 15, 2022.

GASB Statement No. 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans*, (1) increases consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigates costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhances the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements for this statement are effective for periods beginning after June 15, 2021.

CITY OF LANSING, KANSAS
Notes to Financial Statements
December 31, 2021

NOTE 2 – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

City of Lansing, Kansas did not remit or provide a certificate to the state fiscal agent stating that funds are on deposit and held in trust for the payment of interest and principal at least 20 days prior to maturity of the bonds, which is a violation of K.S.A. 10-130.

NOTE 3 – CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2021, was as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Governmental				
Non-Depreciable Capital Assets				
Land	\$ 1,291,970	62,000	-	1,353,970
Capital Assets Not in Use	66,281	-	(66,281)	-
Total Non-Depreciable Capital Assets	1,358,251	62,000	(66,281)	1,353,970
Depreciable Capital Assets				
Buildings, Improvements, and Infrastructure	27,601,357	-	-	27,601,357
Vehicles	982,893	98,700	(195,484)	886,109
Machinery and Equipment	2,026,914	116,281	(21,750)	2,121,445
Total Depreciable Capital Assets	30,611,164	214,981	(217,234)	30,608,911
Accumulated Depreciation	(11,642,834)	(1,149,584)	199,338	(12,593,080)
Depreciable Capital Assets, Net of Accumulated Depreciation	18,968,330	(934,603)	(17,896)	18,015,831
Governmental Activities, Capital Assets Net of Accumulated Depreciation	\$ 20,326,581	(872,603)	(84,177)	19,369,801
Business-Type Activities				
Non-Depreciable Capital Assets				
Land	\$ 19,547	-	-	19,547
Construction in Progress	35,465	107,948	(143,413)	-
Total Non-Depreciable Capital Assets	55,012	107,948	(143,413)	19,547
Depreciable Capital Assets				
Buildings, Improvements, and Infrastructure	31,626,169	143,413	-	31,769,582
Furniture and Fixtures	133,203	-	-	133,203
Vehicles	263,566	-	-	263,566
Machinery and Equipment	653,147	-	-	653,147
Total Depreciable Capital Assets	32,676,085	143,413	-	32,819,498
Accumulated Depreciation	(15,155,930)	(1,067,965)	-	(16,223,895)
Depreciable Capital Assets, Net of Accumulated Depreciation	17,520,155	(924,552)	-	16,595,603
Business-Type Activities, Capital Assets Net of Accumulated Depreciation	\$ 17,575,167	(816,604)	(143,413)	16,615,150

CITY OF LANSING, KANSAS
Notes to Financial Statements
December 31, 2021

NOTE 4 – LONG-TERM DEBT

General Obligation Bonds and Temporary Notes

The City issues General Obligation Bonds (G.O. Bonds) and Temporary Notes to provide funds for the acquisition and construction or improvement of major capital assets. G.O. Bonds and Temporary Notes have been issued and are listed as outstanding by type as follows:

Governmental Activities

	<u>Date Issued</u>	<u>Due Date</u>	<u>Original Amount</u>	<u>Amount Outstanding</u>	<u>Interest Rate</u>
General Obligation Bonds					
Street and Infrastructure Improvements and Refunding	2015	2030	\$ 7,130,000	\$ 5,320,000	2.25-4.00%
Street and Infrastructure Improvements and Refunding	2016	2021	1,615,000	-	3.00%
Street Improvements	2018	2038	5,500,000	4,875,000	3.00-4.00%
Street Improvements Refunding	2020	2028	891,029	891,029	1.00-3.00%
Temporary Note					
Towne Centre Land Acquisition	2020	2024	2,210,000	2,210,000	0.30%
Capital Lease - Direct Borrowing					
Computer Equipment	2019	2023	22,800	9,421	7.49%

Business Activities

General Obligation Bonds					
Street and Infrastructure Improvements and Refunding	2016	2036	6,520,000	5,235,000	3.00%
Sewer Improvements	2019	2039	2,065,000	1,960,000	3.00-4.00%
Sewer Improvements Refunding	2020	2028	2,208,971	2,208,971	1.00-3.00%

The annual requirements to retire G.O. Bonds and Temp Notes as of December 31, 2021 are as follows:

<u>Year</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total</u>
2022	\$ 2,430,000	653,878	3,083,878
2023	2,505,000	570,478	3,075,478
2024	4,220,000	484,428	4,704,428
2025	1,505,000	414,348	1,919,348
2026	1,465,000	371,560	1,836,560
2027-2031	5,205,000	1,322,919	6,527,919
2032-2036	4,220,000	638,710	4,858,710
2037-2039	1,150,000	72,695	1,222,695
Total	\$ 22,700,000	4,529,016	27,229,016

The annual requirements to retire capital leases as of December 31, 2021 are as follows:

<u>Year</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Total</u>
2022	\$ 4,535	730	5,265
2023	4,886	379	5,265
Total	\$ 9,421	1,109	10,530

CITY OF LANSING, KANSAS
Notes to Financial Statements
December 31, 2021

Long-term debt activity for the year ended December 31, 2021 was as follows:

Governmental Activities

	Beginning Balance	Prior Period Restatement	Additions	Reductions	Ending Balance	Due Within One Year
General Obligation Bonds	\$ 12,350,000	110,582	-	1,374,553	11,086,029	1,185,248
Temporary Notes	2,210,000	-	-	-	2,210,000	-
Original Issue Premiums	468,469	-	-	53,934	414,535	43,968
Capital Leases - Direct Borrowing	13,629	-	-	4,208	9,421	4,534
Compensated Absences	212,745	-	-	10,005	202,740	-
Total	\$ 15,254,843	110,582	-	1,442,700	13,922,725	1,233,750

Business Activities

	Beginning Balance	Prior Period Restatement	Additions	Reductions	Ending Balance	Due Within One Year
General Obligation Bonds	\$ 10,725,000	(110,582)	-	1,210,447	9,403,971	1,244,752
Original Issue Premiums	576,220	-	-	49,067	527,153	49,067
Early Debt Refunding	92,913	-	-	13,273	79,640	-
Total	\$ 11,394,133	(110,582)	-	1,272,787	10,010,764	1,293,819

NOTE 5 – DEFINED BENEFIT PENSION PLAN

Plan Description

City of Lansing, Kansas participates in a cost-sharing multiple-employer defined benefit pension plan (Pension Plan), as defined in Governmental Accounting Standards Board Statement No. 67, Financial Reporting for Pension Plans. The Pension Plan is administered by the Kansas Public Employees Retirement System (KPERs), a body corporate and an instrumentality of the State of Kansas. KPERs provides benefit provisions to the following statewide pension groups under one plan, as provided by K.S.A. 74, article 49:

- Public Employees, which includes
 - State/School employees
 - Local employees
- Police and Firemen
- Judges

Substantially all public employees in Kansas are covered by the Pension Plan. Participation by local political subdivisions is optional, but irrevocable once elected.

Those employees participating in the Pension Plan for the Library are included in the Local employees group.

KPERs issues a stand-alone comprehensive annual financial report, which is available on the KPERs website at www.kpers.org.

Benefits

Benefits are established by statute and may only be changed by the Legislature. Members with ten or more years of credited service, may retire as early as age 55 (police and firemen may be age 50 with 20 years of credited service), with an actuarially reduced monthly benefit. Normal retirement is at age 65, age 62 with ten years of credited service, or whenever a member's combined age and years of service equal 85 "points". Police and firemen's normal retirement ages are age 60 with 15 years of credited service, age 55 with 20 years, age 50 with 25 years, or any age with 36 years of service.

CITY OF LANSING, KANSAS
Notes to Financial Statements
December 31, 2021

Monthly retirement benefits are based on a statutory formula that includes final average salary and years of service. When ending employment, members may withdraw their contributions from their individual accounts, including interest. Members who withdraw their accumulated contributions lose all rights and privileges of membership. For all pension coverage groups, the accumulated contributions and interest are deposited into and disbursed from the membership accumulated reserve fund as established by K.S.A. 74-4922.

Members choose one of seven payment options for their monthly retirement benefits. At retirement a member may receive a lump sum payment of up to 50% of the actuarial present value of the member's lifetime benefit. The monthly retirement benefit is then permanently reduced based on the amount of the lump sum. Benefit increases, including ad hoc post-retirement benefit increases, must be passed into law by the Kansas Legislature. Benefit increases are under the authority of the Legislature and the Governor of the State of Kansas.

The 2012 Legislature made changes affecting new hires, current members and employers. A new cash balance retirement plan (KPERs 3) was created for new hires starting after January 1, 2015. Normal retirement age for KPERs 3 is 65 with 5 years of service or 60 with 30 years of service. Early retirement is available at age 55 with 10 years of service with a reduced benefit. Monthly benefit options are an annuity benefit based on the account balance at retirement.

For all pension coverage groups, the retirement benefits are disbursed from the retirement benefit payment reserve fund as established by K.S.A. 74-4922.

Contributions

Member contributions are established by state law, and are paid by the employee according to the provisions of Section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rates are determined based on the results of an annual actuarial valuation. The contributions and assets of all groups are deposited in the Kansas Public Employees Retirement Fund established by K.S.A. 74-4921. All of the retirement systems are funded on an actuarial reserve basis.

For fiscal years beginning in 1995, Kansas legislation established statutory limits on increases in contribution rates for KPERs employers. Annual increases in the employer contribution rates related to subsequent benefit enhancements are not subject to these limitations. The statutory cap increase over the prior year contribution rate is 1.2% of total payroll for the fiscal year ended June 30, 2021.

The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory employer capped contribution rate for local government employees are both 8.87%. The actuarially determined employer contribution rate (not including the 1% contribution rate for the Death and Disability Program) and the statutory employer capped contribution rate for police and firemen employees are both 22.80%. The member contribution rates as a percentage of eligible compensation for the fiscal year ended June 30, 2021 was 6.00% for local government employees and 7.15% for police and firemen.

Contributions to the pension plan for the City were \$201,266 for local government and \$262,227 for police and firemen for the year ended December 31, 2021.

Employer Allocations

Although KPERs administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense are determined separately for each of the following groups of the plan:

CITY OF LANSING, KANSAS
Notes to Financial Statements
December 31, 2021

- State/School
- Local
- Police and Fireman
- Judges

To facilitate the separate (sub) actuarial valuations, KPERS maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer and nonemployer allocations are applied to amounts presented in the schedules of pension amounts by employer and nonemployer.

The allocation percentages for the City's share of the collective pension amounts as of December 31, 2021 were based on the ratio of each employer's contributions to the total employer and nonemployer contributions of the group for the fiscal year ended June 30, 2021.

The contributions used exclude contributions made for prior service, excess benefits and irregular payments.

Net Pension Liability

Net pension liability activity for the year ended December 31, 2021 was as follows:

	Local Government	Police and Firemen
Net Pension Liability	\$1,423,369	\$1,872,051
Measurement Date	June 30, 2021	June 30, 2021
Valuation Date	December 31, 2020	December 31, 2020
City's Proportion	0.119%	0.196%
Change in Proportion	0.0018%	-0.0070%

Actuarial Assumptions

The actuarial valuation used the following actuarial assumptions applied to all periods included in the measurement:

Actuarial Cost Method	Entry age normal
Price inflation	2.75%
Salary increase	3.50 to 12.00%, including inflation
Investment rate of return net of investment expense, including price inflation	7.25%

Mortality rates were based on the RP 2014 Mortality Tables, with age setbacks and age set forwards as well as other adjustments based on different membership groups. Future mortality improvements are anticipated using Scale MP-2016.

The actuarial assumptions used in the December 31, 2020 valuation were based on the results of an actuarial experience study conducted for the three year period January 1, 2016 through December 31, 2018. The experience study is dated January 7, 2020.

The long-term expected rate of return of pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of

CITY OF LANSING, KANSAS
Notes to Financial Statements
December 31, 2021

return for each major asset class of the most recent experience study, dated January 7, 2020, as provided by KPERS' investment consultant, are summarized in the following table:

Asset Class	Long-Term Target Allocation	Long-Term Expected Real Rate of Return
U.S. Equities	23.50 %	5.20 %
Non-U.S. Equities	23.50	6.40
Private Equity	8.00	9.50
Private Real Estate	11.00	4.45
Yield Driven	8.00	4.70
Real Return	11.00	3.25
Fixed Income	11.00	1.55
Short-term Investments	4.00	0.25
Total	100.00 %	

Discount Rate

The discount rate used to measure the total pension liability was 7.25%. The local groups do not necessarily contribute the full actuarial determined rate. Based on legislation passed in 1993 and subsequent legislation, the employer contribution rates certified by the Board may not increase by more than the statutory cap. The statutory cap was 1.2%.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.25%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.25%) or 1 percentage point higher (8.25%) than the current rate:

	1% Decrease (6.25%)	Discount Rate (7.25%)	1% Increase (8.25%)
Local Employees	\$2,341,296	\$1,423,369	\$653,562
Police and Firemen	2,809,762	1,872,051	1,087,647

Pension Expense

For the year ended December 31, 2021, the City recognized pension expense of \$441,057, which includes the changes in the collective net pension liability, projected earnings on pension plan investments, and the amortization of deferred outflows of resources and deferred inflows of resources for the current period.

Deferred Outflows of Resources and Deferred Inflows of Resources

At December 31, 2021, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources for local employees and police and firemen:

CITY OF LANSING, KANSAS
 Notes to Financial Statements
 December 31, 2021

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between actual and expected experience	\$ 203,901	12,888
Net differences between projected and actual earnings on investments	-	996,567
Changes in assumptions	518,320	-
Changes in proportion	167,713	101,475
City contributions subsequent to measurement date	247,877	-
Total	\$ 1,137,811	1,110,930

The \$247,877 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the year ending December 31, 2022. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended December 31	
2022	\$ 48,687
2023	3,133
2024	(54,775)
2025	(236,905)
2026	18,864
Thereafter	-

NOTE 6 – INTERFUND TRANSFERS

Interfund transfers within the reporting entity are substantially for the purpose of subsidizing operating functions, funding capital projects and asset acquisitions, or maintaining debt service on a routine basis as authorized by Kansas statutes. The City’s operating transfers and statutory authority for the year ended December 31, 2021 were as follows:

From Fund	To Fund	Statutory Authority	Amount
General Fund	Consolidated Street and Highway Fund	K.S.A. 12-1,119	\$ 120,000
General Fund	Capital Improvement Fund	K.S.A. 12-1,118	840,000
General Fund	Equipment Reserve Fund	K.S.A. 12-1,117	75,000
Sales Tax (\$.45) Fund	Bond and Interest Fund	K.S.A. 12-197	386,275

NOTE 7 – CONTINGENCIES

City of Lansing, Kansas is party to various legal proceedings, such as foreclosure actions and tax appeals, which normally occur in governmental operations. The legal proceedings are not likely to have a material financial impact on the funds of the City.

City of Lansing, Kansas participates in numerous state and federal grant programs, which are governed by various rules and regulations for the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies; therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required. In the opinion of the City, any liability for reimbursement, which may arise as the result of the audits, is not believed to be material.

CITY OF LANSING, KANSAS
Notes to Financial Statements
December 31, 2021

NOTE 8 – RISK MANAGEMENT – CLAIMS AND JUDGMENTS

City of Lansing, Kansas is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

The City has been unable to obtain workers’ compensation insurance at a cost it considered to be economically justifiable. For this reason, the City joined together with other cities in the State to participate in the Kansas Eastern Region Insurance Trust (KERIT), a public entity risk pool currently operating as a common risk management and insurance program for 19 participating members. The agreement to participate provides that KERIT will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$1,000,000 for each insured event. During 2021, the City contributed \$65,332 to the fund for this insurance coverage. Additional premiums may be due if total claims for the pool are different than what has been anticipated by KERIT management.

The City carries commercial insurance for all other risks of loss including property, general liability, commercial, inland marine, crime, automobile, earthquake, cyber, umbrella, and public official/employment liability coverage. There were no significant reductions in insurance coverage from the prior year. Settled claims resulting from these risks have not exceeded insurance coverage in any of the past three calendar years.

NOTE 9 – TAX ABATEMENTS

The Neighborhood Revitalization Rebate Program provides property tax abatements to promote revitalization and development of the **City of Lansing, Kansas** by stimulating new construction and the rehabilitation, conservation or redevelopment of the area in order to protect the public health, safety or welfare of the residents. Abatements are obtained through application by the property owner, including proof that the improvements or construction have been made, and equal 95 percent in the first year of the additional property tax resulting from the increase in assessed value as a result of the improvements or construction. The abatement is on a sliding scale from 95% to 20% over a 10-year process. The amount of the abatement is deducted from the recipient’s County property tax bill. The total tax abatements for the year ended December 31, 2021 were \$29,180.

NOTE 10 – ENCUMBRANCES

Encumbrances included in fund balances as of December 31, 2021 are reported in the following table:

<u>Fund</u>	<u>Encumbrances</u>
Major Funds	
General Fund	\$ 27,443
Capital Improvement Fund	33,643
ARPA Fund	400,000
Wastewater Fund	497,939
Nonmajor Governmental Funds	<u>205,912</u>
Total Reporting Entity	\$ <u>1,164,937</u>

NOTE 11 – COMPARATIVE DATA AND RECLASSIFICATIONS

Comparative data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of the changes in **City of Lansing, Kansas’** financial position and operations. The comparative totals appear in the government-wide financial statements, fund financial statements, and the

CITY OF LANSING, KANSAS
Notes to Financial Statements
December 31, 2021

accompanying supplemental financial statements. Certain amounts in the prior year have been reclassified to conform to the presentation of the financial statements in the current year. These reclassifications have no effect on the City's net position.

NOTE 12 – RESTATEMENT OF PRIOR YEARS' FINANCIAL STATEMENTS

General Obligation Bonds should be reflected in the funds in which the debt will be paid. A prior period restatement was needed to accurately reflect the General Obligation Bonds for various sewer projects in the Wastewater Fund that was previously recorded in the Bond and Interest Fund. The net amount of \$110,582 is reflected in the governmental activities and \$110,582 in the proprietary funds. The prior period restatement to the entity as a whole was \$0.

NOTE 13 – SUBSEQUENT EVENTS

Management has evaluated subsequent events through May 19, 2022, which is the date the financial statements were available to be issued.

CITY OF LANSING, KANSAS

Required Supplementary Information

CITY OF LANSING, KANSAS
 General Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Year Ended December 31, 2021
 (With Comparative Totals for the Prior Year Ended December 31, 2020)

	2021			2020 Actual
	Original and Final Budget	Actual	Variance Over (Under)	
Revenues				
Property Tax	\$ 2,380,937	2,372,950	(7,987)	2,238,753
Motor Vehicle Tax	276,428	308,071	31,643	303,550
Local Alcoholic Liquor Tax	19,446	17,942	(1,504)	16,309
Sales Tax	1,129,000	1,985,532	856,532	1,839,359
Compensating Use Tax	854,000	615,974	(238,026)	465,355
Franchise Fees	667,450	680,517	13,067	654,021
Licenses and Permits	82,000	152,530	70,530	110,873
Fines and Forfeitures	353,600	409,697	56,097	293,848
Federal Aid	-	1,821	1,821	1,615,003
Interest	2,500	33	(2,467)	1,968
Other	99,000	34,083	(64,917)	38,992
Total Revenues	5,864,361	6,579,150	714,789	7,578,031
Expenditures				
General Government				
City Administrator	154,734	160,075	5,341	150,794
Administration	832,596	572,628	(259,968)	523,765
Municipal Court	204,689	204,186	(503)	196,983
Building Maintenance	74,118	74,584	466	65,010
Community Development	685,214	523,500	(161,714)	461,606
Information Technology	91,500	81,952	(9,548)	189,575
Finance Department	287,024	279,799	(7,225)	269,175
Public Safety				
Police	2,006,349	1,952,622	(53,727)	2,265,922
Emergency Preparedness	3,000	-	(3,000)	-
Public Works				
General	261,768	304,895	43,127	293,211
Streets	177,775	180,257	2,482	330,030
Street Lights	205,000	170,389	(34,611)	194,435
Culture and Recreation				
Parks and Recreation	563,520	517,102	(46,418)	517,513
Activity Center	134,692	113,358	(21,334)	115,750
Community Center	7,806	2,739	(5,067)	4,802
Contingency	463,150	-	(463,150)	-
Total Expenditures	6,152,935	5,138,086	(1,014,849)	5,578,571
Excess Revenues Over (Under) Expenditures	(288,574)	1,441,064	1,729,638	1,999,460
Other Financing Sources (Uses)				
Transfers In	75,000	-	(75,000)	62,500
Transfers Out	(1,035,000)	(1,035,000)	-	(1,194,000)
Net Other Financing Sources (Uses)	(960,000)	(1,035,000)	(75,000)	(1,131,500)
Excess Revenues and Other Financing Sources (Uses) Over (Under) Expenditures	(1,248,574)	406,064	1,654,638	867,960
Budgetary Basis Fund Balance - Beginning of Year	1,260,484	2,917,827	1,657,343	2,049,867
Budgetary Basis Fund Balance - End of Year	\$ 11,910	3,323,891	3,311,981	2,917,827
GAAP Adjustments				
Encumbrances		27,443		
Prepaid Expenses		10,174		
Fund Balance - End of Year	\$	3,361,508		

The notes to the financial statements are an integral part of these statements.

CITY OF LANSING, KANSAS
 Schedule of Proportionate Share of Collective Net Pension Liability
 Kansas Public Employees Retirement System
 December 31, 2021

Fiscal Year-End Measurement Date	December 31, 2021 June 30, 2021	December 31, 2020 June 30, 2020	December 31, 2019 June 30, 2019	December 31, 2018 June 30, 2018	December 31, 2017 June 30, 2017	December 31, 2016 June 30, 2016
KPERS						
The City's proportion of the collective net pension liability	0.119%	0.117%	0.118%	0.124%	0.110%	0.110%
The City's proportionate share of the net pension liability	\$ 1,423,369	2,025,861	1,649,682	1,727,017	1,595,387	1,701,593
The City's covered payroll	\$ 2,275,094	2,212,814	2,184,288	2,097,324	1,958,228	1,954,711
The City's proportionate share of the collective net pension liability as a percentage of its covered payroll	62.56%	91.55%	75.52%	82.34%	81.47%	87.05%
KP&F						
The City's proportion of the collective net pension liability	0.196%	0.203%	0.197%	0.178%	0.176%	0.182%
The City's proportionate share of the net pension liability	\$ 1,872,051	2,505,229	1,990,780	1,716,770	1,651,496	1,687,619
The City's covered payroll	\$ 1,099,025	1,114,203	1,049,088	905,865	880,889	845,319
The City's proportionate share of the collective net pension liability as a percentage of its covered payroll	170.34%	224.84%	189.76%	189.52%	187.48%	199.64%
Plan fiduciary net position as a percentage of the total pension liability	76.40%	66.30%	69.88%	68.88%	67.12%	65.09%

GASB No. 68 requires presentation of ten years. Until a full 10 year trend is compiled, the City will present information for those years for which information is available.

The notes to the financial statements are an integral part of these statements.

CITY OF LANSING, KANSAS
 Schedule of the City's Contributions
 Kansas Public Employees Retirement System
 December 31, 2021

	2021	2020	2019	2018	2017	2016
KPERS						
Contractually required contribution	\$ 199,857	193,080	188,581	186,844	172,284	175,942
Contributions in relation to the contractually required contribution	<u>199,857</u>	<u>193,080</u>	<u>188,581</u>	<u>186,844</u>	<u>172,284</u>	<u>175,942</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
The City's covered payroll	\$ 2,275,094	2,212,814	2,184,288	2,097,324	1,958,228	1,954,711
Contributions as a percentage of covered payroll	8.78%	8.73%	8.63%	8.91%	8.80%	9.00%
KP&F						
Contractually required contribution	\$ 245,781	245,882	222,322	177,496	173,590	180,472
Contributions in relation to the contractually required contribution	<u>245,781</u>	<u>245,882</u>	<u>222,322</u>	<u>177,496</u>	<u>173,590</u>	<u>180,472</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
The City's covered payroll	\$ 1,099,025	1,114,203	1,049,088	905,865	880,889	845,319
Contributions as a percentage of covered payroll	22.36%	22.07%	21.19%	19.59%	19.71%	21.35%

GASB No. 68 requires presentation of ten years. Until a full 10 year trend is compiled, the City will present information for those years for which information is available.

The notes to the financial statements are an integral part of these statements.

CITY OF LANSING, KANSAS
Notes to Required Supplementary Information
December 31, 2021

KPERs Pension Plan

Changes in assumptions.

As a result of the experience study completed in November 2016, there were several changes made to the actuarial assumptions and methods since the prior valuation are as follows:

- The price inflation assumption was lowered from 3.00% to 2.75%.
- The investment return assumption was lowered from 8.00% to 7.75%.
- The general wage growth assumption was lowered from 4.00% to 3.50%.
- The payroll growth assumption was lowered from 4.00% to 3.00%.

Changes from the November 2016 experience study that impacted individual groups are listed below:

KPERs

- The post-retirement health mortality assumption was changed to the RP-2014 Mortality Table, with adjustments to better fit the observed experience for the various KPERs groups. The most recent mortality improvement scale, MP-2016, is used to anticipate future mortality improvements in the valuation process through the next experience study.
- The active member mortality assumption was modified to also be based on the RP-2014 Employee Mortality Table with adjustments.
- The retirement rates for the select period (when first eligible for unreduced benefits under Rule of 85) were increased, but all other retirement rates were decreased.
- Disability rates were decreased for all three groups.
- The termination of employment assumption was increased for all three groups.
- The interest crediting rate assumption for KPERs 3 members was lowered from 6.50% to 6.25%.

KP&F

- The post-retirement healthy mortality assumption was changed to the RP-2014 Mortality Table with 1-year age set forward and the MP-2016, is used to anticipate future mortality improvements.
- The mortality assumption for disabled members was changed to the RP-2014 Disabled Lives Table (generational using MP-2016) with a 1-year age set forward.
- The active member mortality assumption was modified to the RP-2014 Employee Mortality Table with a 1-year age set forward with a 90% scaling factor.
- The retirement rates for Tier 1 were lowered and the ultimate assumed retirement age was changed from 63 to 65 for Tier 2.
- The termination of employment rates for Tier 2 were increased to better match the observed experience.

As a result of the experience study completed in January 2020, there were several changes made to the actuarial assumptions and methods since the prior valuation. The changes that impact all groups were effective December 31, 2019 and include:

- The investment return assumption was lowered from 7.75% to 7.25%.
- The general wage growth assumption was lowered from 3.50% to 3.25%.
- The payroll growth assumption was lowered from 3.00% to 2.75%.

Changes from the January 2020 experience study that impacted individual groups are listed below:

KPERs

- Retirement rates were adjusted to partially reflect observed experience.
- Termination rates were increased for most KPERs groups.

CITY OF LANSING, KANSAS
Notes to Required Supplementary Information
December 31, 2021

- Disability rates were reduced.
- Factors for the State group that are used to anticipate higher liabilities due to higher final average salary at retirement for pre-1993 hires were modified to better reflect actual experience.
- The administrative expense load for contributions rates was increased from 0.16% to 0.18%.

KP&F

- Retirement rates were adjusted to partially reflect observed experience.
- Factors for the KP&F group that are used to anticipate higher liabilities due to higher final average salary at retirement for pre-1993 hires were modified to better reflect actual experience.
- The administrative expense load for contributions rates was increased from 0.16% to 0.18%.

CITY OF LANSING, KANSAS

Supplementary Information

CITY OF LANSING, KANSAS
 Combining Balance Sheet
 Nonmajor Governmental Fund Types
 December 31, 2021
 (With Comparative Totals as of December 31, 2020)

		Special Revenue Funds	Capital Project Funds	Totals	
				2021	2020
<u>ASSETS</u>					
Cash and Cash Equivalents	\$	1,886,639	101,529	1,988,168	1,772,384
Property Taxes Receivable		311,332	-	311,332	301,195
Total Assets	\$	2,197,971	101,529	2,299,500	2,073,579
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE</u>					
Liabilities					
Accounts Payable	\$	65,677	-	65,677	17,961
Salaries and Wages Payable		8,905	-	8,905	6,860
Total Liabilities		74,582	-	74,582	24,821
Deferred Inflows of Resources					
Deferred Receivable - Property Taxes		311,331	-	311,331	301,195
Total Liabilities and Deferred Inflows of Resources		385,913	-	385,913	326,016
Fund Balance					
Restricted		1,812,058	-	1,812,058	1,710,996
Assigned		-	101,529	101,529	36,567
Total Fund Balance		1,812,058	101,529	1,913,587	1,747,563
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$	2,197,971	101,529	2,299,500	2,073,579

See independent auditors' report.

CITY OF LANSING, KANSAS
 Combining Balance Sheet
 Nonmajor Special Revenue Funds
 December 31, 2021
 (With Comparative Totals as of December 31, 2020)

	Transient	Mayor's	Special	Special	Sales	Park	Consolidated	Police	Equipment	Library	Totals	
	Guest Tax	Christmas	Alcohol	Parks and	Tax (\$.45)	Land	Street and	Equipment	Reserve	Fund	2021	2020
	Fund	Fund	Liquor	Recreation	Fund	Trust	Highway	Reserve	Reserve	Fund		
			Fund	Fund		Fund	Fund	Fund	Fund			
ASSETS												
Assets												
Cash and Cash Equivalents	\$ 235,284	16,756	38,597	181,636	660,514	24	333,009	40,479	208,340	172,000	1,886,639	1,720,329
Property Taxes Receivable	-	-	-	-	-	-	-	-	-	311,332	311,332	301,195
Total Assets	\$ 235,284	16,756	38,597	181,636	660,514	24	333,009	40,479	208,340	483,332	2,197,971	2,021,524
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCE												
Liabilities												
Accounts Payable	\$ -	-	-	-	62,111	-	1,064	-	-	2,502	65,677	2,473
Salaries and Wages Payable	-	-	-	-	-	-	4,772	-	-	4,133	8,905	6,860
Total Liabilities	-	-	-	-	62,111	-	5,836	-	-	6,635	74,582	9,333
Deferred Inflows of Resources												
Deferred Receivable - Property Taxes	-	-	-	-	-	-	-	-	-	311,331	311,331	301,195
Total Liabilities and Deferred Inflows of Resources	-	-	-	-	62,111	-	5,836	-	-	317,966	385,913	310,528
Fund Balance												
Restricted	235,284	16,756	38,597	181,636	598,403	24	327,173	40,479	208,340	165,366	1,812,058	1,710,996
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	\$ 235,284	16,756	38,597	181,636	660,514	24	333,009	40,479	208,340	483,332	2,197,971	2,021,524

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CITY OF LANSING, KANSAS
 Combining Balance Sheet
 Nonmajor Capital Project Funds
 December 31, 2021
 (With Comparative Totals as of December 31, 2020)

	<u>Towne Centre Fund</u>	<u>DeSoto Road Project Fund</u>	<u>Totals</u>	
			<u>2021</u>	<u>2020</u>
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 94,429	7,100	101,529	52,055
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities				
Accounts Payable	\$ -	-	-	15,488
Fund Balance				
Assigned	94,429	7,100	101,529	36,567
Total Liabilities and Fund Balance	\$ 94,429	7,100	101,529	52,055

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CITY OF LANSING, KANSAS
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
 Nonmajor Governmental Fund Types
 December 31, 2021
 (With Comparative Totals for the Prior Year Ended December 31, 2020)

	Special Revenue Funds	Capital Project Funds	Totals	
			2021	2020
Revenues				
Taxes	\$ 1,556,577	-	1,556,577	1,375,346
Intergovernmental	16,882	-	16,882	227,057
Interest	82	-	82	2,542
Other	152,120	72,106	224,226	53,801
Total Revenues	<u>1,725,661</u>	<u>72,106</u>	<u>1,797,767</u>	<u>1,658,746</u>
Expenditures				
General Government	179,281	-	179,281	2,328,305
Public Safety	44,333	-	44,333	16,018
Public Works	469,805	-	469,805	494,668
Culture and Recreation	611,127	-	611,127	334,595
Construction and Engineering	128,778	7,144	135,922	1,412,958
Small Business Grants	-	-	-	220,000
Total Expenditures	<u>1,433,324</u>	<u>7,144</u>	<u>1,440,468</u>	<u>4,806,544</u>
Excess (Deficit) of Revenues Over Expenditures	<u>292,337</u>	<u>64,962</u>	<u>357,299</u>	<u>(3,147,798)</u>
Other Financing Sources (Uses)				
Proceeds - General Obligation Bonds	-	-	-	2,210,000
Bond Costs of Issuance	-	-	-	(36,912)
Transfers In	195,000	-	195,000	597,507
Transfers Out	(386,275)	-	(386,275)	(532,782)
Net Other Financing Sources (Uses)	<u>(191,275)</u>	<u>-</u>	<u>(191,275)</u>	<u>2,237,813</u>
Net Change in Fund Balance	101,062	64,962	166,024	(909,985)
Fund Balance - Beginning of Year	<u>1,710,996</u>	<u>36,567</u>	<u>1,747,563</u>	<u>2,657,548</u>
Fund Balance - End of Year	<u>\$ 1,812,058</u>	<u>101,529</u>	<u>1,913,587</u>	<u>1,747,563</u>

See independent auditors' report.

CITY OF LANSING, KANSAS
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
 Nonmajor Special Revenue Funds
 December 31, 2021
 (With Comparative Totals for the Prior Year Ended December 31, 2020)

	Transient Guest Tax Fund	Mayor's Christmas Fund	Special Alcohol Liquor Fund	Special Parks and Recreation Fund	Sales Tax (\$.45) Fund	Park Land Trust Fund	Consolidated Street and Highway Fund	Police Equipment Reserve Fund	Equipment Reserve Fund	Library Fund	Totals	
											2021	2020
Revenues												
Taxes	\$ 200,109	-	17,942	17,942	575,171	-	404,257	-	-	341,156	1,556,577	1,375,345
Intergovernmental	-	-	-	-	-	-	-	-	-	16,882	16,882	227,057
Interest	1	-	-	32	41	-	6	-	2	-	82	2,542
Other	2,021	2,560	80	50,447	-	-	207	34,450	57,902	4,453	152,120	53,801
Total Revenues	<u>202,131</u>	<u>2,560</u>	<u>18,022</u>	<u>68,421</u>	<u>575,212</u>	<u>-</u>	<u>404,470</u>	<u>34,450</u>	<u>57,904</u>	<u>362,491</u>	<u>1,725,661</u>	<u>1,658,745</u>
Expenditures												
General Government	93,725	2,656	-	-	-	-	-	-	82,900	-	179,281	177,540
Public Safety	-	-	32,900	-	-	-	-	11,433	-	-	44,333	16,018
Public Works	-	-	-	-	-	-	469,805	-	-	-	469,805	494,668
Culture and Recreation	-	-	-	286,867	-	-	-	-	-	324,260	611,127	334,595
Construction and Engineering	-	-	-	-	128,778	-	-	-	-	-	128,778	39,474
Small Business Grants	-	-	-	-	-	-	-	-	-	-	-	220,000
Total Expenditures	<u>93,725</u>	<u>2,656</u>	<u>32,900</u>	<u>286,867</u>	<u>128,778</u>	<u>-</u>	<u>469,805</u>	<u>11,433</u>	<u>82,900</u>	<u>324,260</u>	<u>1,433,324</u>	<u>1,282,295</u>
Excess (Deficit) of Revenues Over Expenditures	<u>108,406</u>	<u>(96)</u>	<u>(14,878)</u>	<u>(218,446)</u>	<u>446,434</u>	<u>-</u>	<u>(65,335)</u>	<u>23,017</u>	<u>(24,996)</u>	<u>38,231</u>	<u>292,337</u>	<u>376,450</u>
Other Financing Sources (Uses)												
Transfers In	-	-	-	-	-	-	120,000	-	75,000	-	195,000	397,507
Transfers Out	-	-	-	-	(386,275)	-	-	-	-	-	(386,275)	(532,782)
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(386,275)</u>	<u>-</u>	<u>120,000</u>	<u>-</u>	<u>75,000</u>	<u>-</u>	<u>(191,275)</u>	<u>(135,275)</u>
Net Change in Fund Balance	<u>108,406</u>	<u>(96)</u>	<u>(14,878)</u>	<u>(218,446)</u>	<u>60,159</u>	<u>-</u>	<u>54,665</u>	<u>23,017</u>	<u>50,004</u>	<u>38,231</u>	<u>101,062</u>	<u>241,175</u>
Fund Balance - Beginning of Year	<u>126,878</u>	<u>16,852</u>	<u>53,475</u>	<u>400,082</u>	<u>538,244</u>	<u>24</u>	<u>272,508</u>	<u>17,462</u>	<u>158,336</u>	<u>127,135</u>	<u>1,710,996</u>	<u>1,469,821</u>
Fund Balance - End of Year	<u>\$ 235,284</u>	<u>16,756</u>	<u>38,597</u>	<u>181,636</u>	<u>598,403</u>	<u>24</u>	<u>327,173</u>	<u>40,479</u>	<u>208,340</u>	<u>165,366</u>	<u>1,812,058</u>	<u>1,710,996</u>

See independent auditors' report.

CITY OF LANSING, KANSAS
 Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
 Nonmajor Capital Project Funds
 December 31, 2021
 (With Comparative Totals for the Prior Year Ended December 31, 2020)

	<u>Towne Centre Fund</u>	<u>DeSoto Road Project Fund</u>	<u>Totals</u>	
			<u>2021</u>	<u>2020</u>
Revenues				
Other	\$ 72,106	-	72,106	-
Expenditures				
Construction and Engineering	-	7,144	7,144	3,524,248
Excess (Deficit) of Revenues Over Expenditures	<u>72,106</u>	<u>(7,144)</u>	<u>64,962</u>	<u>(3,524,248)</u>
Other Financing Sources (Uses)				
Proceeds - Temporary Notes	-	-	-	2,210,000
Bond Costs of Issuance	-	-	-	(36,912)
Transfers In	-	-	-	200,000
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,373,088</u>
Net Change in Fund Balances	72,106	(7,144)	64,962	(1,151,160)
Fund Balance - Beginning of Year	<u>22,323</u>	<u>14,244</u>	<u>36,567</u>	<u>1,187,727</u>
Fund Balance - End of Year	<u>\$ 94,429</u>	<u>7,100</u>	<u>101,529</u>	<u>36,567</u>

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CITY OF LANSING, KANSAS
Transient Guest Tax Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Year Ended December 31, 2021
 (With Comparative Totals for the Prior Year Ended December 31, 2020)

	2021		Variance Over (Under)	2020 Actual
	Original and Final Budget	Actual		
Revenues				
Taxes	\$ 70,000	200,109	130,109	135,739
Interest	50	1	(49)	51
Other	23,000	2,021	(20,979)	5,740
Total Revenues	<u>93,050</u>	<u>202,131</u>	<u>109,081</u>	<u>141,530</u>
Expenditures				
Contractual	41,447	23,692	(17,755)	24,121
Commodities	12,750	10,846	(1,904)	16,334
Events	82,060	59,187	(22,873)	45,628
Total Expenditures	<u>136,257</u>	<u>93,725</u>	<u>(42,532)</u>	<u>86,083</u>
Excess (Deficit) of Revenues Over Expenditures	(43,207)	108,406	151,613	55,447
Budgetary Basis Fund Balance - Beginning of Year	<u>43,207</u>	<u>126,878</u>	<u>83,671</u>	<u>71,431</u>
Budgetary Basis Fund Balance - End of Year	\$ <u>-</u>	<u>235,284</u>	<u>235,284</u>	<u>126,878</u>

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CITY OF LANSING, KANSAS

Mayor's Christmas Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended December 31, 2021

(With Comparative Totals for the Prior Year Ended December 31, 2020)

	2021		Variance Over (Under)	2020 Actual
	Original and Final Budget	Actual		
Revenues				
Other	\$ 4,000	2,560	(1,440)	2,329
Expenditures				
Personal Services	4,000	2,656	(1,344)	1,432
Contingency	15,954	-	(15,954)	-
Total Expenditures	19,954	2,656	(17,298)	1,432
Excess (Deficit) of Revenues Over Expenditures	(15,954)	(96)	15,858	897
Budgetary Basis Fund Balance - Beginning of Year	15,954	16,852	898	15,955
Budgetary Basis Fund Balance - End of Year	\$ -	16,756	16,756	16,852

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CITY OF LANSING, KANSAS
Special Alcohol Liquor Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Year Ended December 31, 2021
 (With Comparative Totals for the Prior Year Ended December 31, 2020)

	2021		Variance Over (Under)	2020 Actual
	Original and Final Budget	Actual		
Revenues				
Taxes	\$ 19,446	17,942	(1,504)	16,309
Interest	35	-	(35)	35
Other	-	80	80	-
Total Revenues	<u>19,481</u>	<u>18,022</u>	<u>(1,459)</u>	<u>16,344</u>
Expenditures				
Contractual	750	-	(750)	-
Capital Outlay	43,500	32,900	(10,600)	-
Contingency	26,052	-	(26,052)	-
Total Expenditures	<u>70,302</u>	<u>32,900</u>	<u>(37,402)</u>	<u>-</u>
Excess (Deficit) of Revenues Over Expenditures	(50,821)	(14,878)	35,943	16,344
Budgetary Basis Fund Balance - Beginning of Year	<u>50,821</u>	<u>53,475</u>	<u>2,654</u>	<u>37,131</u>
Budgetary Basis Fund Balance - End of Year	\$ <u>-</u>	<u>38,597</u>	<u>38,597</u>	<u>53,475</u>

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CITY OF LANSING, KANSAS
Special Parks and Recreation Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Year Ended December 31, 2021
 (With Comparative Totals for the Prior Year Ended December 31, 2020)

	2021		Variance Over (Under)	2020 Actual
	Original and Final Budget	Actual		
Revenues				
Taxes	\$ 19,446	17,942	(1,504)	16,309
Interest	525	32	(493)	962
Other	71,585	50,447	(21,138)	9,527
Total Revenues	91,556	68,421	(23,135)	26,798
Expenditures				
Culture and Recreation	465,007	286,867	(178,140)	20,243
Excess (Deficit) of Revenues Over Expenditures	(373,451)	(218,446)	155,005	6,555
Other Financing Sources (Uses)				
Transfers In	-	-	-	177,507
Excess Revenues and Other Financing Sources (Uses) Over (Under) Expenditures	(373,451)	(218,446)	155,005	184,062
Budgetary Basis Fund Balance - Beginning of Year	373,451	400,082	26,631	216,020
Budgetary Basis Fund Balance - End of Year	\$ -	181,636	181,636	400,082

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CITY OF LANSING, KANSAS

Sales Tax (\$.45) Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended December 31, 2021

(With Comparative Totals for the Prior Year Ended December 31, 2020)

	2021		Variance Over (Under)	2020 Actual
	Original and Final Budget	Actual		
Revenues				
Taxes	\$ 390,000	575,171	185,171	505,545
Interest	200	41	(159)	711
Total Revenues	390,200	575,212	185,012	506,256
Expenditures				
Capital Outlay	333,410	220,690	(112,720)	39,473
Excess (Deficit) of Revenues Over Expenditures	56,790	354,522	297,732	466,783
Other Financing Uses				
Transfers Out	386,275	386,275	-	389,275
Net Change in Fund Balance	(329,485)	(31,753)	297,732	77,508
Budgetary Basis Fund Balance - Beginning of Year	329,485	538,244	208,759	460,736
Budgetary Basis Fund Balance - End of Year	-	506,491	506,491	538,244
GAAP Adjustments				
Encumbrances		91,912		
Fund Balance - End of Year	\$	598,403		

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CITY OF LANSING, KANSAS
Park Land Trust Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Year Ended December 31, 2021
 (With Comparative Totals for the Prior Year Ended December 31, 2020)

	2021			2020 Actual
	Original and Final Budget	Actual	Variance Over (Under)	
Revenues	\$ -	-	-	-
Expenditures				
Capital Outlay	24	-	(24)	-
Excess (Deficit) of Revenues Over Expenditures	(24)	-	24	-
Budgetary Basis Fund Balance - Beginning of Year	24	24	-	24
Budgetary Basis Fund Balance - End of Year	\$ -	24	24	24

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CITY OF LANSING, KANSAS
Consolidated Street and Highway Fund
 Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
 For the Year Ended December 31, 2021
 (With Comparative Totals for the Prior Year Ended December 31, 2020)

	2021		Variance Over (Under)	2020 Actual
	Original and Final Budget	Actual		
Revenues				
Intergovernmental	\$ 297,520	404,257	106,737	365,130
Interest	230	6	(224)	269
Other	500	207	(293)	437
Total Revenues	<u>298,250</u>	<u>404,470</u>	<u>106,220</u>	<u>365,836</u>
Expenditures				
Personal Services	303,994	301,600	(2,394)	276,859
Contractual	113,500	71,428	(42,072)	83,244
Commodities	58,000	52,665	(5,335)	66,651
Capital Outlay	65,000	44,112	(20,888)	67,913
Contingency	99,422	-	(99,422)	-
Total Expenditures	<u>639,916</u>	<u>469,805</u>	<u>(170,111)</u>	<u>494,667</u>
Excess (Deficit) of Revenues Over Expenditures	(341,666)	(65,335)	276,331	(128,831)
Other Financing Sources				
Transfers In	120,000	120,000	-	120,000
Excess Revenues and Other Financing Sources (Uses) Over (Under) Expenditures	(221,666)	54,665	276,331	(8,831)
Budgetary Basis Fund Balance - Beginning of Year	<u>221,666</u>	<u>272,508</u>	<u>50,842</u>	<u>281,339</u>
Budgetary Basis Fund Balance - End of Year	\$ <u>-</u>	<u>327,173</u>	<u>327,173</u>	<u>272,508</u>

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CITY OF LANSING, KANSAS

Library Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended December 31, 2021

(With Comparative Totals for the Prior Year Ended December 31, 2020)

	2021		Variance Over (Under)	2020 Actual
	Original and Final Budget	Actual		
Revenues				
Taxes	\$ 337,401	341,156	3,755	336,313
Intergovernmental	1,700	16,882	15,182	7,057
Interest	50	-	(50)	61
Other	3,700	4,453	753	4,742
Total Revenues	<u>342,851</u>	<u>362,491</u>	<u>19,640</u>	<u>348,173</u>
Expenditures				
Personal Services	265,039	244,692	(20,347)	245,383
Contractual	9,400	3,737	(5,663)	4,177
Commodities	18,840	16,557	(2,283)	14,366
Capital Outlay	66,500	59,274	(7,226)	50,427
Contingency	37,000	-	(37,000)	-
Total Expenditures	<u>396,779</u>	<u>324,260</u>	<u>(72,519)</u>	<u>314,353</u>
Excess Revenues Over (Under) Expenditures	(53,928)	38,231	92,159	33,820
Budgetary Basis Fund Balance - Beginning of Year	<u>55,434</u>	<u>127,135</u>	<u>71,701</u>	<u>93,315</u>
Budgetary Basis Fund Balance - End of Year	\$ <u><u>1,506</u></u>	<u><u>165,366</u></u>	<u><u>163,860</u></u>	<u><u>127,135</u></u>

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CITY OF LANSING, KANSAS

Bond and Interest Fund

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year Ended December 31, 2021

(With Comparative Totals for the Prior Year Ended December 31, 2020)

	2021		Variance Over (Under)	2020 Actual
	Original and Final Budget	Actual		
Revenues				
Taxes	\$ 1,173,016	1,441,838	268,822	1,391,096
Interest	1,000	6	(994)	1,192
Other	257,015	392	(256,623)	-
Total Revenues	1,431,031	1,442,236	11,205	1,392,288
Expenditures				
Principal - Bonds	2,620,000	1,374,553	(1,245,447)	2,575,000
Interest and Commissions	704,990	410,102	(294,888)	461,333
Contingency	250,000	-	(250,000)	-
Total Expenditures	3,574,990	1,784,655	(1,790,335)	3,036,333
Excess Revenues Over (Under) Expenditures	(2,143,959)	(342,419)	1,801,540	(1,644,045)
Other Financing Sources (Uses)				
Bond Proceeds	-	-	-	1,000,000
Original Issue Premium	-	-	-	62,922
Bond Costs of Issuance	-	-	-	(18,350)
Transfers In	1,927,373	386,275	(1,541,098)	389,275
Net Other Financing Sources (Uses)	1,927,373	386,275	(1,541,098)	1,433,847
Excess Revenues and Other Financing Sources (Uses) Over (Under) Expenditures	(216,586)	43,856	260,442	(210,198)
Budgetary Basis Fund Balance - Beginning of Year	221,835	91,434	(130,401)	301,632
Budgetary Basis Fund Balance - End of Year	\$ 5,249	135,290	130,041	91,434

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CITY OF LANSING, KANSAS
 Combining Statement of Fiduciary Net Position
 Custodial Funds
 December 31, 2021
 (With Comparative Totals for the Prior Year Ended December 31, 2020)

	<u>Bonds and Fines Escrow Fund</u>	<u>Hillbrook Subdivision Escrow 04-24 Fund</u>	<u>Totals</u>	
			<u>2021</u>	<u>2020</u>
<u>ASSETS</u>				
Cash and Cash Equivalents	\$ 17,918	17,453	35,371	35,979
<u>LIABILITIES</u>				
Liabilities				
Due to Others	\$ -	17,453	17,453	17,935
Bonds Posted Escrow	17,918	-	17,918	18,044
Total Liabilities	\$ 17,918	17,453	35,371	35,979

CITY OF LANSING, KANSAS
 Combining Statement of Changes in Fiduciary Net Position
 Custodial Funds
 December 31, 2021
 (With Comparative Totals for the Prior Year Ended December 31, 2020)

	<u>Bonds and Fines Escrow Fund</u>	<u>Hillbrook Subdivision Escrow 04-24 Fund</u>	<u>Totals</u>	
			<u>2021</u>	<u>2020</u>
Revenues	\$ -	-	-	-
Expenditures	-	-	-	-
Excess (Deficit) of Revenues Over Expenditures	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
Fund Balance - End of Year	\$ -	-	-	-

See independent auditors' report.

AGENDA ITEM

TO: Tim Vandall, City Administrator
FROM: Beth Sanford, Finance Director
DATE: May 4, 2022
SUBJECT: Resolution No. B-4-2022 - A Resolution authorizing the offering for sale of General Obligation Bonds of the City of Lansing, Kansas.

Bond Counsel, Gilmore & Bell, has prepared Resolution B-4-2022, authorizing the offering for sale of General Obligation Bonds of the City of Lansing, Kansas.

Action:

Staff recommends a motion to adopt Resolution No. B-4-2022.

AGENDA ITEM

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF LANSING, KANSAS
HELD ON MAY 19, 2022**

The City Council (the "Governing Body") met in regular session at the usual meeting place in the City, at 7:00 p.m., the following members being present and participating, to-wit:

Present: _____.

Absent: _____.

The Mayor declared that a quorum was present and called the meeting to order.

(Other Proceedings)

Council Member _____ presented and moved the adoption of a Resolution entitled:

**RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL
OBLIGATION BONDS OF THE CITY OF LANSING, KANSAS.**

Council Member _____ seconded the motion to adopt the Resolution. The Resolution was read and considered, and, the question being put to a roll call vote, the vote thereon was as follows:

Aye: _____.

Nay: _____.

The Mayor declared the Resolution duly adopted by the Governing Body and the Clerk designated the same Resolution No. ____ - ____ -2022.

(Other Proceedings)

CERTIFICATE

I hereby certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the Governing Body of the City of Lansing, Kansas, held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)

Tish Sims, City Clerk

RESOLUTION NO. B-4-2022

RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL OBLIGATION BONDS OF THE CITY OF LANSING, KANSAS.

WHEREAS, the City of Lansing, Kansas (the “Issuer”), has passed Charter Ordinance No. 1-2022 (the “Charter Ordinance”) and, upon the effective date of such Charter Ordinance, the City expects to authorize certain internal improvements generally described as follows (collectively, the “Improvements”):

<u>Project Description</u>	<u>Authority</u>	<u>Estimated Improvement Fund Deposit*</u>
Parks and Recreation Projects (Bernard Park)	Charter Ordinance No. 1-2022; Art. 12, Section 5 of the Kansas Constitution	\$4,573,800

; and

WHEREAS, the Issuer proposes to issue its general obligation bonds to pay the costs of the Improvements; and

WHEREAS, the City Council of the Issuer (the “Governing Body”) has selected the firm of Piper Sandler & Co. (“Municipal Advisor”) as municipal advisor for one or more series of general obligation bonds of the Issuer to be issued in order to provide funds to finance the Improvements; and

WHEREAS, the Issuer desires to authorize the Municipal Advisor to proceed with the offering for sale of said general obligation bonds and related activities; and

WHEREAS, one of the duties and responsibilities of the Issuer is to prepare and distribute a preliminary official statement relating to said general obligation bonds; and

WHEREAS, the Issuer desires to authorize the Municipal Advisor and Gilmore & Bell, P.C., Kansas City, Missouri, the Issuer’s bond counsel (“Bond Counsel”), in conjunction with Issuer officials and staff, to proceed with the preparation and distribution of a preliminary official statement and notice of sale and to authorize the distribution thereof and all other preliminary action necessary to sell said general obligation bonds.

BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF LANSING, KANSAS, AS FOLLOWS:

Section 1. The Issuer is hereby authorized to offer for sale the Issuer’s General Obligation Bonds, Series 2022-A (the “Bonds”) described in the Notice of Bond Sale (the “Notice of Sale”), which is to be prepared by Bond Counsel in conjunction with Issuer staff. All proposals for the purchase of the Bonds shall be delivered to the Governing Body at its meeting to be held on the sale date referenced in the Notice of Sale, at which meeting the Governing Body shall review such bids and award the sale of the Bonds or reject all proposals.

* Represents estimated amount of Bond proceeds to be deposited into the Improvement Fund; excludes costs of issuance and interest on any temporary financing.

Section 2. The Mayor and Finance Director, in conjunction with the Municipal Advisor and Bond Counsel, are hereby authorized to cause to be prepared a Preliminary Official Statement relating to the Bonds (the “Preliminary Official Statement”), and such officials and other representatives of the Issuer are hereby authorized to use such document in connection with the sale of the Bonds.

Section 3. The Clerk, in conjunction with the Municipal Advisor and Bond Counsel, is hereby authorized and directed to give notice of said sale by publishing a summary of the Notice of Bond Sale not less than 6 days before the date of the bond sale in a newspaper of general circulation in Leavenworth County, Kansas, and the Kansas Register and by distributing copies of the Notice of Sale and Preliminary Official Statement to prospective purchasers of the Bonds. Proposals for the purchase of the Bonds shall be submitted upon the terms and conditions set forth in the Notice of Sale and awarded or rejected in the manner set forth in the Notice of Sale.

Section 4. For the purpose of enabling the purchaser(s) of the Bonds (the “Purchaser”) to comply with the requirements of Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”), the Mayor and Finance Director or other appropriate officers of the Issuer are hereby authorized: (a) to approve the form of said Preliminary Official Statement and to execute the “Certificate Deeming Preliminary Official Statement Final” in substantially the form attached hereto as *Exhibit A* as approval of the Preliminary Official Statement, such official’s signature thereon being conclusive evidence of such official’s and the Issuer’s approval thereof; (b) covenant to provide continuous secondary market disclosure by annually transmitting certain financial information and operating data and other information necessary to comply with the Rule to the Municipal Securities Rulemaking Board; and (c) take such other actions or execute such other documents as such officers in their reasonable judgment deem necessary to enable the Purchaser to comply with the requirement of the Rule.

Section 5. The Issuer agrees to provide to the Purchaser within seven business days of the date of the sale of the Bonds or within sufficient time to accompany any confirmation that requests payment from any customer of the Purchaser, whichever is earlier, sufficient copies of the final Official Statement to enable the Purchaser to comply with the requirements of the Rule and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

Section 6. The Mayor, Clerk and the other officers and representatives of the Issuer, the Municipal Advisor and Bond Counsel are hereby authorized and directed to take such other action as may be necessary to carry out the sale of the Bonds.

Section 7. The transactions described in this Resolution may be conducted, and documents related to the Bonds may be sent, received, executed, and stored, by electronic means or transmissions. Copies, telecopies, electronic files and other reproductions of original executed documents (or documents executed by electronic means or transmissions) shall be deemed to be authentic and valid counterparts of such documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 8. This Resolution shall be in full force and effect from and after its adoption by the Governing Body.

[Balance of page intentionally left blank]

ADOPTED by the Governing Body on May 19, 2022.

(SEAL)

Anthony R. McNeill, Mayor

ATTEST:

Tish Sims, City Clerk

EXHIBIT A

**CERTIFICATE DEEMING
PRELIMINARY OFFICIAL STATEMENT FINAL**

_____, 2022

To: _____

Re: City of Lansing, Kansas, General Obligation Bonds, Series 2022-A

The undersigned is the duly acting Finance Director of the City of Lansing, Kansas (the “Issuer”), and are authorized to deliver this Certificate to the purchaser (the “Purchaser”) of the above-referenced bonds (the “Bonds”) on behalf of the Issuer. The Issuer has previously caused to be delivered to the Purchaser copies of the Preliminary Official Statement (the “Preliminary Official Statement”) relating to the Bonds.

For the purpose of enabling the Purchaser to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission (the “Rule”), the Issuer hereby deems the information regarding the Issuer contained in the Preliminary Official Statement to be final as of its date, except for the omission of such information as is permitted by the Rule, such as offering prices, interest rates, selling compensation, aggregate principal amount, principal per maturity, delivery dates, ratings, identity of the underwriters and other terms of the Bonds depending on such matters.

CITY OF LANSING, KANSAS

By: _____
Title: Finance Director

AGENDA ITEM

TO: Tim Vandall, City Administrator
FROM: Elizabeth Sanford, Finance Director
DATE: May 12, 2022
SUBJECT: City-wide Compensation and Benefits Study

Staff presented information at the January Work Session regarding a compensation and benefits study for all job positions not included in the 2021 police pay study. The study would include a review of benefits. The company that performed the police pay study, McGrath Human Resources Group, would conduct this study.

Attached is the proposal from McGrath Human Resources Group for the city-wide compensation and benefits study in the amount of \$19,575.

Action: A motion to authorize the City Administrator to enter into a contract with McGrath Human Resources Group for a city-wide compensation and benefits study in the amount \$19,575.

AGENDA ITEM

**Professional Proposal Prepared for the
City of Lansing, Kansas**



Compensation and Benefits Study

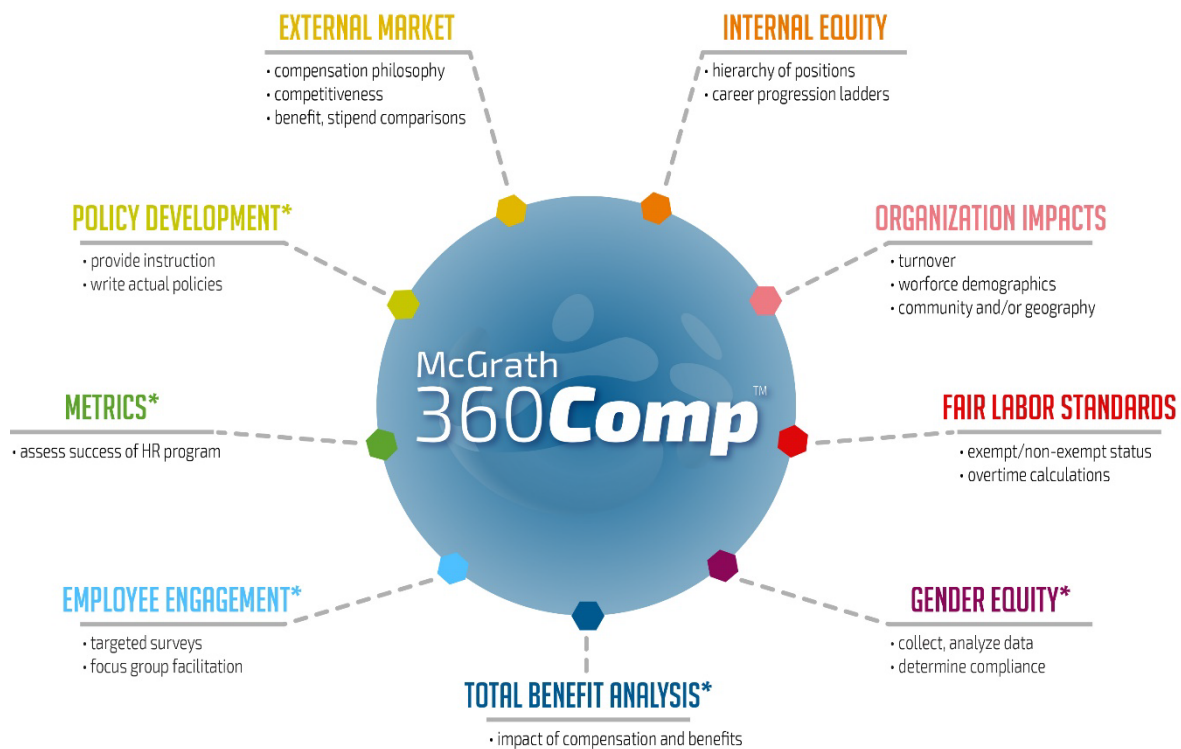
Submitted By:
McGrath Human Resources Group
PO Box 865
Jamestown, TN 38556

Dr. Victoria McGrath, CEO
victoriaphd@mcgrathconsulting.com
815.728.9111



McGrath
HUMAN RESOURCES GROUP

May 10, 2022



* OPTIONAL



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 Optional Services 26





May 9, 2022

Beth Sanford
Finance Director
City of Lansing, Kansas

Dear Beth Sanford:

Thank you for the opportunity to continue our current business partnership and perform a Compensation and Benefits Study for the City of Lansing, Kansas.

Maintaining a competitive classification and compensation plan in today's employment market is extremely challenging, yet essential to attract, motivate, engage, and retain a qualified workforce. McGrath Human Resources Group understands the issues public sector entities are facing as our firm provides human resources consulting services primarily for the public sector, with emphasis on compensation, *including within the State of Kansas*. We offer a transparent, engaging, and collaborative approach to updating the compensation solution built specifically for the City of Lansing, which aligns with your compensation philosophy and strategy to attract and retain competent professionals, conforms to all legal requirements, and fits within the City's fiscal reality.

Why Choose McGrath Human Resources Group?

We do not ask you to adapt to an off-the-shelf solution.

- ❖ Even in municipalities that appear to be similar, each entity has unique qualities, culture and needs.
- ❖ We work hard to understand your goals, fiscal realities, and compensation history so we can offer practical and sustainable options for a compensation solution that addresses your needs while holding to best practices and maintaining validity and compliance in the system.

We specialize in and understand public employment and local municipalities.

- ❖ We specialize in public sector consulting; thus, we are in a unique position to understand and work with your stakeholders to make a sound investment that will benefit the City.
- ❖ Our consulting team is comprised of individuals with previous local government city and county work experience, including within public safety.
- ❖ An investment in your employee's compensation plan is an investment in your community, and we recognize the investment you are making is with taxpayer dollars.



Our long history brings a unique breadth of experience.

- ❖ We have experience with the development of innovative or traditional approaches, with the knowledge of climates where those approaches usually succeed to help us tailor the best solutions for you.
- ❖ We wish to foster a partnership with our clients by pursuing a depth of understanding of your philosophy, culture, challenges, and successes so the synergy outcome provides a compensation system that makes sense philosophically and fiscally for your organization.

We are successful.

- ❖ In our 22nd year in business, with over 400 clients in 40 states, we are proud that 99% of our projects have been fully adopted and implemented.
- ❖ Our success stems from sound principles and best practices throughout our work and the relationships we build through collaboration and transparency with the project.

Detailed information regarding our firm, consulting team, scope of work, work plan, methodology and process, proposed work schedule, project fees, and other information is presented within this proposal. I am happy to discuss any changes or modifications needed after you have had an opportunity to review. All conditions contained in the attached proposal are valid for a minimum of 90 days from May 9, 2022. I am the authorized individual to contractually bind the Firm.

As you review the proposal, if you have any questions or require additional information, please do not hesitate to ask. We look forward to the opportunity to work with the City of Lansing and its employees on this important project.

Sincerely,



Victoria J. McGrath, Ph.D., CEO
 815.728.9111 (office)
 815.307.2781 (direct)
victoriaphd@mcgrathconsulting.com



Firm Introduction

McGrath Consulting Group, Inc. was started in 2000, specializing in public sector consulting in the fields of human resource management and public safety (fire, EMS, police, and communications). The principals of the Firm have over 50 years of combined professional public sector experience, in addition to consulting.

Our Firm has over 20 professional consultants who are assigned to projects based upon their professional background and skillset they bring to each client.

McGrath Human Resources Group is the Human Resources Division overseen by Dr. Victoria McGrath.

Since 2000, McGrath has conducted hundreds of comprehensive compensation and classification studies nationwide, *including within the State of Kansas*. The Human Resources consulting team is comprised of experienced human resources practitioners from both the private sector and local city and county government; and have been part of this human resources consulting team between 8-22 years.

We do not offer an off-the-shelf work product, but rather, we approach each client with the goal to understand your organization, culture, current and future needs, and fiscal reality to develop total compensation solutions that are developed uniquely for you, align with your compensation philosophy and strategy, while using a collaborative and transparent process.

Our Firm also provides related human resources consulting which includes but is not limited to benefit analysis, job description development, HR Audits, performance management program development, training, policy development, operational studies, and staffing studies.

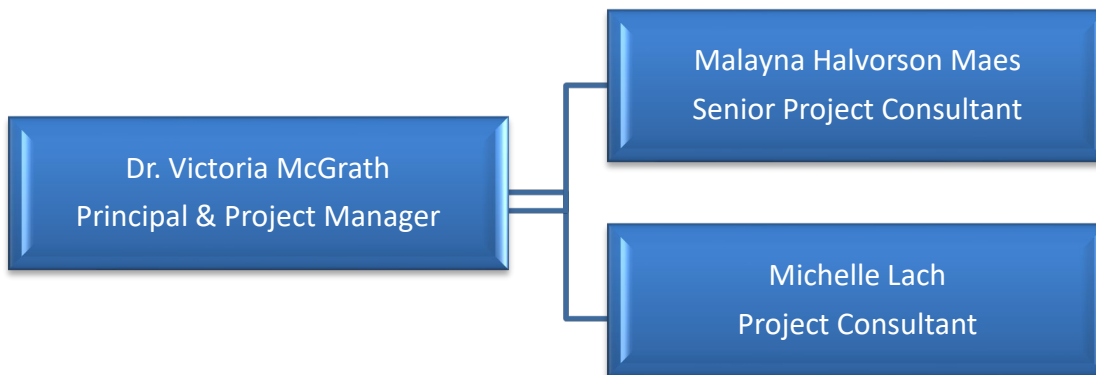
Company Name	McGrath Human Resources Group
Parent Organization	McGrath Consulting Group, Inc.
Established	May 1, 2000
Years of Service	21
Type of Firm	Private Corporation
Company Mailing Address	PO Box 865 Jamestown, TN 38556
Responsible Party and Project Administrator	CEO – Dr. Victoria McGrath, Ph.D., SPHR
Email Address	victoriaphd@mcgrathconsulting.com
Phone Number	(815) 728-9111
Fax Number	(815) 331-0215
Insurance	State Farm: Auto, General Liability Travelers: Workers Compensation Accord: Professional Liability Chubb: Cyber Security Liability



Consulting Team

All consultants are McGrath consultants, and there is no subcontracting.

The Consultants were selected for this project based upon their areas of expertise, specialties, and related project experience. We operate under the philosophy of total team involvement and each team member has experience in all facets of project work and will work together to meet the goals of your project. Further, we have the flexibility to involve other consultants with our organization to bring their unique perspective and expertise as needed. Primary members of the team for the City of Lansing, and an overview of their project responsibilities are provided.



Principal: A principal of the company is actively involved in every project and is accountable for the project. This position will have authority over the contract and to bind the Firm.

Project Manager: This role has project oversight, will coordinate all work with the consulting team, will have direct routine communication with the City’s project designee, and will be hands on in all aspects of the project’s activities and performs duties of a project consultant.

Project Consultant: This role works on various project activities, which will include communication documents/tools, interviews, position questionnaire analysis, job description review, benefits analysis, classification system development, market data collection and analysis, pay plan review, compensation system development, costing, and drafting reports.



**Victoria McGrath, Ph.D., SPHR
Chief Executive Officer**

Dr. Victoria McGrath has an extensive background in the field of human resources, predominately in the public sector; but she also has a number of years in the private sector having worked in health care, banking, and education. She brings over 19 years of practitioner experience in all phases of human resources prior to her years as a consultant.

Her professional experience includes the City of Brookfield, WI, which had over 500 employees, including five (5) labor unions; the Elmbrook School District, WI – the 2nd largest school district in Wisconsin, also with 5 labor unions; and Citicorp Banks. She has dealt with labor/employee relations; policy, procedure and labor compliance; benefits and compensation; recruitment and staff development. Dr. McGrath’s local government experience touched all local services including police/sheriff, fire, public works/highway, engineering, library, health department, administration, courts, jail, and more.

Dr. McGrath has provided management assistance to more than 200 local government clients on a variety of management issues. In addition to working with government, she has been a speaker for a number of professional organizations and worked with two (2) organizations in developing courses in human resource management to current and upcoming supervisors. Further, she is an adjunct professor – teaching in areas such as human resources, organizational development, management, and research – at Northwestern University (Master’s in Public Policy Administration Program).

Dr. McGrath’s doctoral dissertation dealt with Government as a Learning Organization. Her research dealt with government efficiency in providing services and how governmental services can become more effective.

YEARS WITH FIRM: 22

EDUCATION

- ◆ Ph.D. – Municipal Government as a Learning Organization, University of Wisconsin – Milwaukee, WI
- ◆ Master of Science – Management, Cardinal Stritch College, WI
- ◆ Bachelor of Science – Industrial Relations & Finance, University of Wisconsin – Milwaukee, WI

PROFESSIONAL AFFILIATIONS

- ◆ Society for Human Resources Management
- ◆ Illinois Public Employer Labor Relations Association
- ◆ National Public Employer Labor Relations Association
- ◆ International City/County Manager Association

SAMPLE PROJECT EXPERIENCE

Barron County, WI
Bluffton Township Fire District, SC
Burnett County, WI
CAS, Medicare Ambulance, OH

Dodge County, WI
Douglas County, WI
Eau Claire County, WI
Everett Roehl Marshfield Public Library, WI



Centre Region of Government, PA
Centre Region Solid Waste Authority, PA
Chippewa County, WI
City of Alamosa, CO
City of Alcoa, TN
City of Arlington, WA
City of Ashland, WI
City of Aspen, CO
City of Beloit, WI
City of Bloomington, MN
City of Burlington, WA
City of Carthage, MO
City of Clayton, MO
City of Clearfield City, UT
City of Countryside, IL
City of Des Peres, MO
City of Dodge City, KS
City of Durango, CO
City of Eau Claire, WI
City of Edwardsville, KS
City of Fayetteville, NC
City of Gallatin, TN
City of Hamilton, OH
City of Huntington, WV
City of Huntsville, TX
City of Kechi, KS
City of Kirkwood, MO
City of Lawrence, KS
City of Lansing, KS
City of Manhattan, KS
City of Mexico, MO
City of New Berlin, WI
City of Northfield, MN
City of O'Fallon, IL
City of Oak Harbor, WA
City of Oak Ridge, TN
City of Paducah, KY
City of Park Ridge, IL
City of Platte, MP
City of Pleasant Valley, MO
City of Rochester Hills, MI
City of Salina, KS

Ferguson Township, PA
Fox River Water Reclamation District, IL
Franklin School District, WI
Geary County, KS
Greene County EMS, TN
Harris Township, PA
Kansas Sentencing Commission, KS
Kent County, MI
Maine Township, IL
Manhattan Library, KS
Marion County, KS
Older People's Commission (OPC), MI
Patton Township, PA
Riley County Police Department, KS
Riley County, KS
Rochester Avon Recreation Authority, MI
Somerset School District, WI
South Lyons Township Sanitary District, IL
South Snohomish County F&R Authority, WA
Spring Benner Walker Joint Authority, PA
St Croix County, WI
St Croix Indians, WI
Sumner County, TN
Town of Avon, IN
Town of Berwyn Heights, MD
Town of Greeneville, TN
Town of Riverdale Park, MD
Town of Syracuse, IN
Unified City of Yorkville, IL
Utah County, UT
Vernon County, WI
Village of Bedford Park, IL
Village of Cary, IL
Village of Glen Ellyn, IL
Village of Lake in the Hills, IL
Village of Mount Pleasant, WI
Village of North Aurora, IL
Village of Oak Park, IL
Village of Parkridge, IL
Village of Riverside, IL



**Malayna Halvorson Maes
Senior Consultant - Benefits**

Malayna Halvorson Maes has served as a human resource professional in both the private and public sectors for over 20 years. She worked previously in health care human resources, then as the Human Resources Director and senior advisor for a large county in northwestern Wisconsin. Thus, she has direct experience with the many challenges facing municipal employers.

During her time in county government, Ms. Maes advised the organization through the significant changes at the State level (referred to as Act-10) that resulted in a reduction from five (5) collective bargaining units to one (1) unit, due to reduced legal authority of organized labor in the public sector. As a change agent, she facilitated the development of significant policy changes for the organization. This included conducting a complete evaluation of the compensation system for the county which included a rewrite of all job descriptions, and the implementation of a pay for performance evaluation system. This system was created through the work of a combined employee – manager committee and included the implementation of a performance management software system to streamline the 360-evaluation process. She brings a practical understanding to the development and implementation of complex compensation systems.

As a former Wisconsin Human Resources Director, she is knowledgeable of all facets of local government, including police, public works, engineering, health services, and more. She has been active in a number of professional organizations including SHRM, Chippewa Valley Society of Human Resource Management; WIPFLI Senior HR Forum; Wisconsin Association of County Personnel Directors, and the National Public Employer Labor Relations Association. In addition, she served on the WACPD training Committee, Chair of the Legislative Affairs Committee, a Board of Director member as well as a member of the Services Committee for WPELRA; thus, she takes an active role in defining the profession.

YEARS WITH FIRM: 8

EDUCATION

- ◆ Bachelor of Arts– Psychology, Luther College, Decorah, IA

PROFESSIONAL AFFILIATIONS

- ◆ Society for Human Resources Management
- ◆ National Public Employer Labor Relations Association
- ◆ World at Work, Total Rewards Association

CERTIFICATION

- ◆ Certified Compensation Professional (in process)

SAMPLE PROJECT EXPERIENCE

Adams County, WI

Barron County, WI

Burnett County, WI

Chippewa County, WI

City of Alamosa, CO

City of Park Ridge, IL

City of Pleasant Valley, MO

City of Rochester Hills, MI

City of Sherwood, OR

City of Smithville, MO



City of Alcoa, TN
City of Arlington, WA
City of Ashland, WI
City of Bloomington, MN
City of Burlington, WA
City of Clayton, MO
City of Crossville, TN
City of Columbus, KS
City of Denison, TX
City of Dodge City, KS
City of Durango, CO
City of Durant, OK
City of Eau Claire Library, WI
City of Eau Claire, WI
City of Edwardsville, KS
City of Excelsior Springs, MO
City of Fayetteville, NC
City of Fulshear, TX
City of Gallatin, TN
City of Garden City, KS
City of Hamilton, OH
City of Huber Heights, OH
City of Kirkwood, MO
City of La Pine, OR
City of Lawrence, KS
City of Marshfield, WI
City of Marysville, WA
City of McPherson, KS
City of Northfield, MN
City of Oak Harbor, WA
City of Oak Ridge, TN

City of Stayton, OR
City of Watertown, SD
City of Woodstock, IL
Codington County, SD
County of Delaware, PA
Cypress Creek EMS, TX
Daniel Boone Regional Library, MO
Dodge County, WI
Douglas County, WI
Eau Claire County, WI
Everett Roehl Marshfield Public Library, WI
Kent County, MI
Marion County, KS
Older People's Commission (OPC), MI
Portage County, WI
Pueblo City-County Library District, CO
Riley County Police Department, KS
Riley County, KS
Rochester Avon Recreation Authority, MI
Somerset School District, WI
St Croix County, WI
St Croix Indians, WI
Town of Berwyn Heights, MD
Town of Greeneville, TN
Vernon County, WI
Village of Glen Ellyn, IL
Village of Lake in the Hills, IL
Village of Mount Pleasant, WI
Village of Parkridge, IL
Winnebago County, WI
Wisconsin Employee Trust Funds, WI



Michelle Lach
Project Consultant - Data

Ms. Lach provides critical research and analytical skills to our compensation and benefits studies. Ms. Lach had nine (9) years of professional human resources experience prior to her time with the Firm. Her experience with the Firm includes the development of employee handbooks and job descriptions, but now works exclusively with compensation and benefit survey designs and execution, and market research. These critical responsibilities include obtaining, compiling, and analyzing complex data and other information for projects, and supporting the project manager as needed. She has been with the Firm for 18 years.

YEARS WITH FIRM: 18

EDUCATION

- ◆ Bachelor of Arts– Communication and Organizational Development
Bowling Green State University, KY

SAMPLE PROJECT EXPERIENCE

- | | |
|--|--|
| <i>Barron County, WI</i> | <i>City of Smithville, MO</i> |
| <i>Bluffton Township Fire District, SC</i> | <i>City of St Charles, MO</i> |
| <i>Burnett County, WI</i> | <i>City of Stayton, OR</i> |
| <i>Chippewa County, WI</i> | <i>City of Watertown, SD</i> |
| <i>City of Alamosa, CO</i> | <i>City of Woodstock, IL</i> |
| <i>City of Alcoa, TN</i> | <i>Codington County, SD</i> |
| <i>City of Arlington, WA</i> | <i>Coffey County, KS</i> |
| <i>City of Ashland, WI</i> | <i>Cypress Creek EMS, TX</i> |
| <i>City of Aspen, CO</i> | <i>Dodge County, WI</i> |
| <i>City of Bloomington, MN</i> | <i>Douglas County, WI</i> |
| <i>City of Burlington, WA</i> | <i>Eau Claire County, WI</i> |
| <i>City of Carthage, MO</i> | <i>Everett Roehl Marshfield Public Library, WI</i> |
| <i>City of Clayton, MO</i> | <i>Geary County, KS</i> |
| <i>City of Clearfield City, UT</i> | <i>Greene County EMS, TN</i> |
| <i>City of Crossville, TN</i> | <i>Kent County, MI</i> |
| <i>City of Denison, TX</i> | <i>Maine Township, IL</i> |
| <i>City of Des Peres, MO</i> | <i>Manhattan Library, KS</i> |
| <i>City of Dodge City, KS</i> | <i>Marion County, KS</i> |
| <i>City of Durango, CO</i> | <i>Older People's Commission (OPC), MI</i> |
| <i>City of Durant, OK</i> | <i>Patton Township, PA</i> |
| <i>City of Eau Claire Library, WI</i> | <i>Pitkin County, CO</i> |
| <i>City of Eau Claire, WI</i> | <i>Portage County, WI</i> |
| <i>City of Edwardsville, KS</i> | <i>Pueblo City-County Library District, CO</i> |
| <i>City of Excelsior Springs, MO</i> | <i>Riley County Police Department, KS</i> |
| <i>City of Fayetteville, NC</i> | <i>Riley County, KS</i> |
| <i>City of Fulshear, TX</i> | <i>Rochester Avon Recreation Authority, MI</i> |
| <i>City of Gallatin, TN</i> | <i>Somerset School District, WI</i> |



City of Garden City, KS
City of Hamilton, OH
City of Huber Heights, OH
City of Huntington, WV
City of Kechi, KS
City of Kirkwood, MO
City of La Pine, OR
City of Lawrence, KS
City of Manhattan, KS
City of Marshfield, WI
City of Marysville, WA
City of McPherson, KS
City of Northfield, MN
City of O'Fallon, IL
City of Oak Harbor, WA
City of Oak Ridge, TN
City of Paducah, KY
City of Park Ridge, IL
City of Platte, MO
City of Pleasant Valley, MO
City of Rochester Hills, MI
City of Salina, KS
City of Sheridan, WY
City of Sherwood, OR

St Croix County, WI
St Croix Indians, WI
Sumner County, TN
Town of Avon, IN
Town of Greeneville, TN
Utah County, UT
Vernon County, WI
Village of Bedford Park, IL
Village of Cary, IL
Village of Lake in the Hills, IL
Village of Mount Pleasant, WI
Village of North Aurora, IL
Village of Oak Park, IL
Village of Parkridge, IL
Village of Riverside, IL
Village of South Elgin, IL
Village of Theresa, WI
Village of Vernon Hills, IL
Village of West Milwaukee, WI
Village of Wilmette, IL
Village of Winfield, IL
Winnebago County, WI
Wisconsin Employee Trust Funds, WI



Public Sector Project History

McGrath primarily works with public-sector organizations including counties, cities, villages, townships, districts, and even State agencies. The following is a portion of our prior government project experience.

Barron County, WI	County of Delaware, PA
Bluffton Township Fire District, SC	Cowley County, KS
Burnett County, WI	Cy Fair Volunteer Fire Department, TX
Centre Region of Government, PA	Daniel Boone Regional Library, MO
Centre Region Solid Waste Authority, PA	Davison County, SD
Chippewa County, WI	Dodge County, WI
City of Alcoa, TN	Douglas County, WI
City of Arlington, WA	Eau Claire County, WI
City of Aspen, CO	Everett Roehl Marshfield Public Library, WI
City of Beloit, WI	Ferguson Township, PA
City of Burlington, WA	Fox River Water Reclamation District, IL
City of Carthage, MO	Franklin School District, WI
City of Chanhassen, MN	Geary County, KS
City of Clayton, MO	Greene County EMS, TN
City of Crossville, TN	Harris Township, PA
City of Denison, TX	Kansas Sentencing Commission, KS
City of Dodge City, KS	Kent County, MI
City of Duvall, WA	Manhattan Library, KS
City of Durango, CO	Marathon County, WI
City of Durant, OK	Marion County, KS
City of Eau Claire Library, WI	Monroe County, WI
City of Eau Claire, WI	Older People's Commission, MI
City of Edwardsville, KS	Patton Township, PA
City of Excelsior Springs, MO	Pitkin County, CO
City of Fayetteville, NC	Portage County, WI
City of Flint, MI	Pueblo City-County Library District, CO
City of Fulshear, TX	Reno County, KS
City of Gallatin, TN	Riley County Police Department, KS
City of Garden City, KS	Riley County, KS
City of Hamilton, OH	Rochester Avon Recreation Authority, MI
City of Huber Heights, OH	Rock County, WI
City of Huntington, WV	Somerset School District, WI
City of Huntsville, TX	South Lyons Township Sanitary District, IL
City of Kechi, KS	South Snohomish County Fire & Rescue Authority, WA
City of Kirkwood, MO	Spring Benner Walker Joint Authority, PA
City of La Crosse, WI	St. Croix County, WI
City of La Pine, OR	Sumner County, TN



City of Lake Geneva, WI	Tooele County, UT
City of Lawrence, KS	Town of Avon, IN
City of Marshfield, WI	Town of Blacksburg, VA
City of Marysville, WA	Town of Delavan, IL
City of McPherson, KS	Town of Greeneville, TN
City of Mexico, MO	Town of Holly Springs, NC
City of New Berlin, WI	Town of Riverdale Park, MD
City of Northfield, MN	Town of Syracuse, IN
City of Oak Harbor, WA	Utah County, UT
City of Oak Ridge, TN	Vernon County, WI
City of Paducah, KY	Village of Cary, IL
City of Park Ridge, IL	Village of Glen Ellyn, IL
City of Platte, MO	Village of Lake in the Hills, IL
City of Pleasant Valley, MO	Village of Mount Pleasant, WI
City of Rochester Hills, MI	Village of North Aurora, IL
City of Salina, KS	Village of Oak Park, IL
City of Sheridan, WY	Village of Parkridge, IL
City of Sherwood, OR	Village of Riverside, IL
City of St. Charles, MO	Village of South Elgin, IL
City of Stayton, OR	Village of Theresa, WI
City of Watertown, SD	Village of Vernon Hills, IL
City of West Bend, WI	Village of Wilmette, IL
City of Woodstock, IL	Village of Winfield, IL
Clearfield City, UT	Winnebago County, WI
Codington County, SD	Wisconsin Employee Trust Funds, WI
College Township, PA	

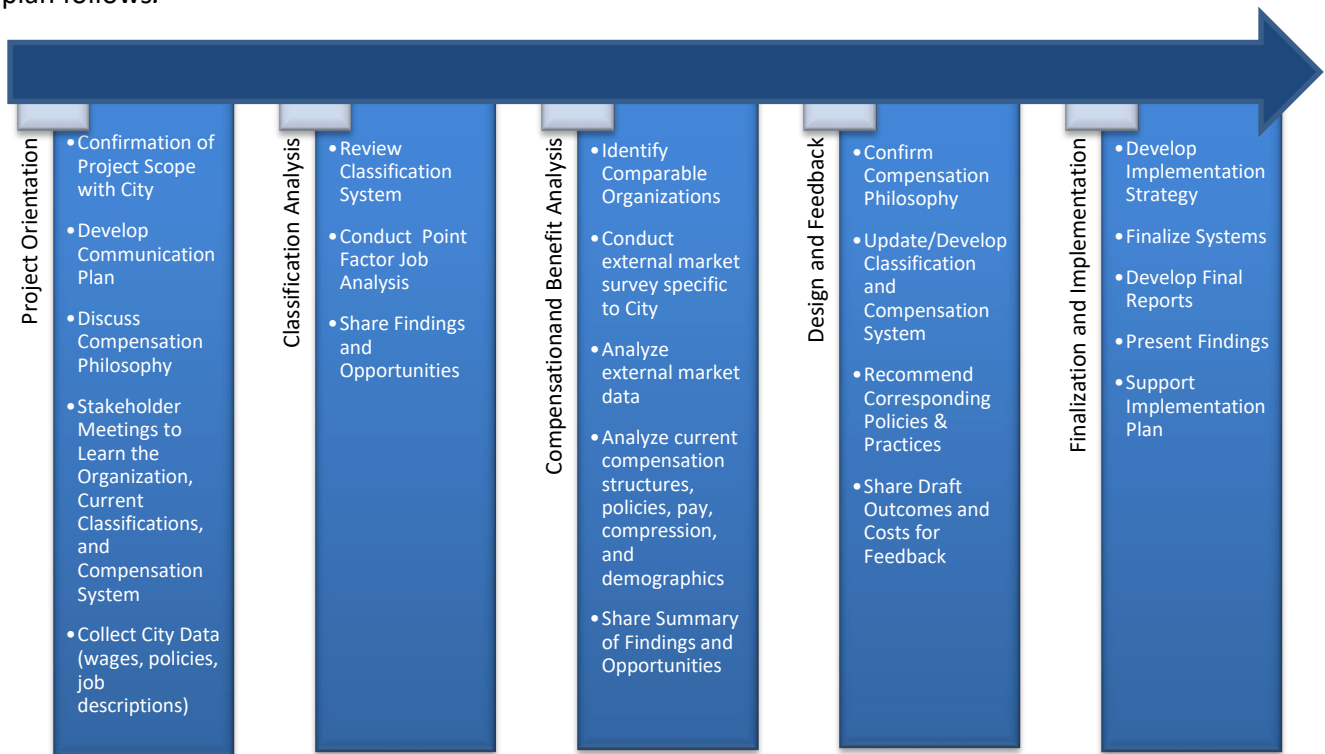


Project Approach

In any governmental organization, salaries and benefits are typically the largest budget item. An investment in your employee’s compensation plan is an investment in your community, and we recognize the investment you are making is with tax dollars. We also understand a competitive compensation system is an important element for the City’s ability to hire, cultivate, and retain employees who provide service and value to all City stakeholders, regardless of the organization’s size.

Similarly, internal equity, proper classification, career opportunities and addressing compression issues serves to enhance the employee’s feeling of value and willingness to actively engage in their work for the organization. Therefore, it is important for the City to have a system that promotes the active engagement of employees, is non-discriminatory, is legally defensible, is efficient to manage, and can accommodate organizational growth and change. Thus, we tailor our services to meet the needs and unique structure and culture of the City.

Our methodology and approach are characterized by a systematic, logical series of tasks aimed at assuring thoroughness, consistency, and objectivity. After conducting a needs assessment with the City, defining the City’s compensation philosophy with City leaders, and analyzing the current Compensation and Classification System in place, our Firm utilizes Best Practices throughout the process, which includes data collection of salary and benefit data and job content data from multiple City sources and its mutually identify comparables. Data analysis is then utilized to put this information into a meaningful summary format which is shared with the City. A visual summary of the project plan is provided. A detailed methodology and work plan follows.



Methods and Procedures

1. Project Orientation

- ❖ Communicate with the City’s project designee to:
 - Provide a list of documents and data needed to begin the project.
 - Discuss project expectations and milestones.
 - Begin developing a communication plan.
 - Schedule initial meetings.

We tailor each project to meet the needs, unique structure, and culture of your organization, with the principles of collaboration, communication and transparency in mind while developing a sound work plan with identified deliverables.

We develop a communication plan at the onset of the project so the Firm can provide routine updates on progress as well as discuss any issues that may result in a delay or a challenge within the project. Our Project Manager coordinates meetings, data sharing, and ensures the project is progressing according to the designed work plan so the deliverables are met within the scope and timeline of the project.

2. Project Initiation and Assessment

The consultants will conduct the first visit to meet with City leaders and all Department Directors/Managers to:

- ❖ Explore your organization’s current compensation, compensation philosophy, and strategy.
- ❖ Gather information for each individual department including any unique responsibilities associated with positions, strengths and weaknesses of the current system, or issues with recruitment/retention.
- ❖ Identify future needs.
- ❖ Review provided documents and data.
- ❖ Finalize project communication expectations and strategies, project timeline, and identifiable milestones.

We believe in having direct conversations with management and administration to identify challenges and concerns with the current system and future needs so we may develop comprehensive recommendations that best address those needs.

Other Introductory communications may also be recommended:

- ❖ Conduct introductory meetings with elected officials to discuss elements of compensation philosophy and expectations.
- ❖ Introductory employee communications and/or meetings to explain the process of a compensation study, introduce the consulting team, expected assistance, describe the general outcome of the Study, and other related topics as desired by the City. This can be done in-person or virtually.

Communication with elected officials and/or employees during the project allows engagement and offers factual information.

3. Compensation Philosophy

From first site visit, the consulting team will identify:

- ❖ The strengths of the current compensation system.
- ❖ Areas that need to be addressed or are concerns to the current programs.
- ❖ Current compensation program success and challenges.

Identifying and establishing a compensation philosophy allows for the development of strategic recommendations.



- ❖ Other characteristics about the City which may impact compensation.

An analysis of this data as well as external data collection will be the basis of developing a compensation philosophy that will guide the design and complexity of the City’s compensation program. A consistent philosophy will provide a strong foundation for the City. Without a philosophy, leaders often find themselves unsure what to offer as a total compensation package.

4. Classification Analysis (Job Analysis)

A **job analysis** objectively evaluates the duties, responsibilities, tasks, and authority level of each City position and identifies the hierarchy and career progression opportunities as well **internal equity**.

Job analysis is critical not only for internal equity, but also the establishment of a standardized process to establish pay equity between positions.

The classification analysis is recommended to include completion of a Position Questionnaire (PQ), which is a standardized tool used to analyze each position on identified factors. The **McGrath 360Comp™** PQ has been developed **specifically for use in public sector** organizations. This Questionnaire is recommended to be completed on all job titles for purposes of:

- ❖ Expounding upon information provided in job descriptions.
- ❖ Evaluating position responsibilities regarding necessary competencies, experience, education, finances, judgement, decision-making and other expectations which provide value to the City.
- ❖ Clarifying instances where statements in the existing job descriptions are vague or absent.
- ❖ Updating and aligning classification changes.
- ❖ Identifying career progression opportunities.
- ❖ Establishing job categories/job families.

Supervisory Review. Each incumbent’s supervisor or Department Head will be given time to review the completed PQ for content and accuracy, and to comment in a designated area of the document. They will sign off on their review prior to submission to the Consultants. If needed, the consulting team may speak with Department Director, Supervisors, and Human Resources for additional position clarification.

From this process, the current classification system will be updated, as needed.

The **McGrath 360Comp™** point factor process used to complete the job analysis goes beyond the typical “Knowledge, Skills and Abilities” (KSA’s) and explores factors that are unique to public sector positions including the following aspects of a job:

- ❖ Records, Reports and Programs
- ❖ Impact of Decisions and Consequents of Errors
- ❖ Contact with Others (both inside and outside the organization)
- ❖ Equipment, Machines and Tools
- ❖ Budget, Financial, and Cash Handling
- ❖ Education, Experience, Licensure/Certifications
- ❖ Complexity and Judgment
- ❖ Confidential Data
- ❖ Stress (degree of mental or emotional fatigue or stress inherent to the job)
- ❖ Technology
- ❖ Leadership and Supervisory Responsibilities
- ❖ Work Environment and Physical Requirements



5. Compensation Analysis

A Compensation analysis determines the organization’s relative position in the comparable labor market. This analysis allows City leaders to understand the organization’s compensation as a whole and by position, allowing them to make sound compensation decisions. Compensation Analysis will consist of the following:

A market survey is developed specific to the City’s positions. We believe that collecting fresh market data establishes a more accurate look of the current market. We do not utilize third-party market surveys unless requested or discussed with the client in advance.

- ❖ The City and consulting team will **identify Comparable Organizations** as the labor market. The goal is to establish a comprehensive list of public/private organizations that are similar in scope and/or in job responsibilities with whom the organization is competing to attract and retain employees. The City will have input into the list and must approve the list of comparable areas prior to starting the external market survey.
- ❖ McGrath consultants will prepare and conduct a tailored compensation and special pay survey specific to the City’s positions to **collect external market data**. The following is a sample section of a market survey that has been modified in format to fit the proposal.

Job Title	Dept.	Description	# of Emp. in Job Title	Minimum Salary	Midpoint Salary	Max. Salary	Avg Salary of Incumbents	Your position title if different	Questions or to leave a Comment
Assistant City Manager	Administration	Second in command							
City Manager	Administration	Chief Administrator							
City Secretary/City Clerk	Administration	Maintains office							
Assistant City Secretary/Assistant City Clerk	Administration	Assists the City Secretary							
Receptionist	Administration	Entry level customer service							
Executive Assistant to the City Manager	Administration	Confidential Secretary							
City Attorney	Administration	Serves as City Counsel							
PIO/Communications Specialist	Administration	Chief communications officer							

- ❖ The consultants will **analyze salary data**. The market survey collects minimum, midpoint, maximum, and incumbent salary information for each benchmark position; and other data points as needed. A statistical analysis is conducted on each dataset to ensure consistent and objective analysis. The outcome is then calculated into a ratio between the market and the City to measure the City’s alignment against the market.

The following shows a slightly modified data format to fit the proposal.



Position Title	Minimum	Midpoint	Maximum	Mkt Ave Min	Comp Ratio	Mkt Ave Mid	Comp Ratio	Mkt Ave Max	Comp Ratio	Ave Inc.	Mkt Ave Inc	Comp Ratio
	\$18.43	\$20.73	\$23.02									
Clerical Assistant	\$38,331.90	\$43,112.58	\$47,871.62	\$36,066.55	56%	\$44,260.22	47%	\$52,990.22	40%	\$43,025.01	\$45,853.37	44%
Maintenance Worker	\$38,331.90	\$43,112.58	\$47,871.62	\$31,511.15	72%	\$38,557.94	62%	\$46,875.15	52%	\$40,477.80	\$37,603.44	58%
CSR	\$38,331.90	\$43,112.58	\$47,871.62	\$31,625.67	71%	\$36,679.04	68%	\$42,570.67	62%	\$42,744.83	\$34,191.95	75%
Permit Clerk	\$38,331.90	\$43,112.58	\$47,871.62	\$32,228.81	69%	\$38,644.11	62%	\$46,919.72	52%	\$38,604.47	\$36,454.16	56%
Utility Maintenance Tech I	\$38,331.90	\$43,112.58	\$47,871.62	\$32,873.86	67%	\$41,015.96	55%	\$48,420.96	49%	\$39,471.91	\$38,346.94	53%
Utility Services Representative	\$38,331.90	\$43,112.58	\$47,871.62	\$31,350.60	72%	\$36,528.84	68%	\$45,461.41	55%	\$39,089.02	\$36,671.91	57%
	\$20.27	\$22.79	\$25.31									
Code Inspector	\$42,160.77	\$47,395.71	\$52,652.29	\$39,211.06	58%	\$47,405.38	50%	\$58,851.09	39%	\$48,899.14	\$47,040.73	54%
Deputy Court Clerk	\$42,160.77	\$47,395.71	\$52,652.29	\$31,883.28	82%	\$38,457.92	73%	\$47,471.98	61%	\$44,994.56	\$37,490.48	70%
Utility Maintenance Tech II	\$42,160.77	\$47,395.71	\$52,652.29	\$36,330.45	66%	\$43,968.02	58%	\$52,047.19	51%	\$42,182.40	\$41,189.62	52%

- ❖ The consultants will examine the status of your current compensation systems including **structural analysis, special pay analysis, compression analysis, and incumbent pay analysis** to give guidance to the consultants for compensation and implementation recommendations and will also provide information to the City regarding overtime, promotional and retention opportunities, internal equity, and how multiple pay plans are working together.
- ❖ The consultants will **review your compensation-related policies** for compliance and best practices. We will make recommendations for policy updates or considerations that impact the City.
- ❖ The consultants will gather and analyze external and internal demographic data and workforce metrics to define:
 - Employee’s tenure within the organization as well as tenure in current position.
 - Turnover rate for the organization.
 - Local geographic and economic factors impacting the attraction and retention of employees.

Understanding your employee demographics and external challenges allows for the development of strategic recommendations.

The outcome of this portion of the project is very important because it identifies current trends and future predictors. This information guides the consulting team in developing strategy options and recommendations for the City’s current and future needs.

6. Benefits Analysis

When data is received through the benefits survey to the identified labor market, the Consultants will analyze the findings and identify any trends and/or areas of concern regarding the City’s benefits package as compared with the Market. This will also help identify the correct wage and benefit mix needed to maintain competitiveness within the market. The analysis includes the option of:

Wages alone do not make up total compensation. A review of benefits in conjunction with wages allows the organization to see the total compensation picture.

- ❖ General **Benefits Analysis** identifies the City’s general position in the market for the offering of insurance, retirement, paid leave, holiday, and other benefits as requested by the City.
- ❖ A **Total Compensation Analysis** calculates the monetary value on the major benefits along with salary.



7. McGrath 360Comp™ Integration

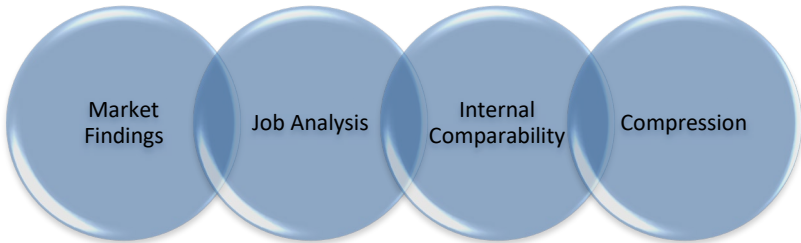
Upon completion of the compensation analysis and job analysis, etc. the consultants will engage the City to:

- ❖ Confirm the recommended compensation philosophy.
- ❖ Discuss the data obtained and share the findings and trends found in the analysis as it compares to the current Compensation System.
- ❖ Discuss the future compensation systems and the structure/model(s) that will best align with the City's compensation strategy.
- ❖ Discuss the tie between the compensation system, performance, and tenure.

Visualizing and understanding the full picture between the job analysis, compensation analysis, and market findings, allows the City and consulting team to have a meaningful dialogue to confirm the desired place in the market, desired compensation system model, and other compensation and benefit solutions identified.

8. Systems Update and City Review

The Classification and Compensation System will be updated or redeveloped with the following information:



Allowing City leaders and department directors the opportunity to review our recommendations in advance of finalization provides an opportunity for dialogue and sound quality control.

The consultants will develop a **detailed fiscal impact** of the Compensation Systems and will present implementation strategy options that fit the fiscal needs, culture, and compensation strategy of the City. While some entities can fully implement the compensation system immediately, some clients have utilized a phased approach. We will work with the City to assure that any phased approach fits with best practices and your fiscal realities.

Once the System is updated, the consultants will meet with appropriate City personnel to **review the draft Classification and Compensation System**. This visit will include meetings with the City's project designee and each Department Director to review placements within the Classification and Compensation System to identify any concerns prior to finalization. This provides an opportunity to discuss any changes in placement in the current system and/or ensure proper placement.

9. Finalization

A **Compensation Policy/Procedure Manual** will be developed for Administration/Human Resources. This report details:

- a. Study methodology and findings.

The City will receive the Compensation and Classification documents and cost estimates in editable format for the City to maintain/integrate.



- b. Recommended compensation structure modifications.
- c. Recommended position title, classification specification or career progression changes.
- d. Fiscal impact and implementation strategies.
- e. Policies and procedure modifications or to adopt to administer and maintain the system in-house going forward, to include range adjustments, range progression, hire rates, transfer, promotion, demotion, reclassifications, over the range, specialty pay, incentives, etc.

An **Executive Summary Report** for governing body and public distribution will also be provided as appropriate.

These reports will first be provided to City Administration in draft form to allow for feedback before the reports are placed into final form and provided electronically.

10. Presentation and Communication

We stand behind our methodology and process, and recommendations. We are available to present findings to the City.

The Study includes a **presentation to the City**.

The consulting team will be available to introduce the recommendations to employee groups to the depth, and in the manner, you prefer and offer suggestions and recommendations. We prepare correspondence and notices tailored to our client, whether for written, verbal or electronic presentation.

10. Ongoing Support and Training

We will continue to assist the City through implementation.

McGrath Human Resources Consultants will continue to work with your organization to **support implementation** of the compensation system at no additional cost.

The City may also consider its future needs as follows:

- ❖ McGrath Human Resources believes in providing our clients with the tools to be able to manage their Compensation System independently, if the client desires. In addition to policy recommendations to manage and maintain the Compensation System, we offer to teach the Human Resources staff the point factor/position analysis process.
- ❖ Alternatively, some clients prefer that McGrath Human Resources set current and future pay grade placements, position changes, and job description development rather than completing that in-house. This can be done for a nominal fee depending upon the time involved in the placement.



Project Schedule

The timeliness of the market data collection is heavily dependent upon the workload and staffing of the comparable organizations we are asking to participate, so additional time is built into the schedule for better survey participation/timely responses to capture current data. We recommend the following schedule and have identified the expected timeframe in which the costing for the project can be provided to accommodate the budget timeline (❖).

We recommend the following project schedule:

Activity	Month 1				Month 2				Month 3				Month 4			
	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4
Task 1 - Project orientation/planning																
Task 2 & 3- Project Kickoff meetings with identified stakeholders for information meetings and compensation philosophy																
Task 4 – Job Analysis and Position Questionnaire distribution/collection																
Task 5 and 6 – Compensation and Benefit Market Data and Analysis																
Task 7 - Review Findings with City																
Task 8 - Update Compensation and Classification Systems																
Task 8 - Review Draft Systems														❖		
Task 9 -Finalize Position Placements and provide Draft Report for City review. Finalize Reports.																
Task 10 - Presentation																

Project Progress Communication

Since we work closely with our clients, open communication and collaboration between the consulting team and project designee is critical for the project to be most successful. Because of that, we will develop a communication plan at the onset of the project so the Firm can provide routine updates on progress as well as discuss any issues that may result in a delay or a challenge within the project. Our designated project manager coordinates meetings, data sharing, and ensures the work plan is progressing according to the designed work plan so the deliverables are met within the scope and timeline of the project.



References

McGrath Consulting is proud to list over 400 clients in 40 states. Below are a few compensation studies either within the region and/or are similar to your project. **Additional client names, projects and locations are viewable on our website at www.mcgrathhumanresources.com** and their contact information will be provided upon request.

Client Name	Description
City of Smithville, MO Contact: Cynthia Wagner Title: City Administrator Phone: 816-532-3897 Email: cwagner@smithvillemo.org	Comprehensive compensation, classification, and benefits analysis was completed with development of new salary schedule for implementation in 2022.
City of Excelsior Springs, MO Contact: Molly McGovern Title: City Manager Phone: 816-630-0752 Email: mmcGovern@excelsiorsprings.gov	Comprehensive compensation, classification, and benefits analysis was completed with development of new salary schedule for non-union and union for implementation in 2022.
Dodge County, WI Contact: Tonia Mindemann Title: Interim Human Resources Director Phone: 920-386-3691 Email: tmindemann@co.dodge.wi.us	Comprehensive compensation schedule was developed with benefit recommendations for 250+ non-union job classifications, inclusive of a skilled nursing facility. Implementation in 2021 due to COVID delays. Project also included job description updates and performance evaluation process. Services ongoing.
City of Fulshear, TX Contact: Kristi Brashear Title: Human Resources Director Phone: 281.346.8875 Email: kbrashear@fulsheartexas.gov	Comprehensive compensation schedule for all City positions was developed in 2021.
City of Alamosa, CO Contact: Jolene Webb Title: Human Resources Manager Phone: 719-587-2029 Email: jwebb@ci.alamosa.co.us	Conducted comprehensive market analysis and position analysis of all positions and developed new compensation system in 2021.
City of Crossville, TN Contact: Leah Crockett Title: Human Resources Manager Phone: 931-456-5681 Email: leahcrockett@crossvilletn.gov	Comprehensive compensation schedule for all City positions was developed in 2019
City of Alcoa, TN Contact: Melissa Thompson Title: Human Resources Director Phone: 855-380-4753 Email: mthompson@cityofalcoa.tn.gov	Completed a comprehensive compensation study for all employees. Project was completed in March 2020, and due to COVID, has been put on hold for implementation until the City's fiscal health is determined.
City of Watertown, SD Contact: Kristen Bobzien Title: Finance Officer	Conducted comprehensive compensation analysis of all union and non-union positions within the City ~120 positions in 2019. Included the development of separate salary schedules



<p>Phone: 605-753-3563 Email: kbobzien@watertownsd.us</p>	<p>for police, fire, AFSCME, and non-union – however, keeping internal equity and compression issues in line. Updated job descriptions in 2020. Services ongoing.</p>
<p>City of Northfield, MN Contact: Michelle Mahowald Title: Human Resources Director Phone: 507-645-3012 Email: michelle.mahowald@ci.northfield.mn.us</p>	<p>A comprehensive compensation schedule of union and non-union positions was developed into one (1) classification system, and job descriptions were updated. This Compensation system had to be compliant with the State of Minnesota’s Pay Equity Act. <i>Northfield is in the Minneapolis-St. Paul metropolitan area.</i> An updated was completed in 2021.</p>
<p>Village of Mount Pleasant, WI Contact: Carol Thiel Title: Human Resources Director Phone: 262-664-7838 Email: cthiel@mtpleasant.wi.gov</p>	<p>Comprehensive compensation schedule was updated in 2019 based upon market updates and organizational restructuring resulting in significant position adjustments. Job Descriptions were also developed in 2019. <i>Mount Pleasant is part of the Milwaukee area.</i></p>



Fees and Billing

By submission of the proposal, McGrath Human Resources Group shows its intention to accept and contract with the City of Lansing, Kansas. McGrath Human Resources sets project fees based on the total project. Therefore, the fees listed below include all consulting professional fees, administrative costs, and excludes travel expenses.

Compensation and Benefits Study **\$19,575**

Travel*

Typically, travel is included in the total cost; however, since in-person site visits may not be feasible due to COVID, travel expenses will be billed separately – and only if incurred. This would be limited to airfare, mileage/car rental, hotel and dinner for a maximum of one (1) consultant. We prefer not to charge you for expenses that may not occur. At the time of the contract, we can establish a not-to-exceed amount for travel once we have identified the number of anticipated on-site visits.

Terms of Payment

Payment for the Project will be made in three (3) installments:

- \$ 5,000 upon completion of the signed contract;
- \$ 10,575 upon submission of the draft report; and
- \$ 4,000 plus travel upon submission of the final report.

All invoices are due within 30 days of receipt. Proposal cost is good for a minimum of 90 days from May 9, 2022. Dr. Victoria McGrath is the individual with the authority to negotiate and contractually bind McGrath Human Resources in any type of negotiations and contracts.

Optional Services

In most compensation studies, there are areas that must be addressed that are not planned for. In the 22 years McGrath Consulting Group, Inc., has been in business, it has never increased the agreed upon price and will address these areas. In the event the work is so beyond the scope of the original project, the Consultant will work with the City to either bill the service at an hourly rate, plus travel fees; or determine a fixed price. However, no work will begin until an agreement with the City has been approved.



AGENDA ITEM

TO: Tim Vandall, City Administrator

FROM: Mike Spickelmier, Director of Public Works *MWUS 5/12/2020*

DATE: May 16, 2022

SUBJECT: Purchase of Radar Detection Equipment for K7 (Main Street) & Mary Traffic Signal

Policy Consideration: Section 4-10 Sole Source Purchasing in the *Lansing Purchasing Manual*, allows for the purchasing of specific equipment for various technical requirements. The Wavetronic radar detectors are the systems that are installed at 147th & Ridge, as well as the Ida Street signal in 2020. The purchasing of this specific system will keep the radar detectors consistent in terms of compatibility, operation, and maintenance.

Financial Consideration: \$35,000 was programmed in Line Item 22-014-41133 in the 2022 budget for this project. The remain budget balance is intended for the installation of the equipment under separate contract.

Action:

1. The City Council authorize the Public Works Department to purchase of the radar detection equipment for the Mary & Main Street traffic signal from Mid-American Signal in the amount of \$24,658.

AGENDA ITEM



MID AMERICAN SIGNAL, INC.

2429 S MILL STREET KANSAS CITY, KS 66103
PHONE (913) 432-5002 FAX (913) 432-2213
<http://www.midamsignal.com>

QUOTATION

PREPARED FOR: Michael Spickelmier
City of Lansing

DATE: 5/2/2022

PREPARED BY: Shawn Batalia
Mid American Signal


Per Your Request: Wavetronix Matrix Intersection
K7 and Mary

QTY	DESCRIPTION	TOTAL
	1 Matrix Intersections to include at each location:	
4	Smartsensor Matrix WX-SS-225	
4	80' Harness for Smartsensor Matrix	
1	CLICK! 650 Cabinet Interface Device	
4	Mounting brackets for Smartsensor Matrix	
1	1000' Spool of Smartsensor Matrix Cable	
		\$ 24,658.00

Terms: Net 30 days from date of invoice, or as approved by Mid American Signal Credit Department.
An interest charge, as permitted by law, may be assessed on accounts unpaid after 30 days.
Quotation is valid for 60 days, with delivery 10-12 weeks after receipt of order.
Quotation is based upon quantities shown, any changes can be subject to price adjustment.

The above information is for the use of the person or entity named only. Unauthorized use is prohibited.
The above quotation does not include any installation of the products quoted.

AGENDA ITEM

TO: Tim Vandall, City Administrator
FROM: Anthony J. Zell, Jr., Wastewater Utility Director 
DATE: May 12, 2022
SUBJECT: Condemnation Resolution No. B-5-2022 (enabling action) for City Project 2021-03 (Town Centre Sewer Extension)

The accompanying resolution is the first enabling steps to pursue condemnation, if necessary, of interests in property (permanent and temporary easements) necessary for the construction of the above referenced project. Enactment of the resolution clears the way to later enact a condemnation ordinance listing any specific easements that cannot reasonably be obtained through negotiation, if needed.

It is prudent to enact the enabling resolution at this time so that the governing body does not have to wait an extra meeting cycle to pass a condemnation ordinance, if it is needed. Delays due to the length of time required for condemnation have the potential to delay the completion of the project.

Every reasonable effort will be made to obtain all easements through negotiation with City staff, regardless of whether this resolution is enacted.

Policy Consideration: N/A

Financial Consideration: N/A

Recommended Action: A motion to enact Resolution No. B-5-2022, a resolution of condemnation for permanent and temporary construction easements for City Project 2021-03, (Town Centre Sewer Extension).

AGENDA ITEM

RESOLUTION NO. B-5-2022

RESOLUTION FINDING AND DECLARING THE NECESSITY OF APPROPRIATION OF PRIVATE PROPERTY BY ACQUIRING PERMANENT EASEMENTS AND TEMPORARY CONSTRUCTION EASEMENTS FOR THE USE OF THE CITY FOR THE CONSTRUCTION OF A PUBLIC SANITARY SEWER IMPROVEMENT, PROJECT NUMBER (2021-03).

NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF LANSING, KANSAS, AS FOLLOWS:

1. Pursuant to K.S.A. 26-201, the City Council deems it necessary and hereby finds and declares the necessity to appropriate private property by acquiring by condemnation for permanent easements and temporary construction easements for the use of the City for construction of City Project 2021-03, a public sanitary sewer improvement located in the city limits of the City of Lansing.
2. A survey has been conducted by Darren Sean Cahalan, Kansas Registered Land Surveyor #1341, with a description of the land or interest to be condemned and has been filed with the City Clerk.

This resolution shall be published once in the official city newspaper, *The Leavenworth Times*.

ADOPTED AND APPROVED by the governing body of the City of Lansing, Kansas, on this 19th day of May 2022.

Anthony McNeill, Mayor

(SEAL)


ATTEST:

Tish Sims, City Clerk

Published: *The Leavenworth Times*

Date Published: _____

AGENDA ITEM

TO: Tim Vandall, City Administrator
FROM: Anthony J. Zell, Jr., Wastewater Utility Director 
DATE: May 12, 2022
SUBJECT: Easement Acquisition Request - City Project 2021-03

The next step in the Town Centre Sewer Extension Project is to acquire the necessary temporary and permanent sanitary sewer easements for the construction of the improvements. Attached is a summary table of the needed parcels, along with the values of the appraisals. While some of these improvements occur in existing easements, the new easements necessitate the removal of trees, driveways, and ornamental landscaping.

An enabling resolution for condemnation has just been approved by Council at this meeting. Staff will perform easement acquisition on the four parcels needed for this project. Offer letters will be mailed the week of May 16th.

The opinion of just compensation for the temporary easements, permanent easements, and cost to cure items as determined by Valbridge Property Advisors is \$7,860.

Policy Consideration: N/A

Financial Consideration: Funds will be taken from the Utility's acquisition account (Fund 50).


Recommended Action: A motion to authorize staff to complete easement acquisition activities for the Town Centre Sewer Extension Project.

AGENDA ITEM

Town Centre Sewer Extension
 City Project 2021-03

		Land					
Tract ID #		TCE	Perm	Cost to Cure	Comments	Total Costs	Rounded
1	112 W Kay Street	\$594	\$40	\$0		\$634	\$640
2	112 W Kay Street	\$1,628	\$0	\$0		\$1,628	\$1,630
4	104 W Kansas	\$1,419	\$2,334	\$600	Decorative Trees	\$4,353	\$4,360
5	101 N Main St	\$1,227	\$0	\$0		\$1,227	\$1,230
						<u>\$7,860</u>	

AGENDA ITEM

TO: Tim Vandall, City Administrator
FROM: Anthony J. Zell, Jr., Wastewater Utility Director 
DATE: May 12, 2022
SUBJECT: Supplemental Agreement – Town Centre Sewer Extension (City Project 2021-03)

During design of the Town Centre Sewer Extension Project, additional work was completed by George Butler Associates (GBA) that was not anticipated in the original design scope or fee. Staff also directed GBA to perform additional work to provide an accurate plan set for bidders. These additional items included:

- Further evaluation of service lateral connections based on field locates at the three properties in lieu of CCTV data.
- Further evaluation of the sewer alignments due to extra depth of reversing sewer and service laterals at Kansas Ave. This work included evaluations for minimizing depth reviewing different alternative alignments.
- Complexity of the property work resulted in additional coordination efforts with KDOT for receiving appropriate ROW data.
- Unexpected plat and property ownership information resulted in additional efforts.
- Additional rock cores between manhole locations to more accurately quantify the presence of rock.

The above work has resulted in a fee increase of \$17,223. Attached is a copy of the supplemental agreement for review.

The design fees for GBA's professional services are based on actual hourly rates expended during the project vs. other methodologies like lump sum. GBA has always fulfilled all their contract obligations on several previous design projects worth millions of dollars. In fact, three of the largest projects came in under the total budgeted amount, which has resulted in a savings of 11%, which when calculated is approximately \$92,000.00.

Policy Consideration: N/A

Financial Consideration: Funds will be taken from the Utility's Engineering Services account (Fund 50).

Recommended Action: A motion to authorize Supplemental Agreement #1 with George Butler Associates in the amount of \$17,223.00

AGENDA ITEM

**SUPPLEMENTAL AGREEMENT NO. 1
FOR PROFESSIONAL ENGINEERING SERVICES
City of Lansing, Kansas**

This Supplemental Agreement, hereinafter referred to as "Supplemental Agreement No. 1" or "Agreement", made this _____ day of _____, 2022, by and between the City of Lansing, hereinafter referred to as the "City", and the consulting engineering firm of George Butler Associates, Inc., hereinafter referred to as the "Engineer".

WITNESSETH:

WHEREAS, the City and Engineer have previously entered into a Professional Service Agreement, dated June 8, 2021, to furnish professional assistance for Engineering Design Services for the Town Center Sewer Improvements Project hereinafter referred to as the "Contract"; and

WHEREAS, Article II of said Contract provides that the fee to be paid to Engineer may be adjusted by a Supplemental Agreement; and

WHEREAS, this Supplemental Agreement No. 1 between the parties heretofore is to provide additional engineering services for the design of the Town Center Sewer Improvements Project and as described below:

1. The City of Lansing wishes to perform additional geotechnical investigations along the alignment due to the rocky subsurface conditions determined from initial investigations. The work will include additional planning and coordination between the Engineer and Geotechnical team for three (3) additional rock cores and survey of the rock core locations after the work has been completed. The Engineer will also coordinate additional geotechnical work with property owners and the City.
2. During preliminary design of the sanitary sewer the Engineer utilized available data to determine required sewer elevations to serve existing properties adjacent to the alignment. The City was able locate and mark the service laterals of the three (3) adjacent properties to the alignment. This provided data for re-evaluating the service lateral connections to the proposed sewer relocation. Meeting minimum design requirements for the sewer and service laterals resulted in extra depth. The Engineer evaluated options for minimizing depth of the sewer where possible. This work also included additional survey of the three (3) located service laterals as well as one (1) additional project review meeting.
3. Developing property maps resulted in additional coordination with KDOT for ROW plans. Additional title work and coordination was necessary due to unexpected plat and property ownership information. Easement description and layout revisions were required once the permanent sewer easement data was received.

; and

WHEREAS, the City is desirous of entering into Supplemental Agreement No. 1 to pay the Engineer for additional services rendered to the City; and

WHEREAS, the City is authorized and empowered to contract with the Engineer for the

necessary additional engineering services for the project, and necessary funds for the payment of said services are available.

NOW THEREFORE, the parties hereby agree as follows:

- A. That the Compensation under Section IV of the Contract be amended by adding the fees for services indicated in Attachment A and described herein of this Supplemental Agreement No. 1, which shall be in addition to the fees provided in the Contract. City agrees to pay Engineer an amount not to exceed seventeen thousand two hundred twenty-three dollars and no cents (\$17,223.00). This Supplemental Amendment No. 1 raises the maximum fee to \$95,619.00. This is the total of the original fee (\$78,396.00) plus Supplemental Agreement No. 1 (\$17,223.00). Compensation for additional Professional Engineering Services shall be billed using hourly rates and equipment charges as set forth in Attachment B, plus direct expenses.
- B. That project completion dates under Section VI of the Contract are unchanged.
- C. That Section I of the Agreement is amended to include Additional Services as outlined herein and attached hereto as Attachment A and made a part thereof.

IN ALL OTHER RESPECTS, the terms and conditions of the June 8, 2021 Agreement shall remain in full force and effect, except as specifically modified by this Supplemental Agreement No. 1, including all policies of insurance which shall cover the work authorized by this Supplemental Agreement No. 1.

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Agreement No. 1 to be executed as of the day and year first above written.

CITY OF LANSING, KANSAS

ATTEST:

By: _____
Timothy Vandall – City Administrator

City Clerk

APPROVED AS TO FORM:

City Attorney

GEORGE BUTLER ASSOCIATES, INC.

By: _____
Gary S. Beck, P.E.
Vice President

AGENDA ITEM

TO: Tim Vandall, City Administrator
FROM: Tish Sims, City Clerk
DATE: May 13, 2022
SUBJECT: Executive Session – Preliminary Discussion of the Acquisition of Real Property

Executive Session will be called for the preliminary discussion of the acquisition of real property, K.S.A. 75-4319(b)(6).

AGENDA ITEM

City Clerk's Office/Building Maintenance Vehicle and Equipment Report

Vehicles

Year	Make	Model	Description	Mileage Start	Mileage Ending	Miles Driven	Comments
2007	Ford	Econoline	15 Passenger Wagon	22086	22,150	64	Out of Service/Electrical
						0	
						0	
						0	
						0	
Total						64	

Equipment

Year	Make	Model	Description	Hours Start	Hours End	Hours Used	Comments
2018	Advance	SC1500	AutoScrubber Floor Machine	52.82	54.49	1.67	Community Center Cleaning
2018	Kubota	ZG227-A	Mower	234	246.4	12.4	
2021	Kaivac	1750	Cleaning Machine	6.5	6.9	0.4	
						0	
						0	
						0	
Total						14.47	

Lansing Community and Economic Development Department

Monthly Fleet Report

Month April **Year** 2022

Vehicles

Year	Make	Model	License Plate #	Description	Mileage Starting	Mileage Ending	Miles Driven	Comments
2006	Ford	Ranger XLT	67211	LT. Pick-up Ext	58,976	59,433	457	
2005	Ford	Ranger	57932	LT. Pick-up Ext	50,043	50,357	314	
2015	Dodge	Journey	A6545	SUV	78,110	78,376	266	KTag: KTA. 02497158

Parks and Recreation Fleet Report

Vehicles:

Year	Make	Model	Description	Mileage Start	Mileage Ending	Miles Driven	Current Use	Comments
2011	Dodge	Caravan	Mini Van	51,235	51,315	80	AC/Parks use	
2014	Ford	F-350	Dump truck	21990.5	22159.5	169.5	Parks maintenance	
2016	Jeep	Patriot	SUV	66046	66101	55	Activity Center use	
2017	Chevrolet	Silverado	truck	19924	20023	99	Parks maintenance	
2018	Ford	F-350	4-dr crew	26406	26987	581	Parks maintenance	
Total						984.50		

Equipment:

Year	Make	Model	Description	Hours Start	Hours End	Hours used	Current Use	Comments
1992	Massey Ferguson	1020	Tractor	1983.5	1984.5	1	Parks maintenance	
2005	Kubota	F3060	mower	343.6	344.6	1	Parks maintenance	
2007	Turbo Tool Cat	5600	utility vehicle	1254.2	1259.5	5.3	Parks maintenance	
2012	Wright	ZK	stander mower	1153	1153.2	0.2	Parks maintenance	
2016	ABI	Force	infield groomer	274.5	276.2	1.7	Parks maintenance	
2017	Kubota	ZD1211	mower	790	805.6	15.6	Parks maintenance	
2018	Polaris	Ranger	utility vehicle	324.5	328.1	3.6	Parks maintenance	
2019	Exmark	LZ 72	mower	476	491.2	15.2	Parks maintenance	
2019	Exmark	LZ 96	mower	250.6	262	11.4	Parks maintenance	
2020	Kubota	ZD1211	mower	182.2	190.7	8.5	Parks maintenance	
2022	Wright	ZK	stander mower	0	2.3	2.3	Parks maintenance	
Total						65.80		

**Lansing Public Works Department
Monthly Fleet Report**

Month April Year 2022

Vehicles

Year	Make	Model	License Plate #	Description	Mileage Starting	Mileage Ending	Miles Driven	Comments
2008	Ford	Ranger XLT	70321	LT. Pick-up Ext	NA	NA	NA	Sold Purple Wave
1998	Ford	1/2 ton	48091	Pick-up	69,496	69,723	227	
2005	Sterling	LT 8500	64614	Dump Truck	60,066	60,324	258	
2007	Elgin	Crosswind J+	70295	Street Sweeper	-	6,600		
2017	Chevrolet	3500	88437	Pick-up Truck	28,984	30,189	1,205	
2011	International	7400	75269	Dump Truck	22,213	22,214	1	
2016	Ford	F350 4x4	88468	One-ton Dump Truck	17,454	17,930	476	
2013	Ford	Explorer	80551	SUV	74,074	74,630	556	
2019	Ford	Ecosport	A4358	SUV	8,026	8,640	614	KTag- KTA. 02497157
2020	Chevrolet	3500	A8914	One-ton Dump Truck	4,510	4,829	319	
2005	Mack	Granite	B0282	Dump Truck	44,721	44,789	68	

Equipment

Year	Make	Model		Description	Hours Starting	Hours Ending	Hours Used	Comments
1997	JD	770BH		Grader	5,160	5,162	2	
2004	IR	DD-24		Asphalt Roller	303	303	0	
2006	IR	185		Air Compressor	226	226	0	
1997	Bobcat	763		Skid Steer	2,308	2,308	0	
2014	Case	580 SNWT		Backhoe	1,802	1,815	13	
2002	Crafco	110		Crack Sealer	842	842	0	
2003	Kubota	L3710		Tractor	1,631	1,631	0	
2009	Case	465		Skid Steer	737	738	1	
2018	John Deere	5065E		Tractor	168	176	8	
2018	Vermeer	BC1000		Chipper	10	13	3	



City of Lansing
800 First Terrace
Lansing, Kansas 66043

City Administrator's Report
May 19, 2022

Agenda Items:

Resolution B-4-2022 authorizes the offering for sale of General Obligation Bonds for the City. These bonds will be utilized for improvements to Bernard Park and will be paid for by the .45% sales tax approved by voters in 2017. The bond sale will take place on June 23rd, along with a special meeting at 6:30pm, prior to our work session that evening.

Resolution B-5-2022 allows the City to pursue condemnation if negotiations for wastewater easements are unsuccessful. Every reasonable effort will be made to obtain easements through negotiations; however, approval of this resolution saves the City time if the easements cannot be reasonably obtained. This potential project impacts four parcels.

The next step in the Town Center Sewer Extension project is to acquire the necessary temporary and permanent sewer easements. Some of the easements necessitate the removal of trees, ornamental landscaping, or modification of driveways. Based on the judgment of our land acquisition specialists, Valbridge Property Advisors, the total amount of compensation for the four parcels is \$7,860.

During the course of the Town Center Sewer Extension project, additional work was completed by our engineer, GBA, that was not in the original scope of the project. The agenda memo outlines the items that arose for which GBA is requesting additional compensation of \$17,223. Of note, on past projects, GBA has come in under their contractual budgeted amount, resulting in savings of approximately \$92,000 on earlier projects. Wastewater Superintendent Tony Zell will be on hand to answer any questions.

The purchase of radar detection equipment for the K7/Mary St traffic signal is on the agenda. We budgeted \$35,000 for this expense last year, and the total came in at \$24,658. The remainder will go toward installation expenses. Installation of this equipment will make the K7/Mary Street intersection more responsive to traffic patterns and reduce the likelihood of sitting at a red light when there is no traffic at the intersection. This equipment will also reduce our maintenance of the light.

A contract with the McGrath Human Resources Group to move forward with a pay study for all non-public safety employees is on the agenda. The study totals \$19,575. The City worked with McGrath Consulting on our Public Safety pay study and was generally pleased with the work.

An executive session for land acquisition is on the agenda Thursday evening.

Public Works:

We anticipate work on the K7/Eisenhower intersection to begin on May 31st, with the initial work taking place on Eisenhower, and work on K7 to begin about two week afterward. The construction schedule is 25 weeks, so we are hoping for completion in mid-November. Please encourage drivers to utilize detours or to drive the intersection during non-peak hours. There will be traffic congestion.

Design for the drainage pipe at 4H and Valley was at 50% in April. The temporary repairs were completed last fall. Our engineers anticipate this major stormwater pipe replacement to be in the neighborhood of \$500,000. We will bring up this project during budget season to evaluate if it can be completed in 2023.

We anticipate bidding for the Southfork Road pipe repairs to take place this summer, with construction tentatively slated for the fall.

Curb work along Cottonwood Drive is slated to begin the final week of May. We anticipate the asphalt work on 147th St to begin in July.

The City received our NFIP (National Flood Insurance Program) five year recertification last week and we retained our Class 7 rating! This means residents who purchase flood insurance in Lansing qualify for up to a 15% discount because of our flood mitigation activities! Major kudos to Kelly Hanne and Mike Spickelmier for their hard work on this recertification!

Parks & Recreation:

The City was fortunate to receive a \$10,000 grant from Royals Charities to go toward the construction of our new ballfields at Bernard Park! Thank you to the Kansas City Royals and Royals Charities!

Work on Bernard Park began last week. A construction access road was built to keep heavy equipment and deliveries off the main entrance. The road is located to the west of the main entrance. Road closed barricades have been installed to limit traffic. A crosswalk was painted leading toward the playground, shelter, and soccer fields and signs were installed to provide pedestrian access to those amenities. Temporary construction fencing has been installed for park suer safety. A job trailer and construction materials have been delivered to site. Earthwork has started on the construction site.

Wastewater:

Appraisal reports for the Town Center Sewer Replacement Project have been received and scheduled for approval on May 19th. An enabling resolution for condemnation is also on the

agenda. Offer letters will be mailed the week of May 23rd and staff will begin negotiating for acquisition. Construction of this project will follow, as directed by the Council.

There have been a few rain events over the last two weeks. Flow meters continue to be serviced by technicians weekly. Twelve flow meters have been installed throughout Lansing and data collection will continue for 90 days.

Potholing of utilities along the McIntyre Sewer Interceptor project corridor are scheduled for the week of May 16th. Plan design is ongoing. This project would extend sewers to McIntyre Road and include installation of 9,500’ of pipe.

Year End Sales Tax Update:

	2021 YTD	2022 YTD	Difference
Local Sales & Use Tax (1.45%)	\$546,526	\$655,684	\$109,158, 19.97%
County Sales Tax	\$309,901	\$322,275	\$12,374 (3.99%)
County Use Tax	\$87,983	\$123,868	\$35,885 (40.79%)
Guest Tax	\$55,277	\$21,421	-\$33,856 (-61.25%)

Through the April disbursement, the .45% sales tax has generated \$203,262, on pace for \$609,786 throughout the year. The 2022 debt payment for DeSoto Road is \$388,075. Based on current projections, this would leave \$250,829 toward park improvements this year.

Meetings & Announcements:

The City currently has an opening for a part time Animal Control Officer. The City also has one volunteer opening on the Planning Commission.

We hope to have a representative from Clearwave Fiber at the June 2nd City Council meeting to update the governing body on their timeline and to address any questions.

The memorial ceremony for the new bricks at the Bernard Park Veteran’s Memorial is on May 21st. Please strive to attend both events, if able.

- Wednesday, May 18th Planning Commission Meeting, 7:00pm, City Hall
 - Fairlane/Santa Fe Site Plan
- Thursday, May 19th City Council Meeting, 7:00pm, City Hall
- Thursday, May 26th City Council Work Session, 7:00pm, City Hall
- Monday, May 30th Memorial Day Holiday-City Offices Closed
- Thursday, June 2nd City Council Meeting, 7:00pm, City Hall
- Wednesday, June 15th Planning Commission Meeting, 7:00pm, City Hall



City of Lansing
800 First Terrace
Lansing, Kansas 66043

- Thursday, June 16th
- Thursday, June 23rd
- Thursday, June 23rd
- Saturday, July 2nd
- Monday, July 4th

City Council Meeting, 7:00pm, City Hall
Special Meeting, 6:30pm, Approval of KBP GO Bonds
Budget Work Session, 7:00pm, City Hall
Fireworks & Lansing Daze! Bernard Park
Independence Day, City Office Closed

Sincerely,

Tim Vandall



National Public Works Week Proclamation

WHEREAS, public works professionals focus on infrastructure, facilities and services that are of vital importance to sustainable and resilient communities and to the public health, high quality of life and well-being of the people of Kansas; and

WHEREAS, these infrastructure, facilities and services could not be provided without the dedicated efforts of public works professionals, engineers, managers, and employees at all levels of government and the private sector, who are responsible for rebuilding, improving and protecting our nation's transportation, water supply, water treatment and solid waste systems, public buildings and other structures and facilities essential for our citizens; and

WHEREAS, it is in the public interest for the citizens, civic leaders and children in Lansing to gain knowledge of and to maintain a progressive interest and understanding of the importance of public works and public works programs in their respective communities; and

WHEREAS, the year 2022 marks the 62nd annual National Public Works Week sponsored by the American Public Works Association be it now,

NOW, THEREFORE, I, Anthony R. McNeill, Mayor of the city of Lansing, Kansas, do hereby proclaim Lansing's full support in designating May 15-21, 2022, as

National Public Works Week

and I urge all citizens to join with representatives of the American Public Works Association and government agencies in activities, events and ceremonies designed to pay tribute to our public works professionals, engineers, managers, and employees, and to recognize the substantial contributions they make to protecting our national health, safety, and quality of life.

In Witness Thereof, I have hereunto set my hand this 19th day of May, in the year Two Thousand Twenty-two.

City of Lansing

Anthony R. McNeill, Mayor

Tish Sims, CMC, City Clerk