

CITY OF LANSING

CITY COUNCIL MEETING

REGULAR MEETING MINUTES
May 21, 2020

Call To Order:

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

Roll Call:

Council President Studnicka called the roll and indicated which Councilmembers were in attendance.

Councilmembers Present:

Ward 1: Gene Kirby and Dave Trinkle

Ward 2: Don Studnicka and Marcus Majure

Ward 3: Jesse Garvey and Kerry Brungardt

Ward 4: Tony McNeill and Gregg Buehler

Councilmembers Absent: Mayor Smith

All Councilmembers were present via Zoom video conference.

Council President Studnicka noted Mayor Mike Smith was absent due to attending the Lansing Correctional Facility Visitation for Fallen Officers.

OLD BUSINESS:

Approval of Minutes: Councilmember Majure moved to approve the regular meeting minutes of May 7, 2020, as presented. Councilmember Buehler seconded the motion. The motion was unanimously approved.

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

Presentations

COUNCIL CONSIDERATION OF AGENDA ITEMS:

Approval of Audit Ending December 31, 2019: Danielle Hollingshead, Senior Audit Manager for Adam, Brown, Beran and Ball Chtd asked can you guys hear me ok.

- Councilmember Studnicka replied yes ma'am
 - Danielle Hollingshead stated I am going to keep this pretty short and sweet but if you have any questions just holler at me. The main thing I just want to go over with you is on the audit report on pages 1, 2 and 3. This is where we give our independent auditors opinion and on page 2 I just wanted to point out to you that we are giving a qualified opinion on the governmental activities and business type activities. The reason for this is because the City is not recording GASB 75 which is for other post employee benefits. The reason for that is because you have to get an actuarial done and its costly so there are several entities that don't get that done. And that is to record a liability for projected benefit payments for employee benefits. We are giving a qualified opinion for that piece but if you go down two more paragraphs to get an unmodified opinion for the rest of the report. We don't believe there are any other material misstatements within the financials. So, I wanted to point that out as well as the emphasis of matter. We did early adopt GASB 89 and the reason for that is basically it allows you to not have capitalized interest cost on new construction. So that's actually a favorable GASB so we early adopted that. As well as change the accounting principal for your accounts receivable and that is the other thing I wanted to discuss. On the report, if you keep going to pages, I'm going to skip over management discussion analysis. Beth wrote this and it's very good. It's a very good recap on what happened throughout the year. If you want a condensed version of the financials, I highly recommend you read through that. If you keep going to pages 10 and 11, this is your overall government wide financial statements and you'll see on page 11 we did a prior period restatement. The reason for that is because when we were evaluating your guys' accounts receivable, we realized that you were doing a write off for bad collections. However, it was basically just moving it to a different accounts receivable account when it was being sent to collections instead of actually writing off the accounts receivable. So, we put in a, we worked with Beth to come up with an allowance of what we thought was actually going to be collected. So, we adjusted your accounts receivable balance to make it more accurate, more what the

historical outlook of it was with collections. We have a proprietary statement for that, so you probably haven't seen that in the past but overall your change in net position or your net income increase was \$823,410. That is on page 11. So, you still have a positive outlook for the year. That was the main thing I wanted to point out to you that is not necessarily something you would see. I can go through more detail, but I know I am just doing a high-level review here. The financial statements, the footnotes to the financial statements, you will see on page 20, nope, not page 20, page 35 and 36 where we explain the statement as well as the subsequent event footnote. We had to do one for COVID and it was required. The AICPA came out and said that was required to be put in there, so we did explain that. There is not a liability amount in there yet or how it's going to affect you, but we have to put readers on notice about it. It may affect the City. And then the remaining statements are budgetary statements so if you want to see which is how you guys usually review your financial statements. It compares to what you budgeted for the year so you can go through each fund and review the budget to it. So that is the financial statements. The other thing we have to look at is internal controls. We have to evaluate the control the City has in place and we also have to look at compliance with Kansas statutes. We did not have any statute violations so you will not see any compliance issues. The internal controls we had just a couple minor recommendations and you'll see those in the attached letters to management. If you have any questions on those, I can definitely answer that. Other than that, the audit went very well. Your staff is, they did a great job getting information for us especially for a first-year audit. It can be a little rough, so it went really well. I was very impressed with the staff you guys have to keep up with the GAAP standards. Any questions for me.

- Councilmember Studnicka asked do any Councilmembers have any questions for her.
 - Councilmember McNeill stated I got one question. On Note 2 on page 27. I heard you say we didn't fail to meet any statutes but that one says we failed to meet KSA 10-130.
 - Danielle Hollingshead responded yes, you're right. I missed that. I can explain that. So, the state requires that you give 20-day notice to the state that you have the funds available to pay debt. And if you are one day short, 2 days short, they site it when they confirm it with us. Even if you have the funds there on the due date, if it's not 20 days prior, notification not given 20 days prior, they write you up for that. So that is what that comment is. I'm sorry.
 - Councilmember McNeill replied ok, thanks.
 - Councilmember Studnicka asked anything else Tony.
 - Councilmember McNeill replied no, that is all I had.
 - Councilmember Studnicka asked anyone else, any questions for her.

Councilmember Buehler moved to approve the final audit for the City of Lansing for the year ended December 31, 2019. Councilmember McNeill seconded the motion. The motion was unanimously approved.

Transient Vendor Moratorium: Councilmember Buehler moved to extend the moratorium on Transient Vendor Licenses for an additional 4 weeks. Councilmember Kirby seconded the motion.

- Councilmember Buehler stated I do have a question. About a week ago, we had a young man at the door selling something, said he didn't have a license, but said everything had been cleared by the City. Was he trying, did he just not know. I mean this kid had obviously been dropped off and was told to go door to door. So, what do we do in situations like that if that happens.
 - City Clerk Sarah Bodensteiner responded so what we advise our residents to do in that situation is to call the non- emergency police line, the 727-3000, so we can get an officer over there and they can talk with them and let them know that if they don't have a license and they need to stop soliciting for the evening and they can contact City Hall the following

day to see what they need to do to be permitted to be in the City. I can tell you the company that was at your house had been in the area two days prior as well and had been told they needed to get a license. So, I don't know if they had multiple people that they hadn't shared that information with, but when that does occur we do tell everyone to contact the non-emergency police line so we can get that handled.

- Councilmember Buehler replied ok, thank you. So right now, we're not giving out any licenses for the next four weeks.
 - City Clerk Sarah Bodensteiner replied correct.
 - Councilmember Buehler stated ok, thank you.

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 Engineer: City Engineer Matt Harding had nothing to report.

City Administrator: City Administrator Tim Vandall encouraged everyone to take a look at Co-Ops new building on Gilman. It looks great and fuel pumps are operational. QuikTrip is making progress and still a few weeks out from opening but it is coming along. There are several new businesses in town but ribbon cutting ceremonies were delayed due to the pandemic. Exos Physical Therapy, Moreno Group, Leavenworth County Humane Society and Low and Slow BBQ are all new. Adams Acres residents received letters with a link to participate in a sidewalk survey. There were 25 responses along with some verbal comments. The verbal comments included one residents concern with an already small front yard that would be even smaller with a sidewalk added and the other was an elderly resident concerned about finding someone to shovel the sidewalk during the winter months. The recommendation is to put the sidewalk for this neighborhood on the back burner for now.

- Councilmember Buehler agreed that a large portion of the resident aren't interested in a sidewalk at this time.

City Administrator Tim Vandall also let the Council know Mutual Savings will be putting in a sidewalk along 1st Terrace and that will connect to the sidewalk by the library. Staff spoke to the contractor and asked for a price to extend the sidewalk going the other way towards Olive Dr. With an estimate around \$14,000, we asked them to go ahead and extend that sidewalk all the way to Olive Dr. A Zoom meeting was held the previous week with engineers and the City of Leavenworth to talk about the K-7/Eisenhower project. There are traffic backups right now but hopefully it won't last too long as improvements are made. Public Works Director Mike Spickelmier will discuss the projected improvements on that intersection at the next Work Session. City Administrator Tim Vandall asked the Council about proceeding with meetings. He suggested the May 28th Work Session would take place via Zoom and the June 4th Council meeting be in person with social distancing measures in place. Councilmember Buehler, Studnicka and Kirby agreed that would work.

Governing Body: Councilmember Brungardt congratulated Finance Director Beth Sanford and her team on the audit and told everyone to stay safe.

Councilmember Studnicka, Councilmember Trinkle, Councilmember Kirby, Councilmember Majure, Councilmember Buehler and Councilmember McNeill echoed Councilmember Brungardt sentiments to Beth and staff.

Councilmember Trinkle also asked everyone to help our local restaurants and businesses out and we'll get through this together.

Councilmember Kirby hopes everyone took the opportunity to do the drive through at the prison for the guards who lost their lives to the Coronavirus. He thanked all the police departments, sheriffs and fire departments who participated. Councilmember Kirby asked about the Independence Day celebrated as we are quickly approaching it.

- City Administrator Tim Vandall stated they have been keeping an eye on what other cities are doing. Blue Springs, MO has already cancelled their events. There has been concern in regard to bounce houses and things like that. He asked if the Council wanted to take a couple of weeks to think about it and it can be discussed at the next Council meeting.
 - Councilmember Brungardt suggested it would be better to discuss it at the Work Session next week.

Councilmember Majure echoed Councilmember Kirby's sentiments and thanked all first responders. He stated the City has always been great at keeping residents informed and Public Information Officer Ken Miller has done a great job using social media to do this. He also stated he is excited for the road improvements on DeSoto and Eisenhower along with QuikTrip. He asked about the current City jobs that had been posted.

- City Administrator Tim Vandall replied the one that was just posted is for a Facility Operator and it is a part time position for the Parks & Recreation Department. It is building maintenance and overseeing Open Gym. Recently closed positions were for the Utility Billing Clerk which we will be interviewing for soon and the other was for the Wastewater Department and we have made an offer to an individual for that position.

Councilmember Garvey expressed his condolences to the families of the prison guards. He stated he has had some complaints about the construction but it's important to remember construction means progress. He congratulated Joseph Gates as the new Interim Fire Chief.

Councilmember Buehler congratulated the class of 2020 graduates. He and his wife were able to watch the parade and the City really stepped up to support the 2020 graduates. He also provided a fun fact, on this day in 1881, the American Red Cross was founded by Clara Barton.

Councilmember McNeill echoed Councilmember Garvey sentiments for the prison guards and their families. He also congratulated the 2020 graduates. Councilmember McNeill stated he has had a lot of complaints on the traffic congestion but we will have to deal with that to support the businesses that want to come here and maintain the road network that we do have.

ADJOURNMENT:

Councilmember McNeill moved to adjourn. Councilmember Buehler seconded the motion. The motion was unanimously approved. The meeting was adjourned at 7:31 p.m.

ATTEST:

Donald Studnicka, Council President

Sarah Bodensteiner, City Clerk