

**ULYSSES CITY COUNCIL
REGULAR SESSION
June 27, 2018**

PRESENT:

Mayor: Absent

Council Members Present: Tim McCauley, Jerry Jo Deckert, Sam Guy
Ken Warner, and John Duran

Staff Present: Alan Olson, Sarah Britton, and Dave Black

Visitors: Erica Oglevie, and C Peterson

Mayor John Battin called the meeting to order at 5:00pm.

The **Pledge of Allegiance** was led by Mayor John Battin.

Council Member John Duran led the room in **Opening Prayer**.

CONSENT AGENDA

Motion by Council Member Deckert, seconded by Council Member Warner to approve the consent agenda. Council Members McCauley, Duran, and Guy voted yea. Those voting nay, none. Motion carried, 5 yeas. Nays, none.

Visitors:

OLD BUSINESS

NEW BUSINESS

Connect Ulysses Feasibility Grant Proposal

Erica Oglevie with Connect Ulysses stated that Connect Ulysses is proposing to the City of Ulysses Council Members to apply for a KDOT Phase 1 Grant. KDOT Phase 1 Transportation Alternative Grants allow communities to conduct a yearlong feasibility and cost study toward installing pedestrian walkways and safe routes to schools.

Location: Interior City of Ulysses, perimeter of the City of Ulysses, and some portions of Grant county-safe sidewalks connecting the four schools and administration building as well as recreational facilities and sports venues; and pedestrian sidewalks providing safe routes for residents to necessary services, more specifically:

- Safe Walking Routes for Students with installed traffic controls
- Necessary walkability for residents without vehicles to access services (medical, utility, groceries, ect).

- Economic Development of our community to help bring in businesses, candidates, and even more importantly to retain our existing citizens-providing the intermodal transportation that creates a safer community in which to live.
- Health and Wellness-provide easy access and easy routes to remain active for all ages
- Beautification of the community

Costs: The Connect Ulysses proposal would be for the amount that would cover the expenses of the City Engineer to conduct an estimate of the entire proposed project-\$12,500.00. The Grant Covers 80% of those expenses, Connect Ulysses will raise the remaining 20%. Connect Ulysses would bear as much of the grant burden as possible, but will still be dependent upon the City Clerk for payments of invoices and reimbursement requests.

Objective: The results of the Phase 1 study will act as a guide in determining if the community would like to continue to a Phase 2 Transportation Alternative Grant-the implementation of the safe routes. The Phase 1 results can be a direct transition into the Phase 2 plan.

DEADLINES & OBLIGATIONS PHASE 1:

- **Friday, July 6, 2018**-deadline to register for TA Program Workshops
- **Tuesday, July 10, 2018** Topeka or **Wednesday, July 11, 2018** Salina-TA Program Workshops, 1p.m.-3p.m.
- **Monday, September 10, 2018** Applications are due
- **October/November** KDOT Staff Site Visits
- **December** Project approvals announced
- Funding occurs 2019. Phase 2 begins 2020 with new application process and funds.

Erica Oglevie with Connect Ulysses stated that the obligation from the city is that the City Administrator will sign the grant, and the city will have to pay the vendor and then be reimbursed from Connect Ulysses for the grant.

Motion by Council Member Deckert, seconded by Council Member Duran to approve Phase 1 of the connect Ulysses project. Council Members McCauley, Warner, and Guy voted yea. Those voting nay, none. Motion carried, 5 yeas. Nays, none.

Audit Report

Matthew Medill with Dirks, Anthony & Duncan presented the 2017 audit results.

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 the City of Ulysses are described in Note 1 to the financial statement. No new accounting policies were adopted and the application of existing policies was not changed during 2017. We noted no transactions entered into by the City of Ulysses during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statement in the proper period.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure(s) affecting the financial statement was:

The disclosure of the City's compliance with Kansas Statutes in Note 11 to the financial statement. The City did not send cash bonds, which had met the satisfying conditions of the bond, to unclaimed property within the allotted one year period, as described by K.S.A. 58-3935.

There were no statutory violations.

The financial statement 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.

Corrected and Uncorrected Misstatement

Professional standards require us to accumulate all known and likely misstatement identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatement. In addition, none of the misstatement detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statement taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter whether or not resolved to our satisfaction, that could be significant to the financial statement or the auditor's 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 June 19, 2018.

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 Of Ulysses's financial statement or a determination of the type of auditor's opinion that may be expressed on those statement, 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 of 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 of Ulysses's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

See Attached 2017 Audit Report

Budget Proposal

Interim City Administrator Olson stated that with some law changes there is one main thing that we have to accomplish tonight, and that is to determine if we need to take the budget to a vote to increase the mill levy over and above what the state will allow. Olson also stated that we have completed the budget using certain raises and increases.

Interim City Administrator stated that the mill levy was increased to the max without having to the budget to a vote.

Utilities Increase

All rates were raised 8% in 2018

2019 Water Rate Increase	0%
2019 Sanitation Increase	1%
2019 Sewer Increase	0%
2019 Sewer Cap Increase	0%
2019 Storm Water Increase	0%

With some discussion between the council the consensus is to raise only sanitation by 1%

The rate increase will be in effect January 1, 2019.

Pay Increase

- A one percent pay increase across the board \$18,865.28
- A two percent pay increase across the board \$37,730.56
- A three percent pay increase across the board \$56,595.84
- A four percent pay increase across the board \$75,461.12

With some discussion between the council the consensus is to go with a four percent pay increase across the board.

Health Increase Rates

There was a 2% decrease for 2017 followed by a 8.10% increase for 2018

With discussion between the council the consensus is to budget a 15% increase for health insurance.

Property Insurance Rates

- 2019 Increase
- 5% \$93,223.20
- 7% \$94,998.88
- 9% \$96,774.56
- 10%\$97,662.40

With discussion between the council the consensus is to budget a 5% increase for property insurance rates.

With discussion between the council the consensus is to budget for Outside Entity Funding Request:

Outside Entity Funding Request

Economic Development	\$50,000.00
Chamber of Commerce	\$14,500.00
Tigers In Action	\$10,000.00
WKCAC	\$ 5,000.00
GGCF	\$ 2,000.00

Interim City Administrator Olson proposed to the council to help Tigers In Action the city is willing to give a dollar for every city ticket that is successfully prosecuted. The consensus from the council is to pay Tigers In Action \$1.00 for every city court ticket prosecuted. The city will start paying the \$1.00 after ordinance is passed.

Interim City Administrator stated the budget for 2019 is \$13,433,630.00 with an estimated mill levy of 44.196.

The Budget Hearing is set for July 25, 2018 at 5:00p.m.

Executive Session

Motion by Council Member Warner, seconded by Council Member Deckert to recess into executive session to discuss Lease of City Property. Council Members Warner, Duran, and Guy voted yea. Those voting nay, none. Motion carried, 5 yeas. Nays, none.

The open meeting will resume in the city council chamber at 7:23p.m.

STAFF COMMENTS

Interim City Administrator Olson stated that the fishing at Frazier Park seems to be going well so far.

COUNCIL MEMBER’S COMMENTS

Council Member Deckert stated that she went to Frazier Park last night and there were lots of people fishing, walking the trails, and barbequing.

Council Member Warner thanked the staff for their hard work on the budget.

Council Member Duran thanked Interim City Administrator Olson for his work on the budget. Duran asked Interim City Administrator Olson when the east side of the lake would be open for fishing. Olson stated at this time we are not going to open the east side for safety reasons.

Council Member McCauley also thanked everybody that worked on the budget, and he also stated that the fishing a Frazier Park is great.

Mayor Battin thanked everybody for their hard work.

ADJOURNMENT

Motion by Council Member McCauley, seconded by Council Member Warner to adjourn the meeting at 7:28 p.m. Motion carried, 5 yeas. Nays, none.

Mayor John Battin

Council Member Jerry Jo Deckert

Council Member Tim McCauley

Council Member Kenneth Warner

Council Member Larry Velasquez

Council Member John Duran

Council Member Sam Guy

Interim City Administrator Alan Olson

City Clerk Sarah Britton