

CITY COMMISSION MEETING AGENDA

City Hall Commission Chambers

Tuesday, January 17, 2023

7:00 p.m.

MEETING #5236

Public is welcome although seats are limited for social distancing; or you can view as follows:

1. Watch live on our Facebook page at www.facebook.com/cityofdodgecity

2. Or watch it on our Vimeo page at www.vimeo.com/cityofdodgecity.

The meeting will be archived on both sites to be viewed after the live video has ended.

CALL TO ORDER

ROLL CALL

ELECTION OF MAYOR AND VICE MAYOR

INVOCATION BY Pastor Steve Ormord of First Baptist Church

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

PETITIONS & PROCLAMATIONS

VISITORS (Limit of five minutes per individual and fifteen minutes per topic. Final action may be deferred until the next City Commission meeting unless an emergency situation does exist).

City Loyalty Oath Ceremony -Dodge City Police Department

CONSENT CALENDAR

1. Approval of City Commission Meeting Minutes, January 2, 2023.
2. Appropriation Ordinance No.2, January 17, 2023.
3. Cereal Malt Beverage License:
 - a. Casa Alvarez, 1701 W. Wyatt Earp Blvd.

ORDINANCES & RESOLUTIONS

Resolution No. 2023-01: A Resolution of the City of Dodge City, Kansas, Authorizing the Preparation of Financial Statements and Financial Reports on the Basis of Cash Receipts and Disbursements. Report by Nicole May, Finance Director.

UNFINISHED BUSINESS

NEW BUSINESS

1. Approval of the 2022 Audit Engagement Letter with Kennedy McKee & Company. Report by Nicole May, Finance Director.
2. Approval to Purchase Neptune Water Meters for the Utilities Department. Report by Corey Keller, Superintendent of Public Works.
3. Approval of Bid for the Repairs for the United Wireless Arena Ice Floor. Report by Ryan Reid, Director of Administration.

OTHER BUSINESS

STAFF REPORTS

Update on BASE Grant for Hennessey Hall. Report by Daniel Cecil, Director of Parks & Facilities.

ADJOURNMENT

CITY COMMISSION MEETING MINUTES

City Hall Commission Chambers

Tuesday, January 3, 2023

7:00 p.m.

MEETING #5235

Public is welcome although seats are limited for social distancing; or you can view as follows:

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CALL TO ORDER

ROLL CALL Mayor Kent Smoll, Commissioners Rick Sowers, Chuck Taylor, Michael Burns, Joseph Nuci

INVOCATION BY Pastor Steve Ormord of First Baptist Church

PLEDGE OF ALLEGIANCE

APPROVAL OF AGENDA

Commissioner Michael Burns moved to approve the agenda as presented. Commissioner Chuck Taylor seconded the motion. The motion carried unanimously.

PETITIONS & PROCLAMATIONS

VISITORS (Limit of five minutes per individual and fifteen minutes per topic. Final action may be deferred until the next City Commission meeting unless an emergency situation does exist).

CONSENT CALENDAR

1. Approval of City Commission Work Session Minutes, December 19, 2022.
2. Approval of City Commission Meeting Minutes, December 19, 2022.
3. Approval of City Commission Meeting Minutes, December 29, 2022.
4. Appropriation Ordinance No.1, January 3, 2023.
5. Cereal Malt Beverage License:
 - a. Dodge City Community College, 2501 N. 14th Avenue.
 - b. Pizza Hut, 110 Frontview Street.
 - c.

Commissioner Joseph Nuci moved to accept the consent calendar as presented. Commissioner Michael Burns seconded the motion. The motion carried unanimously.

ORDINANCES & RESOLUTIONS

UNFINISHED BUSINESS**NEW BUSINESS**

1. Commissioner Michael Burns made a motion to approve the Scope of Work and Fee for the acquisition from SMH for 17 separate easements from 10 property owners required for the installation of the 16” force main in the amount of \$71,000.00. Also allow the City Manager to sign the associated agreement from SMH for this work. Commissioner Chuck Taylor seconded the motion. The motion carried unanimously.
2. Commissioner Rick Sowers moved to approve amendment #1 for the Jacobs agreement for Operations, Maintenance, and Services for Calendar Year 2023 in the amount of \$2,440,845. Commissioner Chuck Taylor seconded the motion. The motion carried unanimously.
3. Commissioner Joseph Nuci moved to approve the Community Facility Advisory Board (CFAB) recommendations for 2023 Organizational Funding requests in the amount of \$110,000. Commissioner Michael Burns seconded the motion. The motion carried unanimously.

OTHER BUSINESS**STAFF REPORTS****ADJOURNMENT**

Commissioner Michael Burns moved to adjourn the meeting. Commissioner Joseph Nuci seconded the motion. The motion carried unanimously.



Memorandum

To: Nick Hernandez, City Manager and City Commissioners

From: Nicole May, Finance Director

Date: January 10, 2023

Subject: Resolution 2023-01

Agenda Item: Ordinances and Resolutions

Purpose: This Resolution is required when preparing the financial statements under the KMAAG or cash basis of accounting.

Recommendation: I recommend the approval of Resolution No. 2023-01.

Background: In prior years, the City's financial statements have been issued on the GAAP basis of accounting. The GAAP basis financial statements are very hard to read and understand for those who do not have a finance or accounting background. In the State of Kansas, it is also permissible to issue financial statements on the KMAAG or cash basis of accounting. The financial statement and schedules required by KMAAG are much easier to read and understand for those who do not have a finance or accounting background. Utilizing KMAAG audit format will allow the general public to be able to understand the City's financial statement and therefore the City will be more transparent.

City Commission Options:

1. Approve
2. Disapprove
3. Table for further discussion

Financial Considerations:

Amount \$: N/A

Fund: _____ Dept: _____ Expense Code: _____
___ Budgeted Expense ___ Grant ___ Bonds ___ Other

Legal Considerations: None

Mission/Values: To promote transparency

Attachments: Resolution 2023-01

Approved for the Agenda by:

Nicole May

Nicole May, Finance Director

RESOLUTION NO. 2023-01

A RESOLUTION OF THE CITY OF DODGE CITY, KANSAS, AUTHORIZING THE PREPARATION OF FINANCIAL STATEMENTS AND FINANCIAL REPORTS ON THE BASIS OF CASH RECEIPTS AND DISBURSEMENTS.

WHEREAS, the City of Dodge City, Kansas, has determined that the financial statements and financial reports for the year ended December 31, 2022 to be prepared in conformity with the requirements of K.S.A. 75-1120a(a) are not relevant to the requirements of the cash basis and budget laws of this state and are of no significant value to the City Commission or the members of the general public of the City of Dodge City and

WHEREAS, there are no revenue bond ordinances or resolutions or other ordinances or resolutions of the municipality which require financial statements and financial reports to be prepared in conformity with K.S.A. 75-1120a(a) for the year ended December 31, 2022.

NOW, THEREFORE BE IT RESOLVED, by the City Commission of the City of Dodge City, Kansas, in regular meeting duly assembled this 17th day of January, 2023 that the City Commission waives the requirements of K.S.A. 75-1120a(a) as they apply to the City of Dodge City for the year ended December 31, 2022.

BE IT FURTHER RESOLVED that the City Commission shall cause the financial statements and financial reports of the City of Dodge City to be prepared on the basis of cash receipts and disbursements as adjusted to show compliance with the cash basis and budget laws of this State.

ADOPTED by the Governing Body and approved by the mayor, this 17th day of January, 2023.

Mayor

ATTEST:

Connie Marquez, City Clerk



Memorandum

To: Nick Hernandez, City Manager and City Commissioners
From: Nicole May, Finance Director
Date: January 10, 2023
Subject: Audit Engagement Letter
Agenda Item: New Business

Purpose: All municipalities of our size are required to have an annual audit.

Recommendation: I recommend approval of the audit engagement letter with Kennedy McKee & Company for the year ending December 31, 2022.

Background: This proposal from Kennedy McKee & Company LLP is to audit the City of Dodge City's financial statement for the year ending December 31, 2022. The fees for these services will be based on actual time spent plus other out-of-pocket costs not to exceed \$28,650 plus the standard hourly rate for the audit of Federal Award Programs. The fee for 2021 was \$27,822.22, which was billed at their standard hourly rates due to the change from GAAP to KMAAG plus \$4,850 for the audit of Federal Award Programs. The detailed audit objectives, management responsibilities and audit procedures are outlined in the attached audit engagement letter. Kennedy McKee & Company has been conducting the City's audit for the past several years. They have extensive background information on the City of Dodge City, know our organization and the financial policies and procedures, work well with the city employees and have done an excellent job.

City Commission Options:

1. Approve
2. Disapprove
3. Table for further discussion

Financial Considerations:

Amount \$: 28,650.00
Fund: 001 Dept: 11200 Expense Code: 420001
 Budgeted Expense Grant Bonds Other

Legal Considerations: None

Mission/Values: To promote transparency with residents.

Attachments: Proposed Engagement Letter

Approved for the Agenda by:

Nicole May

Nicole May, Finance Director

Kennedy
McKee & Company LLP Certified Public Accountants

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JAMES W. KENNEDY, CPA
PATRICK M. FRIESS, CPA
JOHN W. HENDRICKSON, CPA
JEREMY J. APPEL, CPA

December 22, 2022

City Commission
City of Dodge City, Kansas
P.O. Box 880
Dodge City, KS 67801

We are pleased to confirm our understanding of the services we are to provide City of Dodge City, Kansas, a municipality, for the year ended December 31, 2022. We will audit the financial statement as of and for the year ended December 31, 2022.

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

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

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

1. Schedule of Expenditures of Federal Awards

Audit Objectives

The objective of our audit is the expression of an opinion as to whether your financial statement is fairly presented, in all material respects, in conformity with the *Kansas Municipal Audit and Accounting Guide* (KMAAG) and the accounting practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, which is a regulatory basis of accounting, the practices of which differ from accounting principles generally accepted in the United States of America (GAAP) and to report on the fairness of the RRSI referred to in the second paragraph and the other supplementary information other than RRSI referred to in the third paragraph when considered in relation to the financial statement as a whole. The objective also includes reporting on –

- Internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statement in accordance with *Government Auditing Standards*.

- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; the provisions of the Uniform Guidance; and the KMAAG, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the City Commission of the City. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or to issue reports, or may withdraw from this engagement.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement. We will plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the City or to acts by management or employees acting on behalf of the City. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statement or major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and may include tests of assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorney(s) as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statement; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the City and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statement and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statement and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statement. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures – Compliance

As part of obtaining reasonable assurance about whether the financial statement is free of material misstatement, we will perform tests of the City's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance, and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the City's major programs. The purpose of these procedures will be to express an opinion on the City's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We will assist in preparing the financial statement, and related notes of the City in conformity with the KMAAG and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*.

We will perform the services in accordance with applicable professional standards, including the Statements on Standards for Tax Services issued by the American Institute of Certified Public Accountants. The other services are limited to the financial statement, and related notes, and tax services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities. We will advise management with regard to tax positions taken in the preparation of the tax return, but management must make all decisions with regard to those matters.

Management Responsibilities

Management is responsible for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements.

You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statement, schedule of expenditures of federal awards, and all accompanying information in conformity with the KMAAG and the practices prescribed by the State of Kansas to demonstrate compliance with the cash basis and budget laws of the State of Kansas, which is a regulatory basis of accounting, the practices of which differ from GAAP, and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statement, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

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

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud or illegal acts affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud or illegal acts could have a material effect on the financial statement. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the City complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statement with any presentation of the schedule of expenditures of federal awards that includes our report thereon or make the audited financial statement readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

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

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

- The purpose for using the KMAAG regulatory basis framework is to comply with the statutory provisions applicable to the City for preparation of the financial statement on a basis of accounting other than GAAP;
- The financial statement is intended for general use;
- Management has taken appropriate steps to determine that the KMAAG regulatory basis framework is acceptable in the circumstances for meeting its annual financial statement reporting needs;
- Informative disclosures will be included in the financial statement that are appropriate to the KMAAG regulatory basis framework, including;
 - A description of the KMAAG regulatory basis framework, including a summary of significant accounting policies, and how the framework differs from GAAP.
 - Informative disclosures similar to those required by GAAP for items contained in the financial statement that are the same as, or similar to, those in financial statements prepared in accordance with GAAP; and
 - Any additional disclosures beyond those specifically required by the KMAAG regulatory basis framework that may be considered necessary to achieve fair presentation of the financial statement.
 - Management has chosen not to include the financial information of any related municipal entities in this financial statement.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statement, and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statement and related notes and that you have reviewed and approved the financial statement and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Auditor's Responsibility

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

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

Engagement Administration, Fees, and Other

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

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including the financial statement, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include with the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits.

We will provide copies of our reports to the City; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Kennedy McKee & Company LLP and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the cognizant or oversight agency for the audit, or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Kennedy McKee & Company LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the cognizant agency or the oversight agency for the audit. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We will begin our audit on a mutually agreed-upon date. John W. Hendrickson is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Our fee for these services will be at our standard hourly rates plus expenses (such as report reproduction, postage, copies, filing fees, etc.) except that we agree that our gross fee will not exceed \$28,650 plus expenses. The fees for the audit of the Federal Award Programs will be charged at our standard hourly rates. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees may be rendered as work progresses up to 75% of the contract amount, and are payable on presentation. The final billing will be sent after the report has been filed with the Director of Accounts and Reports.

The above fees are based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

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

Very truly yours,

Kennedy McKee & Company LLP



John W. Hendrickson
Partner

RESPONSE:

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

By: _____

Title: _____

Date: _____



Memorandum

To: Nick Hernandez, City Manager and City Commissioners
From: Corey Keller, Public Works Director
Date: January 11, 2023
Subject: Approval to Purchase Neptune Water Meters
Agenda Item: New Business

Purpose: The purpose of this purchase is to replenish the Water Department's stock of $\frac{3}{4}$ and 2 inch water meters.

Recommendation: To approve the purchase of 325 water meters from Municipal Supply in the amount of \$125,775.00 This is a sole source purchase; Municipal Supply is the only supplier of the Neptune meters.

Background: This purchase is for 300 $\frac{3}{4}$ -inch meters and 25 two-inch meters. Most of the meters will be utilized at newly constructed homes. With all the new houses being built throughout the community, these meters go very quickly. Neptune has notified staff that the estimated ship date for these meters will be sometime in November of this year. To ensure that we receive our meters as soon as possible staff would like to acquire them now just incase the ship date changes.

City Commission Options:

1. Approve Purchase
2. Disapprove Purchase
3. Table for further discussion

Financial Considerations:

Amount \$: 125,775.00

Funds: Water Fund 5104100-430004

Budgeted Expense Grant Bonds Other

Legal Considerations: None

Mission/Values: Approving this agreement aligns with the City's Core Values of Working Towards Excellence and Ongoing Improvement.

Attachments: None

Approved for the Agenda by:



Corey Keller, Public Works Director



Memorandum

To: Ford County Commission and City of Dodge City Commission

From: Director of Administration, Ryan Reid

Date: January 17, 2023

Subject: United Wireless Arena: Ice Floor Repair

Agenda Item: New Business

Recommendation: Recommend approval of the quote with Phillips Site Work for repair of the United Wireless Arena Ice Floor.

Background: United Wireless Arena staff detected a brine leak in the ice floor. The brine is used to cool the floor but is very corrosive. The brine leak, if left unfixed, could damage the miles of metal pipes that compose the ice floor.

Arena and City staff worked together to find vendors and solutions for this issue. Staff worked with several companies to pinpoint the likely area of the leak.

The nature of the ice floor construction makes locating the leak a specialized field and finding someone experienced to do the repairs more difficult.

Justification: Phillips Site Work was recommended by the staff at the Cable Dahmer Arena, a sister site to ours. They have used these individuals on several occasions to repair similar issues and have been happy with their work.

The primary advantage of using the Phillips Site Work people is their experience in affecting a more “surgical” repair which limits the risk of damage to our site. This type of repair should also be finished quicker and at a more affordable cost than other options previously considered which means the Arena will have less event scheduling issues.

On January 9, the Community Facility Advisory Board (CFAB) met and unanimously voted to recommend approval to the Joint Commissions.

Financial Considerations: The pricing estimate provide is \$59,820. There are funds available in the Depreciation fund to pay for these repairs.

Purpose/Mission: Together we value progress, growth, and ongoing improvement.

Legal Considerations: There are no legal considerations.

Attachments: Budgetary Pricing Estimate



Phillips Site Work, Inc.

2808 E 85th St., Ste B
 Kansas City, MO 64132
 O: 816.437.7899 M: 816.824.4079
 www.phillipsitework.com

Proposal

| | |
|------------|------------|
| Date | Proposal # |
| 12/28/2022 | 414 |

| Customer | Ship To | Job Phone | Job Category | Estimator |
|--|--|-----------|--------------|-----------|
| 806 N 2nd AVE. Dodge City, KS 67801 | United Wireless Center 4100 W. Comanche Dodge City, KS 67801 | | | Jimmy |
| Description | | | | Subtotals |
| Phillips Site Work, INC. shall furnish all labor, materials, equipment, tools, and insurance necessary to complete the following work: | | | | |
| Mobilize equipment, tools and crew to site. Set up staging area for equipment and trucks. Once all work is complete, work areas to broom sweep finish and all equipment demobilized. All spoils related to work shall be removed from site. | | | | 15,690.00 |
| Saw cut existing concrete along dasher dam in affected area. Bleachers to be retracted to allow access to work area. Existing adjacent concrete is at risk for chipping during demo and shall be saw cut in a manner to protect surfaces. Damage to adjacent concrete out of reasonable control is not covered. | | | | 2,380.00 |
| Break 8'x8' area using hydraulic hammer and excavate up to 4' to brine line junction. Hand excavation will be utilized where necessary to avoid further brine line damage. All spoils to be removed from work area and properly disposed of. | | | | 11,400.00 |
| Expose lines and identify leak(s). This will require coordination with arena to troubleshoot system. | | | | 7,280.00 |
| Locate and repair leak(s) in area by field welding. It is suspected that the elbow or end cap may be leaking. Brine line air test must pass in order to consider repair successful. Additional repairs outside of quoted area to be handled with supplemental agreement. | | | | 13,230.00 |
| - Set up, form, pour and finish 64 SF 8" thick concrete slab according to specifications or existing conditions. All labor, material, reinforcement and forming is included in this Proposal. | | | | 9,840.00 |
| ***IF LINE IS NOT LEAKING IN SUSPECTED AREA, A CHANGE ORDER WILL NEED TO BE ISSUED AND AGREED UPON BEFORE ADDITIONAL WORK OCCURS*** | | | | |



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| *** CHANGE ORDER RATES *** | Description | Subtotals |
|--|-------------|-----------|
| Labor Rate = \$125 per hour per man Overtime Labor Rate = \$160.00 per hour per man Skid Steer Rate = \$90.00 per hour per skid steer Excavator Rate = \$150.00 per hour per excavator Tool Truck Rate = \$150 per day per truck | | |
| <p>* The above scope of work includes, but is not limited to the following items: labor, material, equipment, forming, reinforcement, concrete, standard finish, standard sealer, clean up, hauling and disposal of spoils. All work is calculated to be done during single mobilization. Additional mobilization cost not included in scope.</p> <p>* Exclusions to the above scope of work are as follows: permits and fees, bonds, inspections, testing, engineering, private utilities, sprinklers and irrigation, design, drawings, survey, traffic control, vegetation, seeding, sodding, additional gravel, pavers, timbers, anchor bolts and layout, hold downs, dowels, connection plates, vapor barrier, foam, insulation, waterproofing, erosion control, rock breaking, integrity of existing concrete, unsuitable soils, additional work outside of above listed scope of work. Pricing is good for 30 days and not subject to changes in material costs.</p> | | |

| | | |
|--|--------------|-------------|
| | Total | \$59,820.00 |
|--|--------------|-------------|

All labor and materials carry a one (1) year warranty. All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any deviation from above specifications involving extra costs will be executed only upon written orders and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents, or delays beyond our control. Phillips Sitework is not liable for unknown conditions. Our workers are fully covered by Workman's Compensation Insurance. This proposal may be withdrawn if not accepted within 15 days. Payment terms: Residential due upon completion, Commercial Net 30, 2% APR. Taxes are included.

ACCEPTANCE OF PROPOSAL - The above prices, specifications and conditions are satisfactory and are hereby accepted.

Date of Acceptance _____

Signature Adam Wendte

Customer Signature _____