



REQUEST FOR COMMISSION ACTION
CITY OF INDEPENDENCE
July 11, 2019

Department Finance

Director Approval Lacey Lies

AGENDA ITEM Consider a resolution exempting the City from GAAP (Generally Accepted Accounting Principles) requirements.

SUMMARY RECOMMENDATION Staff recommends adopting resolution waiving GAAP requirements.

BACKGROUND Each year the Commission adopts a resolution exempting the City from all requirements of GAAP. The GAAP requirement provides for a fixed asset accounting system in lieu of just an inventory system, as well as other financial reporting requirements. This action is taken based on past recommendations of the auditors that the GAAP requirements would cost the City additional funds to prepare the City audit, and would not provide any additional benefit to the City.

BUDGET IMPACT This will not have a budget impact as the City has waived the requirements of GAAP for several years.

SUGGESTED MOTION I move to adopt a resolution waiving the requirements of K.S.A. 75-1120a (a) as they apply to the City of Independence, Kansas for the year ended December 31, 2019.

SUPPORTING DOCUMENTS

1. Resolution
2. K.S.A. 75-1120a



RESOLUTION NO. 2019-17

A RESOLUTION WAIVING THE REQUIREMENTS OF K.S.A. 75-1120a(a) "GAAP WAIVER"

WHEREAS the City of Independence, Kansas, has determined that the financial statements and financial reports for the year ended December 31, 2019 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 Governing Body OF THE City of Independence, Kansas or the members of the general public of the City of Independence, Kansas; 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, 2019.

NOW, THEREFORE BE IT RESOLVED, by the Governing Body of the City of Independence, Kansas, in regular meeting duly assembled this 11th day of July, 2019 that the Governing Body of the City of Independence, Kansas waives the requirements of K.S.A. 75-1120a(a) as they apply to the City of Independence, Kansas for the year ended December 31, 2019.

BE IT FURTHER RESOLVED that the Governing Body of the City of Independence, Kansas shall cause the financial statements and financial reports of the City of Independence, Kansas 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.

Passed and approved this 11th day of July, 2019

LOUIS YSUSI, Mayor

ATTEST:

DAVID W. SCHWENKER, City Clerk