

## MINUTES OF THE HOUSE LOCAL GOVERNMENT COMMITTEE

The meeting was called to order by Chairperson Steve Huebert at 1:30 pm on Tuesday, March 17, 2015, 281-N of the Capitol.

All members were present except:

Representative Virgil Peck – Excused

Committee staff present:

Cindy Lash, Legislative Research Department

Martha Dorsey, Legislative Research Department

Maureen Stinson, Kansas Legislative Committee Assistant

Daniel Yoza, Office of Revisor of Statutes

Conferees appearing before the Committee:

Roger Basinger, Department of Administration; Larry Baer, League of Kansas Municipalities;

Gayle R. Anderson

Others in attendance:

[See Attached List](#)

Chair Huebert called the meeting to order.

Representative Campbell made a motion to approve the minutes from the meetings of February 5th, February 10th, February 17th, February 19th, and February 24th. Representative Whitmer seconded the motion. Motion carried.

### **Hearing on: SB247 — Municipal audits.**

Chair Huebert opened the hearing on the bill.

Daniel Yoza, Assistant Revisor, presented a brief overview of the bill.

Roger Basinger, Municipal Services Team in the Office of the Chief Financial Officer, which is part of the Department of Administration, appeared as a proponent of the bill. He explained that they propose changing the dollar threshold for requiring a financial audit from the current \$275,000 amount to \$500,000. He said the change would additionally require that those municipalities with aggregate receipts or bond debt in excess of \$275,000 but less than \$500,000 to have agreed-upon procedures performed annually by a certified public accountant. He testified that the changes proposed are intended to improvement government efficiencies while still providing the transparency and accountability of public funds that is expected from Kansas residents. ([Attachment 1](#))

Larry Baer, Legal Counsel, League of Kansas Municipalities, appeared as a proponent of the bill. He testified that for small cities, an audit is a significant financial cost. He explained that the Senate Committee amended SB 247 to add the requirement that cities in \$275,000 to \$500,000 range of gross receipts or outstanding debt have their accounts examined by a CPA using agreed upon procedures at least once each year and by using enhanced agreed upon procedures at least once every three years.

CONTINUATION SHEET

MINUTES of the Committee on Local Government at 1:30 pm on Tuesday, March 17, 2015, 281-N of the Capitol.

[\(Attachment 2\)](#)

Gayle Anderson appeared as a proponent of the bill. He suggested amending the bill to raise the upper threshold from \$500,000 to \$1,000,000. [\(Attachment 3\)](#)

Chair Huebert closed the hearing on the bill.

Chair Huebert adjourned the meeting. The next meeting will be held on Thursday, March 19, 2015.