

CHAPTER 1. ADMINISTRATION

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ARTICLE 1. GENERAL PROVISIONS

- 1-101. CODE DESIGNATED.** The chapter, articles and sections herein shall constitute and be designated as “The Code of the City of Edgerton, Kansas” and may be so cited. The code may also be cited as the “Edgerton City Code.” (Code 1984)
- 1-102. DEFINITIONS.** In the construction of this code and of all ordinances of the City, the following definitions and rules shall be observed unless such construction would be inconsistent with the manifest intent of the governing body or the context clearly requires otherwise:
- (a) City shall mean the City of Edgerton, Kansas.
 - (b) Code shall mean the Code of the City of Edgerton, Kansas.
 - (c) Computation of time within which an act is to be done shall exclude the first day and include the last day. If the last day be a Saturday, Sunday or legal holiday, that day shall be excluded.
 - (d) Delegation of Authority. Whenever a provision appears requiring or authorizing the head of a department or officer of the City to do some act or perform some duty, it shall be construed to authorize such department head or officer to designate, delegate and authorize subordinates to do the required act or perform the required duty unless the terms of the provision designate otherwise.
 - (e) Governing Body means the mayor and councilmembers or those persons appointed to fill a vacancy in the office of mayor or the council as provided in Chapter 6 of this code.
 - (f) County means the County of Johnson in the State of Kansas.
 - (g) Gender. Words importing the masculine gender include the feminine and neuter.
 - (h) In the City shall mean and include all territory over which the City now has or shall hereafter acquire jurisdiction for the exercise of its police or other regulatory powers.

(i) Joint authority. All words giving a joint authority to three or more persons or officers shall be construed as giving such authority to a majority of such persons or officers.

(j) Month shall mean a calendar month.

(k) Number. Words used in the singular include the plural and words used in the plural include the singular.

(l) Oath includes an affirmation in all cases in which, by law, an affirmation may be substituted for an oath, and in such cases the word swear is equivalent to the word affirm.

(m) Officers, departments, etc. Officers, departments, boards, commissions and employees referred to in this code shall mean officers, departments, boards, commissions and employees of the City.

(n) Owner applied to a building or land shall include not only the owner of the whole but any part owner, joint owner, tenant in common or joint tenant of the whole or part of such building or land.

(o) Person includes a firm, partnership, association of persons, corporations, organization or any other group acting as a unit, as well as an individual.

(p) Property includes real, personal and mixed property.

(q) Shall, may. Shall is mandatory and may is permissive.

(r) Sidewalk means any portion of a street between the curb line and the adjacent property line intended for the use of pedestrians.

(s) Street means and includes public streets, avenues, boulevards, highways, roads, alleys, lanes, viaducts, bridges and the approaches thereto and all other public thoroughfares in the City.

(t) Tenant or occupant applied to a building or land shall include any person holding a written or oral lease of, or who occupies the whole or a part of such building or land, whether alone or with others.

(u) Tense. Words used in the past or present tense include the future as well as the past and present.

(v) Writing or written shall include printing, engraving, lithography and any other mode of representing words and letters, except those cases where the written signature or the mark of any person is required by law.

(w) Year means a calendar year, except where otherwise provided. (Code 1984)

1-103. EXISTING ORDINANCES. The provisions appearing in this code, so far as they are in substance the same as those ordinances existing at the time of the effective date of this code, shall be considered as continuations thereof and not as new enactments. (Code 1984)

1-104. EFFECT OF REPEAL. The repeal of an ordinance shall not revive any ordinance previously repealed, nor shall such repeal affect any right which has accrued, any duty imposed, any penalty incurred, or any proceeding commenced under or by virtue of the ordinance repealed, except as shall be expressly stated therein. (Code 1984)

- 1-105. CATCHLINES OF SECTIONS.** The catchlines of the sections of this code printed in capital letters are intended as mere catchwords to indicate the contents of the section and shall not be deemed to taken to be titled, titles or such sections, nor as any part of any section, nor unless expressly so provided, shall be so deemed when any section, including its catchline, is amended or reenacted. (Code 1984)
- 1-106. PARENTHETICAL AND REFERENCE MATTER.** The matter in parentheses at the end of sections is for information only and is not a part of the code. Citations indicate only the source and the text may or may not be changed by this code. This code is a new enactment under the provisions of K.S.A. 12-3014 and 12-3015. Reference matter not in parentheses is for information only and is not a part of this code. (Code 1984)
- 1-107. AMENDMENTS; REPEAL.** Any portion of this code may be amended by specific reference to the section number as follows: “Section _____ of the Code of the City of Edgerton is hereby amended to read as follows: (the new provisions shall then be set out in full.)”
- A new section not existing in the code may be added as follows: “The code of the City of Edgerton is hereby amended by adding a section (or article or chapter) which reads as follows: (The new provisions shall then be set out in full.”
- All sections, or Articles or chapters to be repealed shall be repealed by specific reference as follows: “Section (or article or chapter) _____ of the Code of the City of Edgerton is hereby repealed.” (K.S.A. 12-3004; Code 1984)
- 1-108.1. POWERS GENERALLY.** All powers exercised by cities of the third class or which shall hereafter be conferred upon them shall be exercised by the governing body, subject to such limitations as prescribed by law. (Code 1984)
- 1-109. CITY RECORDS.** The City clerk or any other officer or employee having custody of City records and documents shall maintain such records and documents in accordance with K.S.A. 12-120 to 12-121, inclusive, which statutes are incorporated herein by reference as if set out in full. (Code 1984)
- 1-110. ALTERING CODE.** It shall be unlawful for any person to change or amend by additions or deletions any part or portion of this code, or to insert or delete pages or portions thereof, or to alter or tamper with such code in any manner whatsoever which will cause the laws of the City of Edgerton to be misrepresented thereby. This restriction shall not apply to amendments or revisions of this code authorized by ordinance passed by the governing body. (Code 1984)
- 1-111. SCOPE OF APPLICATION.** Any person convicted of doing any of the acts or things prohibited, made unlawful, or the failing to do any of the things commanded to be done, as specified and set forth in this code, shall be deemed guilty of a code violation and punished in accordance with section 1-112. Each day a violation of this code continues shall constitute a separate offense. (Code 1984)

1-112. GENERAL PENALTY. Any person convicted of a violation of any of the provisions of or failing to comply with any of the mandatory requirements of the laws of the City of Edgerton for which another penalty is not specifically provided is guilty of a public offense and punishable by a fine of not more than \$500 or by imprisonment not to exceed six months, or by both such fine and imprisonment. Each person is guilty of a separate offense for each and every day during any portion of which any violation of any provision of the laws of the City of Edgerton is committed, continue or permitted by any person; and shall be punished accordingly. (Code 1984)

1-113. SEVERABILITY. If for any reason any chapter, article, section, subsection, sentence, clause or phrase of this code or the application thereof to any person or circumstance, is declared to be unconstitutional or invalid or unenforceable, such decision shall not affect the validity of the remaining portions of this code. (Code 1984)

ARTICLE 2. GOVERNING BODY

2-201. GOVERNING BODY. The governing body of the City shall consist of the mayor and five councilmembers to be elected as set out in Chapter 6 of this code. (Code 1984)

2-202. MEETINGS.

(a) Regular meetings of the governing body shall be held at the City hall building on the second and fourth Thursdays of each month at 7:00 p.m. In the event the regular meeting day shall be a legal holiday, the governing body shall meet as prescribed by council at the same place and time.

(b) Special meetings may be called by the mayor at any time upon written request of three members of the council. The request shall state the matters to be discussed at such special meeting and no other matters may be considered at such meeting. (K.S.A. 15-160 ; Code 1984; Ord. 409, Sec 1 - 1973)

1-203. QUORUM. At all meetings of the governing body, three of the five council members elect shall constitute a quorum to do business. (Ord. 848, 2008; Ord. 789, 2005)

1-204. RESIDENCY. All elected officers of the City, as provided by law, shall be residents of the City of Edgerton, Kansas. Elected officers of the City, by way of example include but are not limited to the City councilmembers. (C.O. No. 7, Sec 2)

1-205. POWERS OF THE MAYOR. The mayor shall preside at all meetings of the governing body. The mayor shall have the tie-breaking vote on all questions when the members present are equally divided. The mayor shall:

(a) Have the superintending control of all officers and affairs of the City;

- (b) Take care that the ordinances of the City are complied with;
 - (c) Sign the commissions and appointments of all officers elected or appointed;
 - (d) Endorse the approval of the governing body on all official bonds;
 - (e) From time to time communicate to the City council such information and recommend such measures as he or she may deem advisable;
 - (f) Have the power to approve or veto any ordinance as the laws of the state shall prescribe;
 - (g) Sign all orders and drafts drawn upon the City treasury for money.
- (K.S.A. 15-301;305; Code 1984)

1-206. PRESIDENT OF THE COUNCIL. The City council shall elect one of its own body as president of the council. The president of the council shall preside at all meetings of the council in the absence of the mayor. In the absence of both the mayor and the president of the council, the council shall elect one of its members as “acting president of the council.” The president and acting president, when occupying the place of mayor, shall have the same privileges as other councilmembers but shall exercise no veto. (K.S.A. 15-310:311; Ord. 537, 1985)

1-207. COMPENSATION, EXPENSES. Each member of the council and the mayor and other designated officers, employees and appointees shall receive for his or her services and as reimbursement for his or her expenses, compensation as follows:

- (a)(1) Each councilmember - \$25 per diem for service at any regular of special meeting of the council or scheduled governing body workshop. (2) The Mayor - \$40 per diem for service at any regular or special meeting of the council or scheduled governing body workshop.
- (b) Mileage at the rate, fixed by the Kansas Secretary of Administration under the authority of K.S.A. 75-3203a, per mile for each mile traveled by the shortest route upon the performance of duties assigned by the mayor and/or council.
- (c) Reimbursement for actual food and lodging expenses upon the performance of duties assigned by the mayor and/or council, provided such expenses shall be documented by proper receipts.
- (d) Reimbursement for actual time lost from regular employment while in performance of duties assigned by the mayor and/or council, not to exceed \$100 per diem. (Ord. 770, 2004, Ord. 639, 1994; 000000Ord. 537, 1985)

ARTICLE 3. OFFICERS AND EMPLOYEES

1-301. APPOINTMENT. At the first regular meeting in May of each year the mayor, by and with the consent of the council, shall appoint a City clerk and City treasurer, and may appoint a City attorney, municipal judge, chief of police, police officers, City engineer and such other officers as may be deemed necessary for the best interest of the City. All such appointment shall be entered on the journal of proceedings of the council. The duties and salaries of all appointed officers shall be fixed by ordinance. (K.S.A. 15-204; Code 1984)

- 1-302. EMPLOYEES.** The mayor shall have authority to hire all other employees, or such authority may be delegated to the respective department heads.
- 1-303. REMOVAL.**
- (a) A majority of all members-elect of the governing body may remove any appointed officer.
 - (b) For good cause, the mayor may suspend any appointed officer, and such officer may be removed with consent of the council in accordance with subsection officer may be removed with consent of the council in accordance with subsection (d).
 - (c) Employees, other than appointed officers, may be suspended by the mayor upon recommendation of the respective department heads and may be removed in accordance with subsection (d).
 - (d) No officer or employee shall be removed for any reason until he or she has been given notice and afforded the opportunity for a hearing. (K.S.A. 15-204; Code 1984)
- 1-304. VACANCY IN OFFICE.** Whenever a vacancy occurs in any appointive office for whatever reason, the vacancy shall be filled by the governing body. Any person appointed to fill such vacancy shall serve only until the next regular time for appointment. (K.S.A. 15-209; Code 1984)
- 1-305. RESIDENCY; APPOINTED OFFICIALS OR OFFICERS.** All appointed officials or officers of the City shall be residents of the State of Kansas. Appointed officials or officers, by way of example, include but are not limited to the City clerk, the City treasurer, the City engineer, the City attorney, the prosecuting attorney, the municipal judge, the pro tempore municipal judge and law enforcement officers. Provided, however, that, notwithstanding the foregoing, if the official or officer is appointed to perform a service for the City involving a profession requiring the issuance of, and credentials for, a Kansas license to engage in such profession, and the officer or official holds such license and is in good standing with the issuer of such license, then nothing herein (including a residency requirement) shall prohibit the City from appointing such official or officer. (Ordinance 790, 2005; Charter Ordinance No. 13, 2004; Charter Ord. 7, 1980)
- 1-306. SAME; OTHER EMPLOYEES.** All other employees who are not elected or appointed but are hired from time to time on a week-to-week, month-to-month, or year-to-year basis, shall be residents of the State of Kansas. Employees by way of example, include but are not limited to, the consulting engineer for the City the water maintenance supervisor, and other miscellaneous general or part-term employees. (C.O. No. 7, Sec 4)
- 1-307. CITY CLERK.** The City clerk shall:

- (a) Be custodian of all City records, books, files, papers, documents and other personal effects belonging to the City and not properly pertaining to any other office;
- (b) Carry on all official correspondence of the City;
- (c) Attend and keep a record of the proceedings of all regular and special meetings of the governing body;
- (d) Enter every appoint of office and the date thereof in the journal;
- (e) Enter or place each ordinance of the City in the ordinance book after it passage;
- (f) Publish all ordinances, except those appropriating money, and such resolutions, notices and proclamations as may be required by law or ordinance. (Code 1984)

1-308. SAME; FISCAL RECORDS. The City clerk shall:

- (a) Prepare and keep suitable fiscal records according to generally accepted accounting principles;
- (b) Assist in preparing the annual budget;
- (c) Audit all claims against the City for goods or services rendered for the consideration of the governing body. His or her accounts shall properly show the accounts paid from any fund of the City and the cash balance existing in such fund;
- (d) Keep an accurate account of all bonds issued by the City;
- (e) Keep a record of all special assessments. (Code 1984)

1-309. SAME; SEAL; OATHS. The City clerk shall:

- (a) Have custody of the corporate seal of the City and shall affix the same to the official copy of all ordinances, contracts, and other documents required to be authenticated;
- (b) Have power to administer oaths for all purposes pertaining to the business and affairs of the City;
- (c) Keep suitable files of all such oaths required to be deposited in his or her office. (Code 1984)

1-310. SAME; WITHHOLDING AGENTS. The City Clerk is designated as the withholding agent of the City for the purposes of the Federal Revenue (Income) Act, and shall perform the duties required of withholding agents by said act or any other act requiring withholding from the compensation of any City officer or employee. The clerk shall perform such other duties as may be prescribed by the governing body of the Kansas statutes. (Code 1984)

1-311. CITY TREASURER. The City treasurer shall:

- (a) Keep a full and accurate record;
- (b) Publish an annual financial statement;
- (c) Deposit all public money and sign all checks of the City;
- (d) Pay out the funds of the City upon warrant and checks properly signed by the mayor and City clerk;

(e) Perform such other duties as may be prescribed by the governing body or Kansas statutes. (K.S.A. 10-803; K.S.A. 12-1608; Code 1995)

1-312. CITY ATTORNEY. The City attorney shall:

- (a) Attend at least one City council meeting per month or at council directive.
- (b) Advise the City council and all officers of the City upon such legal questions affecting the City and its offices as may be submitted to him or her;
- (c) When requested by the City council, give opinions in writing upon any such question;
- (d) Draft such ordinances, contracts, leases, easements, conveyances and other instruments in writing as may be submitted to him or her in the regular transaction of affairs of the City;
- (e) Approve all ordinances of the City as to form and legality;
- (f) Perform such other duties as maybe prescribed by the governing body and the Kansas statutes. (Code 1984)

1-313. CITY ENGINEER. The City engineer shall be a licensed professional engineer in the State of Kansas. He or she may be responsible for:

- (a) The design and specifications for all City streets, sewers, water lines, public buildings and other public facilities;
- (b) The inspection of all public works projects including streets, sewers, water lines and other public facilities;
- (c) The general supervision of the maintenance and repair of all public facilities. (Code 1995)

1-314 OATH. All officers and employees of the City, whether elected or appointed, either under the laws of the State of Kansas or ordinances of the City, shall before entering upon the duties of their respective offices, take and subscribe an oath or affirmation as follows:

“I do solemnly swear (or affirm) that I will support the Constitution of the United States and the Constitution of the State of Kansas and faithfully discharge the duties of _____ (enter name of office or position). So help me God.” (K.S.A. 75-4308; Code 1984)

1-315. OATHS FILED. All officers and employees shall be supplied the forms for the oath at the expense of the City and upon taking and subscribing or signing such oath or affirmation, the same shall be filed with the City clerk. (Code 1984)

1-316. BONDS REQUIRED. The governing body shall provide for the coverage by blanket bond of all officers and employees of the in an amount deemed sufficient by the governing body. (Code 1984)

1-317. CONDITION OF BONDS. The bond required in section 1-316 shall be conditioned for the faithful performance of duty and all acts required by the laws of Kansas and the ordinances of the City, and for the application and payment over

to the property persons of all moneys or property coming into the hands of each such officer virtue of his or her office. (Code 1984)

1-318. APPROVAL OF BONDS. All bonds given to the City shall be approved as to their form by the City attorney and as to surety and sufficiency by the governing body, unless otherwise provided by the laws of the State of Kansas. (Code 1984)

1-319. COMPENSATION. The following officers and employees of the City shall receive compensation and salaries as provided by ordinance:

- City Treasurer
- City Clerk
- Assistant City Clerk
- Municipal Court Clerk
- Police Officers:
 - Chief
 - Full-time Officer
 - Part-time Officer
- Municipal Judge
- Prosecuting Attorney
- Court Appointed Attorney
- City Attorney
- Maintenance Personnel:
 - Foreman/Supervisor
 - Assistant Foreman
 - Full-time Personnel
 - Part-time/Temporary
- Office Personnel:
 - Part-time/Temporary
- Police Personnel:
 - School Crossing Guard
- Park Employee:

All full-time City employees are eligible to join the City approved group insurance plan covering accidents, medical and hospitalization. The City will pay 100% of the full-time employee's individual premium for its insurance coverage. The City will pay 50% of the premium for the full-time employee's dependents up to a maximum of \$150 per month with the remainder of the dependent premium being pre-collected from the employee as a bimonthly payroll deduction.

All other City employees besides those previously mentioned may join the above mentioned insurance group after the governing body has approved his or her participation, but their monthly insurance premium will not be paid by the City, but instead will be pre-collected, with the City paying no share of these premiums.

The normal work week for all full-time employees will be a 40 hour work week. The City will pay compensation at one and one-half times the normal hourly rate

for all hours worked in excess of 40 hours per week. (Ord. 657, 1994, Sec. 1; Code 1995)

ARTICLE 4. INVESTMENT OF IDLE FUNDS

- 1-401. PURPOSE AND GOALS.** It is the purpose of this article to set forth the public policies of the City relating to the investment of public moneys, and establish procedural requirements as to investment management practices. The objective of the investment policy and program of the City shall be as follows:
- (a) The safeguarding of all public moneys shall be of the highest priority. Public money shall not be invested or managed in any matter which would jeopardize the safety of the principal;
 - (b) Consistent with the requirement of safety, the objective of the investment program shall be to aggressively manage and invest all public moneys to maximize net earnings, consistent with the public responsibility to secure maximum, safe investment return possible from moneys assigned to its stewardship, to relieve demands on the property tax and to otherwise reduce the cost of public services. (Ord. 1011, 2016; Code 1984)
- 1-402. INVESTMENT OF IDLE FUNDS.** Temporarily idle moneys of the City not currently needed, may be invested consistent with Kansas law and the City's investment policy, which shall be established and amended from time to time by the governing body. (Ord. 1011, 2016; Code 1984)
- 1-403. PROCEDURES AND RESTRICTIONS.** The governing body shall appoint from time to time one or more City officials to administer the City's investment program (the Authorized Officials). Such Authorized Officials shall periodically report to the governing body as to the amount of monies available for investment and the period of time such amounts will be available for investment. The Authorized Officials shall provide for an investment program either directly or through one or more contracts with qualified third parties to limit the amounts invested, and schedule the maturities of investments, so that the City will, at all times, have sufficient monies available on demand deposit to assure prompt payment of all City obligations. (Ord. 1011, 2016; Code 1984)
- 1-404. CUSTODY AND SAFEKEEPING.** Securities purchased pursuant to this article shall be under the care of the Authorized Officials appointed in §1-403 and shall be kept by such officer consistent with Kansas law. Securities in the original or receipt form shall be held in the name of the City, and their redemption, transfer, or withdrawal shall be permitted only upon the written instruction of the Authorized Officials. Securities not held in the custody of a bank or trust company shall be personally deposited by Authorized Officials in a safety deposit box in the name of the City in a bank or trust company, access to which shall be permitted only in the personal presence and under the signature of any two of the following; mayor, City clerk, City treasurer, or the president of council. (Ord. 1011, 2016; Code 1984)

1-405. SALE OR TRANSFER. If, in order to maintain sufficient monies on demand deposits in any fund as provided in section 1-403, it becomes necessary to transfer or sell any securities of such funds, the Authorized Officials may transfer said securities to any other fund or funds in which there are temporarily idle monies, or shall sell such securities, and for such purpose they shall have authority to make any necessary written direction, endorsement or assignment for and on behalf of the City. (Ord. 1011, 1996; Code 1984)

1-406. INTEREST ON TIME DEPOSITS. The City clerk shall deposit the interest earned on invested idle funds to the various City funds in an amount proportionate to the actual amount invested from each such fund, unless otherwise provided by law. (Ord. 1011, 2016; Ord. 547, 1985)

1-407. CITY INVESTMENT POLICY. The City's Investment Policy is as follows:

(a) SCOPE

These procedures shall apply to the investment activities of the City of Edgerton, Kansas and the financial assets of all funds entrusted to its care.

(b) PURPOSE

The City's investment program will invest financial assets as directed by the City Administrator. In order of importance, the primary objectives of all such investments shall be the safety of principal, maintenance of adequate liquidity, and return on investment. The City Administrator may delegate his/her responsibilities under this Purpose to third-parties approved by the governing body.

(c) OBJECTIVES

The City of Edgerton recognizes that effective cash management is an integral component of good financial management. It shall be the policy of the City that funds deemed idle, based on projected cash flow, be invested in a manner that seeks to maximize their productivity until such time as they are needed for the operations of the City. The City's investment portfolio shall be designed and managed in accordance with this policy to ensure public trust and be consistent with state and local laws. Investments shall be at the highest rates obtainable at the time of the investment, within the limitations of the law and the City's prudent investment policy in accordance with following criteria.

SAFETY: Safety of principal will be the foremost objective of the investment program for the City of Edgerton. Each investment will be made in a manner, which ensures the preservation of capital in the portfolio. The City shall diversify (where prudent judgment dictates) its investments so that reliance on any one issuer (financial institution) or investment type will not place an undue burden on the City.

LIQUIDITY: The City of Edgerton shall remain sufficiently liquid so as to meet all operating needs and expenses. The City will consider liquidity as a priority, while still recognizing the need to maximize yield. Early redemption risk shall be minimized by diversification of investment types.

RETURN ON INVESTMENT: The investment portfolio shall be designed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account the City's investment risk constraints, state statutes and cash flow needs of the City. Investments shall be made at the highest rates obtainable at the time of investment, within the limitation of the law and the City's prudent investment policy.

(d) PRUDENCE

All investment officials shall use the prudent person rule when investing City funds. The rule state that "investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

Those involved in the investment process shall seek to act responsibly as custodians of the public trust. Investment officials shall avoid any transaction that might impair public confidence in the effectiveness of the government of the City of Edgerton.

Investment officers acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for a specific security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

(e) LEGAL AUTHORITY—IDLE FUNDS NOT COVERED BY K.S.A. 10-131

1. All investments purchased under this policy shall be governed by K.S.A. 12-1675, *et seq.*, K.S.A. 12-1677(b), *et seq.*, and K.S.A. 10-131, *et seq.*, as applicable.
2. With respect to the City's idle funds not covered by K.S.A. 10-131, the City shall offer idle funds for deposit in commercial banks and savings and loans with physical locations within the City of Edgerton pursuant to K.S.A. 12-1675:
 - (a) Savings deposits, time deposits, open accounts, certificates of deposit or time certificates of deposit with maturities of not more than two years (including certificates of deposits under the CDARS program) in banks, savings and loan associations and savings banks which have main or branch offices located within the corporate boundaries of the

- City, such institutions being those listed in **Attachment A** (the “Bank Deposits”); or
- (b) Repurchase agreements with banks, savings and loan associations and savings banks, which have main or branch offices located within the corporate boundaries of the City, for direct obligations of, or obligations that are insured as to principal and interest by, the United States government or any agency thereof.
3. In the event banks, savings and loan associations and savings banks eligible for investments in savings deposits, time deposits, open accounts, certificates of deposit or time certificates of deposit with maturities of not more than two years cannot or will not make such investments available to the City at interest rates equal to or greater than the rate set forth in K.S.A. 12-1675a(g), the City may then invest idle funds not covered by K.S.A. 10-131 in the following:
- (a) Direct obligations of or obligations that are insured as to principal and interest by the United States or any agency thereof, not including mortgage-backed securities, with maturities as the governing body shall determine, but not exceeding two years. Such investment transactions shall only be conducted with banks, savings and loan associations and savings banks; the federal reserve bank of Kansas City, Missouri; or with primary government securities dealers which report to the market report division of New York, or any broker-dealer engaged in the business of selling government securities which is registered in compliance with the requirements of section 15 or 15C of the securities exchange act of 1934 and registered pursuant to K.S.A. 17-12a401, and amendments thereto;
 - (b) The municipal investment pool fund established in K.S.A. 12-1677a, and amendments thereto;
 - (c) Multiple municipal client investment pools managed by the trust departments of banks which have main or branch offices located in Johnson County or with trust companies incorporated under Kansas law which have contracted to provide trust services under the provision of K.S.A. 9-2107 with banks that have main or branch offices located under the provisions of K.S.A. 9-2107 with banks that have main or branch offices located in Johnson County; or
 - (d) General obligation municipal bonds or other general obligations issued by any municipality of the state of Kansas as defined in K.S.A. 10-1011.

(f) LEGAL AUTHORITY – BOND AND TEMPORARY NOTE PROCEEDS

Bond and note proceeds, as well as the balances in a capital improvement fund created pursuant to K.S.A. 12-1, 118, may be invested in accordance with K.S.A. 10-131. Permitted investments include:

1. Investments authorized by K.S.A. 12-1675 *et seq.*
2. Municipal investment pool.

3. Direct obligations of the United States government or agency thereof.
4. Temporary notes of the City.
5. Interest-bearing time deposits in commercial banks located in Johnson County.
6. Obligations such as the Federal National Mortgage Association, Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation or other qualified obligations.
7. Money market funds investing solely in US Treasuries and Agencies.
8. Receipts evidencing ownership interest in US Treasuries and Agencies.
9. Repurchase agreements for securities described in (3) or (6).
10. Municipal bonds or other obligations issued by any Kansas municipality bearing that municipality's general obligation.
11. Bonds of any Kansas municipality that have been advance refunded and are fully secured as to payment of principal and interest by US Treasuries and Agencies.

The City will credit interest earned on bond proceeds toward the payment of principal and interest on such bonds or to pay project costs for the bond-financed project.

(g) SECURITY FOR DEPOSITS

All deposits of City monies will be secured by the bank, trust company, savings and loan, or federally chartered savings bank pursuant with K.S.A. 9-1402 in the following manner:

1. All deposits shall carry FDIC, or
2. If deposits on-hand at any eligible depository of the City exceed the then applicable FDIC insurance limit, such depository is required to pledge collateral, including securities with a market value equal to not less than 100% of City deposits on hand (less the FDIC insurance limit per institution).
3. In addition to those methods of collateral posting described in K.S.A. 9-1402(b) and K.S.A. 9-1402(c), depositories may pledge eligible securities against City deposits pursuant to K.S.A. 9-1402(d), limited to those listed below. The City may, at its sole discretion, reject any pledged securities proposed by any institution, except for those provided in subsections a and b of the below list:
 - a. A personal bond of the bank, savings and loan association or savings bank in double the amount which may be on deposit at any given time.
 - b. A corporate surety bond of some surety corporation authorized to do business in this state, which bond shall be in an amount equal to public moneys or funds on deposit at any given time less the amount of such public moneys or funds which is insured by the federal deposit insurance corporation or its successor and such bond shall be conditioned that such deposit shall be paid promptly on the order of the municipal corporation or quasi-municipal corporation making such deposits.

- c. Direct obligations of or obligations insured by the United States Government. (By policy, market value equal to or exceeding 100% of deposits on hand.)
- d. Bonds of any Kansas municipality or quasi-municipality that have been refunded in advance of their maturity and are fully secured by an irrevocable escrow consisting of non-callable US Treasuries and Agencies. (By policy, market value equal to or exceeding 100% of deposits on hand.)
- e. Bonds of the State of Kansas. (By policy, market value equal to or exceeding 102% of deposits on hand.)
- f. General obligation bonds of any Kansas municipality. (By policy, market value equal to or exceeding 102% of deposits on hand.)
- g. Revenue bonds of any Kansas municipality or quasi-municipality. (By policy, market value equal to or exceeding 105% of deposits on hand.)
- h. Temporary notes of any Kansas municipality or quasi-municipality. (By policy, market value equal to or exceeding 102% of deposits on hand.)

With respect to subsections c through h, the City will generally reject any security which does not carry a price on the Bloomberg Professional Service or which requires a dealer quotation to determine a price.

- 4. Custody of Collateral.
 - a. The City may, at its sole discretion, permit the Federal Reserve Bank or the Federal Home Loan Bank of Topeka to hold such pledged securities on its behalf with joint custody receipts to be issued for all securities pledged to the City.
 - b. Alternatively, the City may designate a Kansas bank or trust company not affiliated with the financial institution pledging the securities to serve as the City's third-party collateral agent.
 - c. The City will use its best efforts to perfect its lien in pledged securities pursuant to the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

(h) DESIGNATION OF DEPOSITORIES AND CUSTODIANS

The City of Edgerton may deposit idle funds with depositories having offices located in the City of Edgerton as provided by K.S.A. 9-1401. Prior to any deposit with such firms, the governing body shall pass a resolution naming the banks that shall serve as a depository of City funds. A list of qualified depositories so appointed is included as **Attachment A** to this policy.

The City will perfect all securities, including those acquired by repurchase agreement, in its name and may use a third-party custodian, including the State Treasurer or such other custodian as appointed by the City Administrator, to hold such securities.

(i) INVESTMENT SAFEGUARDS

1. **PORTFOLIO COMPONENTS:** The City will manage its investments at the pooled cash level, using four portfolios: (1) a portfolio sized to meet the maximum typical monthly cashflow needs of the City; (2) a portfolio sized to meet the extraordinary cashflow needs of the City, including the periodic payment of debt service; (3) a portfolio related to the investment of bond proceeds and idle cash of a multiyear capital improvements fund; and (4) a portfolio intended primarily to provide investment income.
2. **ETHICS AND CONFLICT OF INTEREST:** Those involved in the investment process shall refrain from personal business activity that could conflict with the proper executions and management of the investment program, or that could impair their ability to make impartial decisions. Investment and management staff shall refrain from undertaking personal investment transactions with the same individual with which business is conducted on behalf of the City.
3. **AUDIT REVIEW:** Investment staff will prepare such reports as required for the City's external auditor to review statutory compliance and internal controls.

(j) INVESTMENT PROCEDURES

1. The City will create and review, at least once annually, a list of banks, savings and loan associations and savings banks which have main or branch offices located within the corporate boundaries of the City (the "Local Banks"). The City Administrator will seek approval by the governing body for any changes to the list of Local Banks.
2. The City will seek assurance from broker-dealers from which it seeks investment offers that such broker-dealers are qualified to do business in the state of Kansas (the "Qualified Dealers").
3. For any period, not to exceed two months, in which the City projects to have net new idle cash available for investment under K.S.A. 12-1675 (the "Periodic Subscription"):
 - a. The City will bid such expected amounts to all Local Banks consistent with the requirements of K.S.A. 12-1675.
 - b. If one or more Local Banks are unable to completely invest the Monthly Subscription at interest rates at or exceeding the rates listed at <https://pooledmoneyinvestmentboard.com/investmentrates.html> for comparable terms, the City may invest in alternative permitted investments listed in Section (f).
 - c. The City may issue requests for offers:
 - i. for specific investments at specific terms (for example, a two-year certificate of deposit);
 - ii. in a "proposals wanted" format, where the City identifies the terms and amounts of investments desired and responding bidders identify proposed securities matching those requirements (for example, any

- permitted security maturing during February and March of 2014);
- and
- iii. in any other manner not inconsistent with State law or this policy that promotes open and fair competition for the City's investments.
- d. For any investments placed through Qualified Dealers, the City will send bid specifications to no fewer than three (3) Qualified Dealers, except for US Treasuries which may be bid to two (2) or more Qualified Dealers.
- e. The City will conduct all bids for securities through Local Banks or Qualified Dealers in writing and will maintain a record of all such bids, including a list of firms to which bid specifications were sent, a list of those responding and details on bids received, accepted and rejected. The City shall maintain such records for the current and most recent fiscal years.
- f. The City will generally accept the bid for the lowest-cost/high-yielding investment but may also consider differences in final maturity for each security offered, the impacts of call provisions and credit quality of securities offered.
- g. The City will settle all securities purchases on a delivery-versus-payment ("DVP) basis, by wiring Federal funds to its custodian on the date of settlement of such securities.
- h. Notwithstanding any other requirement herein, the City may accept unsolicited offers for investments that, in the opinion of the City Administrator or his/her designee, allow the City to meet its overall investment objectives and might not be available if the City were to use its normal bidding process. The City Administrator or his/her designee will use his/her best efforts to ensure the pricing on such unsolicited offers is reasonable given market conditions and other similar securities in the market.
- 4. At any time the City has funds available for investment under K.S.A. 10-131:
 - a. The City may issue requests for offers:
 - i. for specific investments at specific terms (for example, a two-year certificate of deposit);
 - ii. in a "proposals wanted" format, where the City identifies the terms and amounts of investments desired and responding bidders identify proposed securities matching those requirements (for example, any permitted security maturing during February and March of 2014);
 - and
 - iii. in any other manner not inconsistent with State law or this policy that promotes open and fair competition for the City's investments.
 - b. The City may, but is not required to, bid such or all of such amounts to Local Banks in such terms as the City determines.
 - c. For any investments placed through Qualified Dealers, the City will send bid specifications to no fewer than three (3) Qualified Dealers, except

for US Treasurys which may be bid to two (2) or more Qualified Dealers.

- d. The City will maintain a record of all such bids, including a list of firms to which bid specifications were sent, a list of those responding and details on bids received, accepted and rejected. The City shall maintain such records for the current and most recent fiscal years.
- e. The City will settle all securities purchases on a deliver-versus-payment (“DVP”) basis, by wiring funds to its custodian on the date of settlement of such securities.
- f. Notwithstanding any other requirement herein, the City may accept unsolicited offers for investments that, in the opinion of the City Administrator or his/her designee, allow the City to meet its overall investment objectives and might not be available if the City were to use its normal bidding process. The City Administrator or his/her designee will use his/her best efforts to ensure the pricing on such unsolicited offers is reasonable given market conditions and other similar securities in the market.

(k) DIVERSIFICATION AND CREDIT QUALITY

1. The City imposes no restrictions on the amount of Bank Deposits it can hold in its investment portfolio.
2. The City imposes no restrictions on the amount of US Treasury or Agency obligations (including receipts evidencing ownership in such securities) it can hold in its investment portfolio.
3. The City limits the amount of repurchase agreements it can hold to no more than 50% of its portfolio.
4. The City limits the amount of investments in the Municipal Investment Pool to no more than 30% of its portfolio, except in the months of January, February, July and August of each year (during which months the City may use the MIP to hold funds pending deposit with the State Treasurer for payments of principal and interest on its bonds).
5. The City imposes no restrictions on the amount of municipal refunding bonds with principal and interest fully secured by an irrevocable deposit of US Treasuries and Agencies it can hold in its portfolio.
6. The City limits the amount of Kansas general obligations bonds with a credit rating below “A3”, “A-“, or “A-“ from Moody’s, Standard and Poor’s or Fitch, respectively, to no more than 10% of its portfolio.
7. The City limits the amount of Kansas general obligation bonds with a credit of “A3”, “A-“, or “A-“ or higher from Moody’s, Standard and Poor’s or Fitch, respectively, to no more than 35% of its portfolio.

The above policies shall remain in full force and effect until amended at the direction of the governing body. If, after adoption of this policy, there is any conflict of this policy with Kansas’ laws and/or statutes, the Kansas laws and/or statutes will dictate.

ATTACHMENT A

Banks, savings and loan associations and savings banks which have main or branch offices located within the corporate boundaries of the City:

INSTITUTION	ADDRESS	PHONE
Central Bank of the Midwest	405 E Nelson	913/856-1070

(Ord. No. 1011, 2016)

(Former Article 4 was fully repealed and replaced with Ord. No. 2011, 2016)

ARTICLE 5. PERSONNEL AND EMPLOYEE BENEFITS

1-501. PERSONNEL RULES AND REGULATIONS. There is hereby incorporated by reference for the purpose of establishing employee personnel rules and regulations the document entitled “Personnel Rules and Regulations – City of Edgerton, Kansas.” One copy of said document shall be marked or stamped “Official Copy as adopted by the Code of the City of Edgerton” and to which there shall be attached a copy of this section. Said official copy shall be filed with the City clerk and shall be open to inspection and available to the public at all reasonable hours. All departments of the City shall be supplied with copies of such rules and regulations as may be deemed necessary. The policy may be modified from time to time by resolution of the Governing Body. (Ord. 847, 2008; Ord. 832, 2007; Ord. 819, 2006; Ord. 777, 2005)

1-502. EMPLOYEE’S BENEFIT CONTRIBUTION FUND.

(a) The City of Edgerton, Kansas in accordance with the provisions of K.S.A. 12-16-102, does hereby establish an Employee’s Benefit Contribution Fund for the purpose of paying the City’s share of employee benefits prescribed by subsection (b) below.

(b) The City’s share of the cost of employee’s benefits authorized for payment from the fund created by subsection (a) where salaries are paid out of the general fund, the noxious weed fund, the special highway fund, or any authorized fund of the City, shall include the following:

- (1) social security and medicare;
- (2) workman’s compensation benefits;
- (3) employee security, unemployment compensation benefits;
- (4) Kansas Public Employees Retirement System;
- (5) Employee health insurance premiums.

(Ord. 643, 1994)

ARTICLE 6. PURCHASING POLICY

1-601. PURCHASING POLICY OVERVIEW. There is hereby incorporated by reference for the purpose of establishing the document entitled “City of Edgerton

Purchasing Policy”. No fewer than three copies of said document shall be marked or stamped “Official Copy as adopted by the Code of the City of Edgerton” and which there shall be attached a copy of this section. Said official copies shall be filed with the City clerk and shall be open to inspection and available to the public at all reasonable hours. All employees performing purchasing functions for the City shall be supplied with copies of such policies as may be deemed necessary. (Ord 825, 2007)

ARTICLE 7. CAPITAL IMPROVEMENT POLICY

1-701. Reserved for Future Use.

1-702. CAPITAL IMPROVEMENT POLICY. There is hereby incorporated by reference for the purpose of establishing the document entitled “City of Edgerton Capital Improvement Policy.” No fewer than one copy of said document shall be marked or stamped “Official Copy as adopted by the Code of the City of Edgerton” and which there shall be attached a copy of this section. Said official copies shall be filed with the City Clerk and shall be open to inspection and available to the public at all reasonable hours. All employees performing financial management functions for the City shall be supplied with copies of such policies as may be deemed necessary. (Ord. 885, 2010)

ARTICLES 8 – 11

RESERVED FOR FUTURE USE

ARTICLE 12. VEHICLE AND EQUIPMENT REPLACEMENT POLICY

1-1201. VEHICLE AND EQUIPMENT REPLACEMENT POLICY. There is hereby incorporated by reference for the purpose of establishing the document entitled “City of Edgerton Vehicle and Equipment Replacement Policy.” No fewer than one copy of said document shall be marked or stamped “Official Copy as adopted by the Code of the City of Edgerton” and which there shall be attached a copy of this section. Said official copies shall be filed with the City Clerk and shall be open to inspection and available to the public at all reasonable hours. All employees performing financial management functions for the City shall be supplied with copies of such policies as may be deemed necessary. (Ord. 886, 2010)