

TOWN OF KIOWA
PUBLIC WORKS AUTHORITY
FOR REGULAR MONTHLY MEETING MINUTES
OCTOBER 28TH, 2021, AT 6:30 P.M.
AT KIOWA CITY HALL
813 S. HARRISON ST.
KIOWA, OKLAHOMA

All items on this agenda, including but not limited to any agenda item concerning the adoption of any ordinance, resolution, contract, agreement, or any other item of business, are subject to amendment, including additions and/or deletions. This rule will apply to every individual agenda item without exception, and without providing this same amendment language with respect to each individual agenda item. Such amendments should be rationally related to the topic of the agenda item, or the governing body will be advised to continue the item.

The governing body may adopt, approve, ratify, deny, defer, recommend, amend, strike, or continue any agenda item. When more information is needed to act on an item, the governing body may refer the matter to its City/Trust Manager, staff, Attorney or to the recommending board, commission or committee.

CALL MEETING TO ORDER: Mayor Peterson called the meeting to order at 6:30 p.m.

PLEDGE OF ALLEGIANCE: Completed.

ROLL CALL: Hatridge-here, Hall-here, Peterson-here, Naugle-here, Vanblaricom-absent, Ellis-here.

APPROVAL OF MINUTES: AUGUST 26TH REGULAR MEETING, SEPTEMBER 7TH: Minutes were reviewed by Board Members. No questions. Mayor Peterson made the motion to approve the minutes. Motion seconded by Hall. Hatridge-yes, Hall-yes, Peterson-yes, Naugle-yes, Vanblaricom-absent, Ellis-yes. Motion carried.

SPECIAL MEETING, AND SEPTEMBER 30TH REGULAR MEETING: Tracy Reed, "You should have these in your packets. The first page is just a lot of legal jumbo. This is not an audit. There's a lot more information if you need it but you have received your audit. We will start on the first page which is your schedule of cash. This takes into account all of your cash accounts. I have divided them by your funds so you have your PWA, your General, and then the state says you

have to keep that Cemetery Care in a separate account, so that's reflected there. At the top is your unrestricted cash. So this is cash that you as Council have the ability to determine where it needs to go with no additional restrictions as long as it's within the bounds of the use for the citizens of the town. Below there I have detailed out all of the restricted cash. Either by a Council restriction, a state statute restriction, or a vote of the people, you have determined that these amounts are restricted. You can only use them for the purpose for which they have been restricted. So you can see the big picture and the unrestricted cash in CDs. By the way, these financials are thru September so you are three months into your fiscal year looking at that. You have about \$1.3 Million dollars between all of your restricted cash available, in cash at the end of September. You can see in that restricted area between your cash and the restricted CDs you have about another \$1.4 Million in cash available. So in total almost \$2.7 Million between those two. I will tell you that once I can dig in a little further I might recommend that you consolidate a few bank accounts. You probably have more than you need and once we kind of understand the purpose for which those were created there might be a more simplified way to do it. The problem with town bank accounts is you can easily record things in the wrong account, and it just creates a lot of problems. Obviously, if the restrictions are related to a vote of the people or a state statute, we're not touching that. If its council restricted, even if council thirty years ago restricted it, you will have the authority to unrestrict it, should you so choose. So, once we understand a little bit better what was the purpose, and what were you trying to accomplish, we can figure out if a separate account is the best way to accomplish that? If it is, let's keep it. If it isn't, let's consolidate and make it a little bit easier on the recording side. Now that I say that, if you will look at the agenda I am going to recommend a new bank account. All of these accounts have been reconciled thru September. We've cleaned up the big ones. There are still some small ones I've got a few little questions about such as is this still valid, do we need to keep it in there, etc. So, if you look at these numbers compared to what you saw last month, there's probably going to be some differences. If I recall the July financials showed a negative in your Court account. Well's that's not accurate. As you can see here I'm showing about \$27,000 in unrestricted cash in your Court at the end of September. If you look at these compared to last month, you might see some big swings. A lot of that is just the cleanup we've been able to do to get these numbers to a really firm number so you will know what you are working with. It's hard to make a decision if you don't have clear, accurate information so there probably are going to be quite a few swings there. I don't want you to be alarmed about that as we have made some pretty big adjustments there to get it to where it needed to be. I also want to point out to you that I pulled your cash balances as of the end of June which is the beginning of your fiscal year. Now again if you look at these numbers and you compare them to your June report you are probably going to see some differences because of some of the adjustments I had to make. I backed them out till June 30th so this fiscal year was clean. It still reflects the same. If they were backed out in June that is still reflected in September. The big picture you can see. I always like to keep it in here so you have a gauge of where you are this year compared to last year. The big picture is at the beginning of the fiscal year you were at about \$2.7 Million. So between your PWA and the

General Fund, you are down about \$21,000 in cash three months into the year. I always think that's a number that helps councils gauge where they are now compared to the beginning of the fiscal year. Where are these balances moving? I hope you find it helpful to summarize where you are on cash. Now you will note on here you were used to seeing a full balance sheet. The way that municipal budgeting and municipal accounting works is during the year we do it on what's called a budget basis. It's not an actual basis of accounting but it's loosely based on cash. Now our auditor, I think, is going to be using a modified cash basis. If you go to a full accrual you are going to see some variances there. If you were running this like a for-profit company the balance would be changing all the time on all your liabilities and on all your assets. What's happening under the budget basis is cash gets touched as when you are receiving your utility bills and your Court. If we run a full accrual we'd have a receivable out there. On your note payments, if we were doing it in accordance with the full accrual methods, the interest would be over here on your income statement and we'd take the principle off your balance sheet every month. We don't do that in governmental accounting and that's why we consolidated those balance sheet accounts. Those don't typically get touched until the end of the year and then the auditor pulls them all back and works the magic that they work and you end up with those figures. You all have full access and, if you want, you can pull a balance sheet and look at it if you feel it's helpful. I don't mind you all seeing it and having access to it but the numbers really aren't that meaningful during the year. That's why our customers and most of our councils have no interest in them. What they want to know is how much cash we have, are we paying our bills, where do we stand in comparison to where we thought we were going to be, and what do we see coming up. That's why I have excluded it to just be cash here. Any questions on this cash sheet?" There were no questions. Council elected to move on to the next report, the PWA Financials. Reed, "the financials have been summarized based on the budgets you currently have. Your current budget reflects that you are going to break even. I don't think your current budget either on your Town side or your PWA side is probably accurate. Your town side says you are going to lose \$2 Million. I don't think you are probably going to lose \$2 Million in Town. That's another item on the agenda to move you to a budgeting format that will help you make these decisions. Typically, you have a working budget correctly reflecting where you think you are going to be for the year. Those right-hand column numbers, that percent of budget, is rightfully impactful and it means a lot. In this case, because it probably isn't as accurate as it could be, the percent of budget probably doesn't mean as much at this point. If you adopt to follow the Municipal Budget Act you do a budget amendment and you switch all that around. Then those numbers are going to become more meaningful. This is year to date through September, so you are three months in. The budget accuracy and validity we think would be about 25% through the budget. If you will look at the revenues, water, sewer, trash, you're not too far off. You are a little low on water and that one bothers me a little bit and the reason is that's your largest revenue driver. You're typical heavy usage months have already passed. That would be one thing that I would watch a little more closely. Maybe you won't quite make your budget this year in water. And if you're not then you need to make those adjustments. I want you to know ahead of time so you can adjust so

that through the end of the year you end up being where you want to be and expect to be. The expenses again, the way they were budgeted, are not really helpful there but you will notice the gross percentage is detailed kind of in the small numbers next to the year to date. Like in your water, so far for this year you have about a 39% profit margin. But in sewer, you will see you are losing money. In your sewer you are losing about 16% for the year, and with trash you are making about a 10% profit. So overall, just in those operations, you've made Admin about \$30,000 three months into the year. You'll notice in your Admin revenue you're showing about \$54,000 but \$49,000 of that was an insurance claim. Now I suspect, and correct me if I'm wrong, that money is going to be spent to repair or replace what the claim covered. So while you are showing a profit of about \$63,000 three months into the year I really expect to see that \$49,000 go back out to repair or replace what that claim was for leaving you a net income somewhere in the \$14,000 range for your PWA. You all are a little bit different and as we dig into it, we will get a better idea, but typically for most towns, your PWA is your profit center. Because your fine revenue is so strong here yours is going to be a little more skewed. Your percentages, as far as I would typically see in profit for your PWA, may not be valid here. As we get into more of it we will have a better feel for that. The good news is you are making a profit in PWA. It's not huge. It's about \$5,000 a month for the first three months. Nothing to be alarmed about but I want you to keep in mind where you stand three months into the year. When you get to the Town side it will reflect that as obviously these two end up being combined. As you all know you have the authority over both and so, if one is making money and the other isn't, often times you have to transfer from one to the other to keep everything afloat and moving. That's my presentation of the financials for PWA. Do you have any questions? I realize this is a lot more summarized than what you have seen. You have full access to the full accounting if you want it and find it helpful. Most of our councils find this format a lot more helpful. The big picture, where are we and where are we going? That's my presentation."

APPROVAL OF THE FINANCIAL REPORT: Mayor Peterson made the motion to approve the Financial Report. Seconded by Hall. Hatridge-yes, Hall-yes, Peterson-yes, Naugle-yes, Vanblaricom-absent, Ellis-yes. Motion carried.

APPROVAL OF THE PURCHASE ORDERS: Mayor Peterson asks if there were any questions. Ellis stated that the purchase orders for the month have been cleaned up and what everyone is seeing is good. Mayor Peterson made a motion to approve the purchase orders. Hall seconded the motion. Hatridge-yes, Hall-yes, Peterson-yes, Naugle-yes, Vanblaricom-absent, Ellis-yes. Motion carried.

1. **DISCUSSION AND POSSIBLE APPROVAL TO ADOPT THE ARPA RESOLUTION.** Reed, "the American Rescue Plan Act, which came about earlier this year, is kind of like the second phase of the Corona Virus Debt where the federal government sent out money every which way but loose. One of the places they sent it was to municipalities. The resolution is essentially that you are going to identify the person who can sign all your documents. This

is the first step. Jerri, did you get to look at what that email said? What you were allotted?" Ellis, "It never....." Reed, "It doesn't have the amount yet? I think you have to go thru the registration process. Your original allotment is about \$110,000. When we get the actual numbers, I expect yours to be somewhere in the \$115,000 range. It is money that the federal government is funneling through the state municipalities for water and sewer infrastructure. This is your first step in basically saying yes, you want that money. If you don't claim it at some point, they are going to redistribute it to other communities. You have until 2024 to use it. The way they are doing it is you adopt this resolution that basically says yes, you are going to use it in the way it is supposed to be used. You are going to designate a person to be your contact to file all of your stuff and then you have until 2024 to use it for stated projects. You don't have to determine that right now but you do need to go ahead and get in line. You essentially want to claim your money so they don't claim it for you. The first thing you want to do is adopt this resolution that basically says yes, you want money." Peterson, "will it be put into a fund that earns interest? In here it says it can be put into a fund that will earn interest. Will we be doing that?" Reed, "that's our number two on the agenda." Peterson made a motion to adopt the ARPA Resolution. Hatridge seconded the motion. Hatridge-yes, Hall-yes, Peterson-yes, Naugle-yes, Vanblaricom-absent, Ellis-yes. Motion carried.

~~DISCUSSION AND POSSIBLE APPROVAL TO OPEN A NEW BANK ACCOUNT AT FIRSTBANK FOR THE ARPA FUNDS AND DETERMINE WHICH OFFICIALS WILL BE SIGNERS ON THE ACCOUNT.~~

Reed, "you are going to earn interest on it and the rule is you have to use the interest for the same purpose as you do the project. It makes it easier. I would encourage you to wait for six months until you approve it and in six months to open the account. If you can get the funds earlier, you can put it into your general account and you earn \$20 total interest. You take that whole \$20 and put it over. There's no question about it and that's why I'm recommending that. It's not a requirement but I think it will make it easier for you in the end." Peterson made a motion to approve a new bank account at FirstBank for the ARPA funds and add Kari Peterson, Chris Hall, Meredith Hatridge, Regina Vanblaricom, Ned Naugle, and Jerri Ellis to be signers on the account. Ellis seconded the motion. Hatridge-yes, Hall-yes, Peterson-yes, Naugle-yes, Vanblaricom-absent, Ellis-yes. Motion carried.

- DISCUSSION AND POSSIBLE APPROVAL TO ADOPT THE MUNICIPAL BUDGET ACT RESOLUTION.** Reed, "you have in the past been under the estimates of needs. You have budgets for this year. What this does is you essentially end up with a management-friendly budget where you really budget where you think the money is going to be so it does have, as your estimate of need has, certain requirements as regards to the timing of filing and all of that. The Municipal Budget Act has similar requirements. Timing is a little bit different. The big, big difference between your Estimate of Needs and the Municipal Budget Act is you hold a public hearing on the budget. Typically it is at the beginning of a normal council

meeting in June for the public to say whatever they want to say about it. That's really the only big, big difference. Some councils get worried about that but I've yet to have anyone interested in the budget when I make my presentation. No one seems to care. It's just an opportunity for the public to speak about it. You are under an Estimate of Needs unless the Council adopts the Municipal Budget Act. So we are recommending that because you find this useful." Mayor Peterson made a motion to approve to adopt the Municipal Budget Resolution. Hatridge seconded the motion. Hatridge-yes, Hall-yes, Peterson-yes, Naugle-yes, Vanblaricom-absent, Ellis-yes. Motion carried.

4. **DISCUSSION AND POSSIBLE APPROVAL TO SWITCH TO QUICK BOOKS INSTEAD OF USING SAGE.** Reed, "this is my recommendation and here's why. Every community that we have that's your size wants it to be the most cost-effective, easy program to use. While Peachtree is a great program it is a little more complex than you probably need. If you have rotation of people in your office it takes a long time for them to learn it and then they make mistakes. When I pull up some of your stuff it looks like on PWA you owe \$2 Million. You don't? From 2013 and 2015? I'm sure what happened was someone really didn't really know and they put it in there and didn't apply it the way they were supposed to and didn't know how to fix it. We have found QuickBooks to be by far the best program for towns your size. Not only for its efficiency, ease of use, and cost-effectiveness, but it just has been a good program. It's not that Peachtree is a bad program. If you have accounting staff that has been here for a dozen years it's different. When you have smaller accounting staff you need it lean and mean. So that's my recommendation. Obviously there is a cost involved. You have to buy the QuickBooks program." Peterson, "how much is it?" Reed, "they have a couple of options depending on how many companies you would want to open so you would need to have your PWA in one company and your Town in one company which you currently do." Peterson, "what about Nutrition and Court?" Reed, "your Court could be under your General Fund. I would recommend you put your Nutrition and your Court as departments in your General Fund. Then you have your PWA. That would be my recommendation. With a three-user license, you could have three people in at one time. One company at a time is about \$900 to purchase the desktop version. If you want to have two companies open at once it is about \$2,000. When I talked to QuickBooks, they are moving away from a purchase program to an annual subscription which is what I think Peachtree is already, which I personally don't like. If you use their payroll you need to be updated all the time. You need it as a good general ledger accounting system. If you want to buy the 2021 Version you have until December 10th. That's the last day they are going to sell that. After that, you go to an annual subscription. If I understand him correctly, if you purchase it as the desktop version before then you could ride that thing until you decide to upgrade. If you wait you are locked into the annual subscription. Now there is a cost to get all your information that's necessary from Peachtree moved over. That is probably going to be in the \$2,500 to \$3,000 range to get all that pulled over. I think what that will do for you long term is allow people in the office to do their job efficiently and effectively. If they

make a mistake it is easy to correct. I even think whoever you hire the chances of that person having QuickBooks experience is actually pretty good. It is such a common program. This is my recommendation based on what we see in every other community. I haven't had anyone that we have converted that doesn't like it. So that is my recommendation."

Hatridge asks what do we pay Peachtree. Ellis, "we just paid them \$18,000." Reed, "so their subscription runs just about the same as QuickBooks." Ellis, "I don't know. I think that was yearly." Reed, "probably, I have not looked at the invoice but that is what I would anticipate. If I understood him correctly, that's if you buy before December 10th the desktop version for three users, one company at a time. Jerri I don't know how often you are switching between companies, between your general fund and your PWA. That determines if it's worth spending the extra money. And then, if I understood correctly, there is no annual cost for them. It's not an annual subscription until you decide to upgrade it. Here is what we have found most useful. Since our firm is a pro advisor for QuickBooks they will give you a little bit of a discount. Those are the discounted prices that I told you. We can convert a lot of Peachtree over. The things that won't come over are like your vendor information so you have to get all that vendor information into QuickBooks."

Peterson, "will that be part of the \$3,000?" Reed, "yes that is the \$3,000. Getting all that information into QuickBooks, all your customers into QuickBooks, so it's a fully functioning system for you. And that's really what that is. Basically, getting that setup so you can move forward." Peterson, "so how do we move forward with this? In my opinion, we need to jump on this before we end up having to make a yearly subscription when we could just buy it outright. Can we buy it outright and what is the process to do that?" Reed, "the salesman has already sent me an order form if you want to complete it. You basically tell them yes, you want it to be three users, the desktop 2021 version. Then they walk through getting all that downloaded, getting what Peachtree will convert, getting all of that converted over, and working through that transition. Then we help with all the customers, vendors, and all of that information that doesn't come over into QuickBooks ready to use."

Peterson, "that's great, but what I am saying is exactly how do we go through the process. Can we pass something tonight in reference to this?" Ellis, "we need to have three users. That's what we have now and the way we are set up right now we use two. I can have Town and PWA pulled up but we can't have more than two. And it is convenient to have that because I do switch between them a lot. It would be good to be able to switch between the two." Peterson, "we will have to have a number to get it approved tonight." Reed, "if you do their version that allows you to have two companies open at once which they call it Enterprise, that particular version they have moved to a subscription only. It would be an annual subscription at \$2,037.60 for three users. That's per year. It will allow you to have two companies open. We will create a company for Cemetery Care which you are almost never in. It will allow you to open both your PWA and your General Fund at the same time and you'll have your Court as a department and Nutrition as a department." Ellis, "it's really not a huge thing to have to log out of one to log into another. Having the three users is more important to me. Switching in between is not going to be a big deal. I kind of have to

do that now even with having two up.” Reed, “so if it works you can go with the less expensive which are three users and \$809 is what they are quoting. You and the office staff are the ones who are going to be using it the most. If you are comfortable with having just one company open at a time there you go.” Peterson, “the total is \$3,809.00?” Ellis, “do you think not to exceed \$4,000 would be plenty?” Reed, “it should. I didn’t ask the QuickBooks guy if there were any additional things like sales tax or anything else. The price he is quoting me is \$809.99 for the one company open with the three licenses option. If you said \$4,500 I would say that would surely cover everything. I didn’t ask him for an exact amount and I apologize for that.” Peterson made a motion to approve to switch to QuickBooks not to exceed \$4,500. Hatridge seconded the motion. Hatridge-yes, Hall-yes, Peterson-yes, Naugle-yes, Vanblaricom-absent, Ellis-yes. Motion carried.

5. **DISCUSSION AND POSSIBLE APPROVAL TO OPT-OUT OF USING PO’S WITH THE ADOPTION OF A PURCHASING POLICY.** Reed, “State statute says unless you have an ordinance you fall under a purchase order system which you are currently using. It keeps you legal, which is nice, but you don’t really have a purchasing system. If anybody works in a school or for the state or federal government, they have nice big expensive accounting systems that do what a PO system should do which is you issue a PO for \$1,000 and the system says that you have \$10,000 available. You’ve issued the PO and now the system shows you only have \$9,000 available. And then when you pay the \$900 the system says now you have \$9,100 because the purchase was less than your PO. That’s not what you have here and no town your size has one. Here’s what you have, I spent the money, now I’m going to create a piece of paper that reflects the money I’ve already spent, and I’ve already committed it. I’m going to attach this piece of paper on the front that shows I have this purchase order which is not a purchase order. You’ve already committed the money. No one looked to see if you had the money beforehand, you’re not using it, and more. There’s not an accounting system out there under \$50,000 that’s probably going to give you what you want and it gets confusing. I guarantee you that some of the problems that you have in Peachtree are because people didn’t understand how to use the PO system they had and how to flow all that through. They got a receipt against it, they got it selected for payment, and it’s all of these steps. The state has said you can opt out of that with a Purchasing Policy by ordinance. The purpose of the law is that you, the people in authority, are approving it and are ensuring that you have the money. With a purchasing policy that basically says first you are going to accumulate them and then you are going to confirm you have the money for them. Then you are going to look and be sure they are valid. Then you are going to encumber it, pull it over, and say you have already spent this money. The Mayor or City Manager or whoever approves it. Then you’re going to sign checks and then you all are going to see every one of those that went out afterward. You are validating that it’s accurate, that it’s a valid expense. You are validating that you have the money. You have a purchasing officer, probably going to be your mayor, who has the authority to say you can spend it, and you can set those limits, like anything over \$2,500 you want to come to council or whatever unless it’s an emergency.

You eliminate the extra piece of paper that just gets people confused in the accounting system. You are going to have some national vendors that are going to require a PO and that's fine. It provides you with a control. I want you to know what you are spending. I want you to have proper authorization. I want it to be clean and clear for you without encumbering the people in here who are busy. People come in and they interrupt you and you've got turnover of staff. That's why I recommend it. You are going to need to get with your attorney to get that ordinance created. I can give your attorney what another attorney in another town did but that is basically what it said. It also says you are going to follow all of the state laws with bidding and contracts and all that. All of that is going to be in place. You are not removing any types of controls or authority. I haven't had a town yet where that hasn't worked better for them. That's my recommendation. I know you don't have an ordinance in front of you. If you would like to move forward that would be a discussion with the attorney to get that squared away." Tabled until next month.

6. **DISCUSSION AND POSSIBLE APPROVAL FOR A WATER/SEWER ADJUSTMENT FOR VERA NALLEY @ 545 S. POLK.** Ellis, "they had two months, you can see on the paper I gave you, of high usage. One of the months was due to a water hose left on from watering animals. The other one I think was from the same thing. The adjustment amount would be the \$121.70. Mayor Peterson made the motion to approve the water adjustment for Vera Nalley at 545 S. Polk in the amount of \$121.70." Hatridge seconded the motion. Hatridge-yes, Hall-yes, Peterson-yes, Naugle-yes, Vanblaricom-absent, Ellis-yes. Motion carried.

~~**DISCUSSION AND POSSIBLE APPROVAL TO REMOVE ELAINEA AUSTIN FROM ALL PWA FIRSTBANK ACCOUNTS AND ALL BILL ACCOUNTS**~~

Mayor Peterson made a motion to remove Elainea Austin from all PWA FirstBank accounts and all bill accounts. Hall seconded the motion. Hatridge-yes, Hall-yes, Peterson-yes, Naugle-yes, Vanblaricom-absent, Ellis-yes. Motion carried.

8. **DISCUSSION AND POSSIBLE APPROVAL TO ALLOW TONYA JOHNSON TO MOVE A BUILDING IN FOR A BUSINESS AND RECEIVE SEWER/WATER TAPS.** Naugle asks for the address. Ellis, "when she brought this in she told me that she called the 911 office and they told her they couldn't give her an official address until utilities are put in. I was going to call the 911 office and get that and I just haven't had time. I apologize for that. I have never heard of them not giving it without utilities but that is what she said they told her." Naugle, "how do we know where it goes?" Ellis, "it's going to go right where it's at. Up there behind the feed store. That building that is sitting right there. That is where it is going to stay." Naugle, "do you know what kind of business it will be?" Ellis, "it's going to be a boutique. They are going to sell clothes and different stuff like that." Mayor Peterson made a motion to approve to allow Tonya Johnson to move a building in for business and receive water and sewer taps. Hall seconded the motion. Hatridge-abstain, Hall-yes, Peterson-yes, Naugle-yes, Vanblaricom-absent, Ellis-yes. Motion carried.

9. **DISCUSSION AND POSSIBLE APPROVAL OF THE 2022 HOLIDAY SCHEDULE.** No questions. Mayor Peterson made a motion to approve the 2022 Holiday Schedule. Hatridge seconded the motion. Hatridge-yes, Hall-yes, Peterson-yes, Naugle-yes, Vanblaricom-absent, Ellis-yes. Motion carried.
10. **DISCUSSION AND POSSIBLE APPROVAL OF THE MONTHLY COUNCIL MEETING SCHEDULE FOR 2022.** Peterson, "the only question that I had was on June 30th. We have it down on the 23rd." Ellis, "it was probably a typo. If you want to approve it with that change then we can. I can change it." Mayor Peterson made a motion to approve the monthly Council meeting schedule for 2022 with the change in June to June 30th which will be the last Thursday of the month. Ellis seconded the motion. Hatridge-yes, Hall-yes, Peterson-yes, Naugle-yes, Vanblaricom-absent, Ellis-yes. Motion carried.
11. **DISCUSSION AND POSSIBLE APPROVAL TO WRITE OFF OLD WATER ACCOUNTS THAT ARE 5 YEARS AND OLDER OR THE CUSTOMER IS DECEASED.** Ellis, "it is time for me to write off old accounts again. I sent them all to collections. Collections will send them back to me and say they are too old and they can't collect on them. They will try to collect but as soon as the customer says it's over, it's been this long, then they will not try to collect on it anymore. There's no reason to just leave it on the books so it's just time to do that again. There are some that are deceased with balances. They are not more than five years old but we can't collect on them." Reed, "I think your system will allow you to make a note in it that shows that person owes you \$100. Even if the account balance is zero there is a place for a note showing that person owes you \$100. You wrote it off on this date, but he never paid. So if that person ever comes back in to open an account you can require the balance plus the deposit before setting them up." Mayor Peterson made the motion to write off old water accounts that are 5 years and older or the customer is deceased. Hall seconded the motion. Hatridge-yes, Hall-yes, Peterson-yes, Naugle-yes, Vanblaricom-absent, Ellis-yes. Motion carried.
12. **DISCUSSION AND POSSIBLE APPROVAL ON HOW TO PROCEED WITH OLD ACCOUNTS WITH METER DEPOSITS.** Ellis, "the list is in your packet. Some of them I cannot clarify. The system is not showing usage for the account. It's just showing a credit. I don't know if meter deposits were applied incorrectly or if they have tried to pay this money to these people. What the parenthesis means is that we actually owe these people money. We had talked about writing checks and mailing them to the last known address. I actually looked and some of them don't even have an address in there. I need to ask Pat how I should proceed. Should I send a letter first instead of sending a check?" Peterson, "so you can get a response?" Ellis, "letting them know they have money here. There are some accounts on there I feel like I need a second set of eyes to look over before I do anything with them

because I think it is just user errors in the system. But we can wait." Tabled until next month.

- 13. DISCUSSION AND POSSIBLE APPROVAL TO ALLOW WATER/SEWER TO BE TURNED ON FOR CANDACE AND ANDREW DUNAGAN @ 732 HARPER VALLEY RD FOR THE USE OF A TRAVEL TRAILER.** Bryan Shannon, "I'm asking for permission to get the water turned on and sewer for the house. Yes, we are putting a camper in and Candace and Andrew are moving into the camper temporarily. They will be here for two months. They live in Alabama. They live in the camper. That is their only home. And I am asking for water and sewer for that house, the blue house, to be turned on for them to use as a place to live while they are here. That way they are right next door to me." Peterson, "in our ordinance it says travel trailers are supposed to be inside the travel park." Shannon, "what ordinance is that because the one I was given didn't say that and it doesn't say that no one can live in a camper on private property." Hall, "we've had this problem before. I can't remember exactly who it was." Peterson, "and we didn't approve it." Shannon, "the ordinance I was given is just for mobile home lots. And this is not a mobile home lot. This is actually my house next door." Naugle, "we've had trailers wanting to be moved in those lots and we won't let them." Shannon, "right, on a mobile home lot but this is totally different. This is what I was asking about because this is just a hookup for the camper to the house and actually my camper at my house stays hooked up all the time. I've got a sewer tap right here in the ground and I run my water hose from my house to the camper and I've got electricity to it. If something happened in my house and I needed to live in it I would have that camper to live in. But I'm being told I wouldn't be able to live in it on my own property." Ellis, "per Pat, the mobile home ordinance says, any mobile home or travel trailer. That ordinance is for any of them. We have not approved anybody to move a camper within city limits unless it is in a mobile home lot. And if you have sewer, just an FYI, from your camper going into sewer lines that's illegal. And that is also in the ordinance." Jess Wilson, "the problem is that we had to go clean out about five of these last year. If the council allowed it there is going to be a lot of people who just go buy a small lot and they are just going to put a travel trailer on it. In most of the cities, it is zoned out because of that. If they allow you to do this that is going to open up the door for the next person. Then the next person does it and the homeowner says they don't want that next to their home because it will change their property value if all these travel trailers are popping up on these lots. We understand your part of it but then we also have to look at the residents who have the permanent structures on their lots. Some of them are not going to be for it because they were the ones that came to us last time and wanted us to get these off those properties. We had to make copies of the ordinance and I hand-delivered four of them because we already had someone buy a shop. They had no intention of putting a house there. They moved in a trailer. We had another person that just got a lot and put in a trailer. The problem is that you can't just be specific and say this person can do it and this person can't. If they allow you to do it, it will open the doors for the whole city." Shannon, "right, but it also says it can't be permanent. This is not

permanent. They are going to be here for two months. I'm asking for two months' worth of them being here. Andrew has a three-year contract in Alabama. He can't stay here. The ordinance says it can't be permanent. It is not going to be permanent. It is only for two months." Wilson, "my thoughts of it are the police part. We would be the ones having to go back and enforce it. A lot of that goes back on the attorney. A better thing would be for you to put your proposal in writing for what you are wanting to do." Shannon, "we've messed around here for a month or better and my kids will be here Tuesday." Wilson, "like I said I don't know. What is considered permanent and temporary would have to be decided by the city attorney. He would be the one who would ultimately decide if it were an ordinance violation or not." Shannon, "well, why haven't we already got this moving if that's what it takes?" Peterson, "we have and he said you can't." Wilson, "have you asked the question that you were just wanting this for two months? My understanding it was to be moving in." Shannon, "No, no. Candace and Andrew said they told you that they would be here for two months and that is all they would be here." Wilson, "we can get a hold of him at least for tomorrow. If they aren't going to be here until Tuesday we can try to get a hold of him tomorrow and ask where two months fall as far as the ordinance." Shannon, "ok." Peterson, "we can do that but like I've already said I've already spoken to him about it and he said it's against the ordinance. We have that ordinance for a reason. Really you're not the first person to come in here and ask this specific thing. We just have to treat everybody the same." Mayor Peterson made a motion to not approve water and sewer be turned on for Candace and Andrew Dunagan at 732 Harper Valley Road for the use of a travel trailer. Hall seconded the motion. Hatridge-yes, Hall-yes, Peterson-yes, Naugle-yes, Vanblaricom-absent, Ellis-yes. Motion carried.

14. **DISCUSSION AND POSSIBLE APPROVAL TO HAVE RUSSELL AND WILLIAMS TO GO AHEAD AND DO THE FY-2020 WHEN THEY DO THE FY-19 AUDIT.** Ellis, "she emailed me. She has been busy with audits and stuff but she emailed me and asked if I wanted to go ahead and ask the council. She is willing to go ahead and do 2019 and 2020 together. I asked her to send me a proposal for 2020 since we already had the proposal for 2019. She hasn't gotten back with me but I am just going to go out on a limb here and assume it will be the same amount." Reed, "and you could make a motion if you don't have an engagement letter you would like to approve them for a fee not to exceed X dollars above the 2019 audit. Or you could say the same amount or whatever. You are going to gain some efficiencies. Once she moves off you and on to her other audits it could very well be six to nine months before she can get back to you. Your audits are already three years behind. You're not receiving your gas excise tax so we want to expedite that. And you'll have some levels of efficiency with her already being here. So I would encourage you to go ahead and do it. If you don't know the price you could say not to exceed the 2019 price or however you want to word that." Mayor Peterson made a motion to have Russell and Williams go ahead and do 2020 when they do the fiscal year 2019 not to exceed the amount of \$15,000 which is their price for the 2019 audit. Reed, "your budget has an extra \$15,000. If you do an accrument, you will

have to amend the budget which you will need to do and include that additional amount. You will go ahead and budget those two years in there." Mayor Peterson made a motion to approve Russell and Williams to go ahead and do the FY-2020 when they do the FY-19 audit. Hatridge seconded the motion. Hatridge-yes, Hall-yes, Peterson-yes, Naugle-yes, Vanblaricom-absent, Ellis-yes. Motion carried.

15. DISCUSSION AND POSSIBLE APPROVAL TO ADD NAMES FOR THE PICK UP LIST FOR

DEPOSIT BAGS AT FIRSTBANK. Ellis, "it was a recommendation because we are supposed to make deposits daily and we are working short-handed or just one of us here. I am not able to make it to the bank each day. I have gone to the bank and they have given us two bags that lock. We lock them when we leave here and they can't be opened or unlocked. We take them to the bank. We put them into a safe deposit. That way if I don't get to leave here until 5:00 and it's just me the money is still at the bank. When we pick up those bags we have to sign for them but once again they are locked and we have to unlock them when we get back to get the deposit slips out. With being down another person I just wanted to maybe add a supervisor or somebody who is out and about who could not take money but just pick up the bags for us when we are shorthanded. They have to sign for it. There is no money in the bag. It's just the deposit slips. They are locked. Just so that if I'm in here and I need my deposit slips for the next day I can have somebody go by and pick them up and bring them to me." Mayor Peterson, "so Leighanne, she's already on there, right?" Ellis, "yes. It's me and Leighanne." Peterson, "All of the council. Would that be too many? Because whether somebody's at work or unreachable or gone or whatever or close by. Okay?" Ellis, "I was suggesting like an officer or supervisor." Wilson, "just have an officer do it. We need to go to the bank anyway. It would be a good reason to go up there and do a walk-thru anyway." Peterson, "So you and Dustin?" Wilson, "Yes." Peterson, "that's the only two? Is that okay with you?" Ellis, "I think just me, Leigh Ann, and Dustin and Jess. I think that will be perfect." Peterson, "Okay." Peterson made a motion to approve Jess Wilson and Dustin Wall for the pickup of the deposit bags at FirstBank. Hatridge seconded the motion. Hatridge-yes, Hall-yes, Peterson-yes, Naugle-yes, Vanblaricom-absent, Ellis-yes. Motion carried.

NEW BUSINESS. Mark Masoner, "I have some maps for you to talk about. I'm going to spread them out and show you guys. Here is your sewer map and your water line map with all the identifiers for each one. Better to be on your wall with the Kiowa logo in the corner there as you can tell. You have a legend at the bottom. Here are your sewer systems and it's going to be a little bit different because it's your water system-oriented north-south. So here is your entire water system with all your meters. You can tell all that in one spot. Just talking in the back with William about some new projects we are going to do. We will be mapping out some crime maps and all that kind of stuff for you guys as well as we move forward. This is something that we do for you. We're going to take all your crime maps

from the last twelve months and we'll just do it once a quarter and create another crime map and see where things are happening. Sounds like the iPads are working well. We'll be here to check on you guys and make sure everything runs smoothly. Staples downgraded their laminators from a big one to a smaller one so I have to find a place that laminates so I can get them laminated. We're looking for new work clothes for your guys as a part of what you pay us. Trying to make sure you get a bang for your buck and more. See you next month."

Mayor Peterson made a motion to adjourn. Hatridge seconded. Hatridge-yes, Hall-yes, Peterson-yes, Naugle-yes, Vanblaricom-absent, Ellis-yes. Motion carried.

Meeting adjourned at 7:38 pm.

IF ASSISTANCE IS NEEDED PLEASE NOTIFY THE CITY HALL AT 918-432-5621, 24 HOURS IN ADVANCE.