

CITY OF KREBS
COUNCIL MEETING MINUTES
DECEMBER 19, 2023

KREBS CITY HALL
5 NE WASHINGTON
KREBS, OKLAHOMA

DECEMBER 19, 2023
TUESDAY AT
7:00 PM

1. MEETING CALLED TO ORDER by Mayor Tommy Walker
2. ROLL CALL by city clerk Cindy J. Cooper. Mayor Tommy Walker- present, David Bailey- present, Jason Wagnon- present, Connie Poole- present, Dan Heathcock- present.
3. PRAYER AND PLEDGE OF ALLEGIANCE led by David Bailey
4. DISCUSS AND ACT TO APPROVE/DISAPPROVE THE MINUTES OF THE NOVEMBER 28, 2023 COUNCIL MEETING Mayor Walker asks for a motion. David Bailey makes a motion to approve the Minutes of the November 28, 2023 city council meeting. Jason Wagnon seconds. Mayor Walker calls for a vote. Dan Heathcock- yes, Connie Poole states "November, we had like an incident in October, all the minutes were not included in there. Exactly what happened." Connie states she was trying to retrieve a name of a lady that was there and her name was not mentioned in there and she is questioning why?
City Clerk Cindy Cooper ask if it was for the October meeting minutes. Clerk ask if it was the one sitting in the front?
Connie states she is asking why it was left out. Connie states she is going back and looking, and it's not in there so that I could see what her name was, and that should be open to the public. Connie states all that should be in there.
Clerk states that Connie will have to tell/show her specifically, and they can look at it. Clerk clarifies that it is the October meeting minutes. Connie is referring to.
Connie confirms yes, she states she thinks it was at (?)A.-all that incident happened right there, but it was not in there.
Clerk ask if it was the one who stated "I think this is not where we should discuss this".
Connie states if it was all in the minutes at the time, I would have known that, I just know her name was not in there and everything she said was not in those minutes.
Mayor Walker asks if it was the one that had the pond, where they are building the houses?
Connie states she does not think so, and states, "like I said if it was in the minutes, I would know what her name was and exactly what discussion happened during that time."
Mayor Walker states that the clerk will look it up.
Connie states that she just wants to make sure that for all future, that everything is getting recorded in these minutes so we can go back and look at exactly what was said and happened.
Connie-yes, Jason Wagnon- yes, David Bailey- yes. Motion passed.
5. DISCUSS AND ACT TO APPROVE/DISAPPROVE THE CLAIMS David Bailey makes a motion to approve the claims. Jason Wagnon seconds. Mayor Walker calls for a vote. David Bailey- yes Jason Wagnon- yes, Connie Poole- yes, Dan Heathcock- yes. Motion passed.
6. REVIEW CITY OF KREBS FINANCIAL STATEMENT WITH MIKE KERN -Mike Kern request council turn to page three of the financials, statement of revenues and expenses. For the five months ending November 30, 2023, total revenues were \$913,614.95. On page five, total expenses \$1,026,761.71. Expenditures in excess of revenue were \$113,146.76. A big part of that is monies have been transferred over to utilities in the amount of \$58,412.69. We have budgeted \$75,000.00 to transfer. Have spent some monies on capital outlay. Mike Kern states in a few more months we should start to break even, because capital outlays are usually spent early in the year then transfer over to the PWA.

Mayor Walker states a snow plow was one of the things bought.

7. BUSINESS PREVIOUSLY DISCUSSED - None

8. BUSINESS NOT PREVIOUSLY DISCUSSED

A. DISCUSS AND ACT TO APPROVE/DISAPPROVE A STIPEND OF \$218.35 LESS TAXES OF \$18.35 FOR A NET AMOUNT OF \$200.00. Mayor Walker states this is something we do every year for Christmas. David Bailey makes a motion to approve the stipend of \$218.35 less taxes of \$18.35 for a net amount of \$200.00. Connie Poole seconds. Mayor Walker calls for a vote. Dan Heathcock- yes, Connie Poole- yes, Jason Wagnon- yes, David Bailey- yes. Motion passed.

B. DISCUSS AND ACT TO APPROVE/DISAPPROVE THE REZONING OF PROPERTY AT 350 MAIN STREET. LOTS 5 & 6 BLOCK 99 OF KREBS, OK FROM R-1 RESIDENTIAL TO C-1 COMMERCIAL
Mayor Walker states the Planning and Zoning Commission voted 5-0 not to recommend this property be rezoned to commercial so it failed there.

David Bailey states he understands there are some legal issues.

Mayor Walker confirms that there are several things one of them being spot zoning.

Connie Poole states she had received around four calls from people around that area so she went and looked at the area. Connie states she called Mr. Partain and told him she did not think it was good area for his business. Connie states she told Mr. Partain there were people who were interested for the new business growth, if it was in a commercial area not residential.

Mayor Walker states that several people had voiced the same thing to him.

Connie states she did have to tell Mr. Partain that she did not think it was a good area for him to but this business in.

Dan Heathcock states the people he talked to stated, it was not the type of business, it was that they did not want any kind of business, they want to keep it residential.

Mayor Walker asks for a motion. David Bailey makes a motion to disapprove the rezoning of the property at 350 main street, lots 5 & 6 block 99 from R-1 residential to C-1 commercial. Jason Wagnon seconds. Mayor Walker calls for a vote. David Bailey- yes, Jason Wagnon- yes Connie Poole- yes, Dan Heathcock- yes. Motion to disapprove passed.

C. DISCUSS AND ACT TO APPROVE/DISAPPROVE THE CONTRACT FOR SERVICES, WITH GEORGE M. KERN, CPA, PC, FOR THE FISCAL YEARS ENDING JUNE 30, 2022 AND 2023, IN THE AMOUNT OF \$750.00 PER REPORT. Mayor Walker asked Mike Kern if this was extra things, he was having to do.

Mr. Kern states yes, it is a new requirement being put on them. It is called an annual compilation and is what the auditor actually is going to audit. Mr. Kern states normally he looks at our financial statements because we are operating and talking about those things. The actual report we give to them is per governmental and accounting standards. They combine the city and PWA in that report and do it on the governmental reporting. The income part of that, they start with the expenses then put the revenues in there. Mr. Kern states it is more important for us to concentrate on the budget, and how we are doing against the budget. That is a required reporting standard that peer reviewer told the auditor we have to prepare that for them. Mr. Kern states that just came out this year.

Mayor Walker asks is that what the state auditor wants you to do.

Mr. Kern responds, yes. Mr. Kern states the report takes a good ten hours to put together because it is twenty three pages long. It has the financials and financial notes where they talk about what kind of entity we are, we know we are a municipality and our public works authority is what we call a title sixty trust. The big difference is that any long-term debt we want to acquire on the city side, the people have to vote on it, unless we have an appropriations clause. On the KUA side, the board can go into long term notes, like what is going to happen on the water plant because it is more of a business than municipality.

Dan Heathcock asks if that would put us up to the next step.

Mike Kern states the auditor has to finish his part and they technically have until the end of December to finish the 2023 one. All that is in their hands. They look at the whole general ledger for the whole year, every transaction we have incurred. When they audit, they look

how your purchase orders work. They test your controls and procedures.

Mayor Walker asks for a motion. Connie Poole makes a motion to approve the contract for services, with George M. Kern, CPA, PC, for the fiscal years ending June 30, 2022 and 2023 in the amount of \$750.00 per report. David Bailey seconds. Mayor Walker calls for a vote. David Bailey- yes, Jason Wagnon- yes, Connie Poole- yes, Dan Heathcock- yes. Motion passed.

- D. PRESENTATION FROM PATRICK TURNER ON PROPOSED BOND ISSUE FOR KREBS PUBLIC SCHOOL – Patrick Turner superintendent of Krebs school states he was informed by Larry Coxsey about a proposed housing project. Mr. Turner states he thought it would be a good idea for the school to be involved in those conversations, because those kids will be attending Krebs School. We are at capacity now, 475 students. We are full we do not have a lot of space. We have grown over one hundred students in the past ten years so with new housing proposed, new students will be coming into the school. Mr. Turner states, it just so happens we have been planning this new bond proposal that will be on the election for February 14, 2024. Mr. Turner state the promotional material has not been sent to him yet but he brought copies of the drawings that have the proposed additions on there. Mr. Turner states on the north east side of the building that faces the highway, where the playground is has always been a concern because you have a playground next to a highway. That playground will be removed, and four class rooms would be added to the North East end of the building with one of those class rooms being a safe room that would hold 170 students or people in that area. We currently have a safe room in the library that was built in the last bond 2015. At the time it was rated for 500 students, we have 475 students and 60 staff so we are over that. We have a storm shelter in the pre-K extended care building that housed those people now, so we have decreased the amount of people that we need to put in the library safe room. This proposed new construction would have area for 170 students safe room setting whether it be a storm or emergency situation. This year we added extra second grade class, we added an extra kindergarten class that makes us with four kindergarten classes eighty-two students. The majority of those kids are residents. We are not allowed to turn away residents, they have the right to be there, we accept them. We are at capacity with eighty-two kids and four teachers. We added another second grade so there are sixty students there. Those numbers are going to keep going up throughout the coming years and we are going to need some space. The other proposed addition to that bond is going to be on the south east side of the campus. It is going to be and elementary recreational gym. The gym we have now is in great shape it is just not with the number of students that we have does not allow all of the students to use it. Bad weather days there is no where for them to go. There is no room for them in gym when athletics are going on. Also, the pre k and kindergarten kids are having to use the gym at times when it is not beneficial for them to use it. It is an elementary recreational use. We could use it for a ball game or event but we have a really nice gym now. Mr. Tuner states cost analysis with promotional material has not been delivered but states he has some numbers. Mr. Turner states the last bond voted in was in 2014, it was a ten (10) year bond and it was for roughly three million dollars which is the maximum bond capacity for a ten-year bond. Mr. Turner states that was based on valuation so a valuation of thirty million dollars for a school district, you can bond for 10 percent of that which is three million dollars. Mr. Turner states the valuation is still around the same now but three million dollars will not get all of this built especially ten years later with covid, and cost of material going up. The proposal will be a series bond, which is paid in a series of years over twelve years. It would be a ten-million-dollar bond paid over the term of twelve years. It will be a slight tax increase. Mr. Turner states he does not have all the numbers right now. He states he called the election board and the average Krebs resident pays \$591.00 dollars in taxes per year, so based on the previous bond that taxes were raised on. Based on the average tax number the yearly taxes would be increase \$3.00 a month/\$40.00 dollars a year based on what you are currently paying. Mr. Turner states they will start promoting the bond and schedule a town hall meeting. Mr. Turner states the Choctaw are always looking to put in new homes, and there are some other folks looking to build some housing. Krebs is growing, and will be growing if you guys allow that, and so we have to grow with that. We have grown over 100 students in last 10 years. We do have to turn people away. The people we turn away are transfers so we are

over half transfers. Half of the 475 students are transfers. There is a new transfer law that states if we have openings, we have to take them.

David Baily asks if there was just one more year on the current bond

Mr. Turner confirms yes, it comes off the books in 2025. Mr. Turner states the reason they are doing this ahead of time is that once bond comes off the books and you have not passed a new bond then you have to start all over again and end up paying more taxes on that. All schools who have passed a bond, continue the bond before it runs off the books. Mr. Turner states we are getting ahead start because I am not sure it will pass. Hopefully it will pass just like the first one did. Mr. Turner states 2014 was the first school bond Krebs ever passed. It passed with roughly a 68% vote. School bonds have to pass with a certain majority.

Mr. Turner states this is something we need, and we planned it ahead of time so if it does not pass on the first vote we can back up and relook at things. We have two other opportunities to pass it before it comes off the books. Mr. Turner states we are planning ahead.

Mayor Walker asks Mr. Turner that once he gets all his numbers together if he was going to come back.

Mr. Turner replied yes.

Dan Heathcock states that this sound like a good idea

Connie Poole states she is all aboard for this and thinks it is a great idea

Mr. Turner states we have had tremendous community support over the years. It's all about the kids and making sure they are safe and the teachers too. Its an older school but its modern, its clean, its sturdy, and its strong. Mr. Turner states they provide after school care till 5:00 PM.

- E. DISCUSS AND ACT TO APPROVE/DISAPPROVE A FIFTEEN PERCENT (15%) INCREASE IN BASE PAY FOR NON-UNIFORMED EMPLOYEES. - Mayor Walker states the reason this is on here is that the non-uniformed employees for the last 20 years they get a 3% and some years they didn't get any. Mayor Walker states it is time, they need a raise. The cost of living is 8% so they are way behind on it.

Mike Kern states he has been given the information for the individuals. The city non uniformed people are Kay, Young, and Cindy, in the police department the non-uniformed are Nancy Mills and Alyssa. Mike Kern states this is an amended budget.

Mayor Walker asks Mike Kern if the 3% has been added.

Mike Kern states no they just took the current rate and added the 15%

David Bailey ask Mike Kern if we were pretty safe on doing this.

Mike Kern states he cannot predict the future but he anticipates we can handle it. Mike Kern states we are not changing the budget we are just rearranging it.

Mayor Walker asks for a motion. Connie Poole makes a motion to approve a fifteen percent (15%) increase in base pay for non-uniformed employees. Jason Wagnon seconds.

Mayor Walker calls for a vote. Dan Heathcock- yes, Connie Poole- yes, Dan Heathcock- yes, David Bailey- yes. Motion passed.

9. COMMENTS FROM THE COUNCIL AND MAYOR -None

10. ADJOURN TO KUA – Mayor Walker asks for a motion. David Bailey makes a motion to adjourn to KUA. Connie Poole seconds. Mayor Walker calls for a vote. David Bailey- yes, Jason Wagnon- yes, Connie Poole- yes, Dan Heathcock- yes. Motion passed.

** The following amendment was made after council adjourned from KUA meeting.

Mayor Walker makes an amendment to motion 8.E. to discuss and act to approve/disapprove a fifteen percent (15%) increase in base pay for non-uniformed employees to be *effective July, 2023*. Mayor Walker ask for a motion. Connie Poole makes a motion to approves.

Jason Wagnon seconds. Mayor Walker calls for a vote. Dan Heathcock -yes, Connie Poole- yes, Jason Wagnon- yes, David Bailey- no. Motion passed.

Attorney Pat Layden confirms this was done correctly.

Mayor Walker asks for a motion to adjourn from the city side. Connie Poole makes a motion. Jason Wagnon seconds. Mayor Walker calls for a vote. Dan Heathcock- yes, Connie Poole- yes, Jason Wagnon- yes, David Bailey- yes. Motion passed.

** Out of sequence