

**KREBS UTILITIES AUTHORITY
BOARD MEETING MINUTES
FEBRUARY 17, 2026**

- 1. MEETING CALLED TO ORDER (59:00)** by Chairman Zella Kincaid
- 2. ROLL CALL (59:12)** – by Cindy J. Cooper, City Clerk
Larry Coxsey- present
Sherry DeFrange- present
Chairman Zella Kincaid
Jeanetta Hauck- present
Dan Heathcock- present
- 3. DISCUSS AND ACT TO APPROVE/DISAPPROVE THE MINUTES OF THE JANUARY 20, 2026 KUA BOARD MEETING (59:32)**

Dan Heathcock makes a motion to approve the minutes. Larry Coxsey seconds
Chairman Kincaid calls for a vote. Dan Heathcock- yes, Sherry DeFrange- yes,
Jeanetta Hauck- yes, Larry Coxsey- yes. **Motion passed.**

- 4. DISCUSS AND ACT TO APPROVE/DISAPPROVE THE CLAIMS (1:00)**
Dan Heathcock makes a motion to approve the claims. Jeanetta Hauck seconds
Chairman Kincaid calls for a vote. Dan Heathcock- yes, Sherry DeFrange- yes,
Jeanetta Hauck- yes, Larry Coxsey- yes. **Motion passed.**

5. FINANCIAL REVIEW WITH MIKE KERN (1:30)

Mike Kern – page 3 of financial statement for the Krebs Utility Authority, the income statement for the seven months ending January 31, 2026 total revenues were \$973,758.95 Total operating expenses \$935,339.90. Biggest expenditure for these seven months was the capital project amount \$162,343 that was for fixing the dam/spillway at the lake. That causes us to go over budget, theoretically. Mike Kern asks Jayme Busby, utilities billing clerk if we have raised rates yet this year.

Jayme Busby, no.

Mike Kern, every year during the budget process I work up a sheet for suggested increases in the water and sewer rates. I have what we looked at during the budget process for total increase for water and sewer would be 2.76% and that would increase for an average user of 5000 (gallons) that would be \$2.40. I suggest we put that on the agenda for next month. That's per month, 5000 gallons. That's what the department of agriculture uses for averages. That's always been part of the budget that we talked about. The low users, someone who uses only 2000 gallons, their increase would only be .75 cents a month. Someone who uses more they need to pay more because they are using up your system.

They are wearing out your pipes. Mike Kern request that the worksheet he put together during last budget be discussed as an agenda item.

Jayme Busby, the reason we did not increase the rates at the first of the year like we usually do is because when this was discussed last time at the budget meetings you decided you would do it at fiscal year instead of calendar year.

6. BUSINESS PREVIOUSLY DISCUSSED (1:05)- None

7. BUSINESS NOT PREVIOUSLY DISCUSSED (1:05)

A. DISCUSS AND ACT TO APPROVE/DISAPPROVE MAKING NEW MAYOR, Zella Kincaid AN AUTHORIZED SIGNER ON THE KUA FIRST NATIONAL BANK OF MCALESTER ACCOUNTS AS FOLLOWS:

207-Surcharge

8592- Public Works

8606- Customer Deposits

9238- Water Tower

Jeanetta Hauck makes a motion to approve. Dan Heathcock seconds
Chairman Kincaid calls for a vote. Dan Heathcock- yes, Sherry DeFrange- yes,
Jeanetta Hauck- yes, Larry Coxsey- yes. **Motion passed.**

Micheal Fulgium asks if the Customer Deposits is that the KUA general fund?

Mike Kern, no the customer deposits are in the KUA

Micheal Fulgium but is that the KUA general fund?

Mike Kern, the KUA does not have a general fund. It's just a separate account that we have to have on hand enough money theoretically cover all customer deposits.

8. COMMENTS FROM THE CHAIRMAN AND THE BOARD (1:06) - None

9. ADJOURN (1:07)

Dan Heathcock makes a motion to adjourn. Jeanetta Hauck seconds
Chairman Kincaid calls for a vote. Dan Heathcock- yes, Sherry DeFrange- yes,
Jeanetta Hauck- yes, Larry Coxsey- yes. **Motion passed.**