

MINUTES OF THE  
KREBS UTILITY AUTHORITY  
COUNCIL MEETING  
KREBS CITY HALL  
AUGUST 18, 2015  
AFTER REGULAR CITY COUNCIL MEETING

1. Chairman Bobby Watkins called the meeting to order.
2. ROLL CALL. Interim Clerk/Treasurer W Kay Scott called the Roll. Chairman Bobby Watkins – Present, Tommy Walker – Present, Connie Poole – Present, Jason Wagnon – Present, Daulfin Bennett – Present.
3. CONSIDER AND ACT TO APPROVE THE MINUTES OF THE JULY 21, 2015 KUA MEETING. Chairman Bobby Watkins asked for a motion. Daulfin Bennett made a motion. Tommy Walker seconded the motion. Chairman Watkins called for a vote. Tommy Walker –yes, Connie Poole – yes, Jason Wagnon – yes, Daulfin Bennett - yes. Motion passes.
4. CONSIDER AND ACT TO APPROVE THE MINUTES OF THE JULY 30, 2015 KUA SPECIAL MEETING. Chairman Watkins asked for a motion. Tommy Walker made the motion. Daulfin Bennett seconded the motion. Chairman Watkins called for a vote. Daulfin Bennett – yes, Jason Wagnon – yes, Connie Poole – yes, Tommy Walker – yes. Motion passes
5. CONSIDER AND ACT TO APPROVE THE CLAIMS. Chairman Watkins asked for a motion. Tommy Walker made the motion. Daulfin Bennett seconded the motion. Chairman Watkins called for a vote. Daulfin Bennett – yes, Jason Wagnon – yes, Connie Poole – yes, Tommy Walker – yes. Motion passes.
6. REVIEW KREBS UTILITIES AUTHORITY FINANCIAL STATEMENT WITH MIKE KERN.  
Mike Kern stated turn to Page 4 labeled Income Statement. Our income was \$84,964.97 and our expenses were \$87,388.09 for a loss of \$2,423.12. Turn to Page 8 that is the Cash Flow, the decrease in the cash flow for the month of July was \$3,608.29. The one big expenditure for some property, plant equipment for \$25,574.15. We took money out of the deposit cash account to pay for that and that offset some there but we still have to make the principal note payments and the interest. So for the 1<sup>st</sup> month we did end up with a cash flow loss of \$3,608.29. Any questions or comments.
7. PUBLIC COMMENTS, QUESTIONS AND ANSWERS CONCERNING THE KREBS UTILITIES AUTHORITY BUSINESS. None

8. BUSINESS PREVIOUSLY CONSIDERED.

- A. DISCUSS AND ACT ON THE USE OF ONLINE PAYMENT PORTAL FOR THE WATER, TRASH, AND SEWER BILLS THROUGH A SECURE WEBSITE NAMED PSN (Payment Service Network, Inc). Chairman Watkins asked Kay Scott to address the board about this option. Mrs. Scott stated this is for our online payments. I did call Sequoyah (our billing system) and Sequoyah did call the bank to check on using another company instead of using PSN. Sequoyah uses PSN because their software works together. In order for us to use someone else, it would cost us at least \$2,000.00 to build the software to make it work together. It would be our expense instead of using the one that is already there. The reason Mike wanted me to check into it is because of the credit cards, the amount that is charged the customer or us, he thought was a little bit less. Mrs. Bennett asked how much did they charge the customer. Mrs. Scott stated right now the company we use charges 3% on credit cards and we eat that cost. It depends on if you want to absorb those costs or the customer absorb some of those costs. The credit card company we use now charges us \$50.00 per month plus 3% of credit card usage. Chairman Watkins asked in your professional opinion would this be a better deal. Mrs. Scott stated we are going to go to online payments that's what we are heading for. If we don't use this company that works with our software then someone has to build the software. There are other companies out there but their software doesn't work with the software we use for our billing. It would cost us \$2,000.00 plus these other charges. Mr. Walker asked how much does the customer have to pay? Mrs. Scott stated that is up to you. We can absorb part of those costs if you want to or we can let the customer pay for it. If the customer pays for it, it's 2.75% for credit cards, the checks are a little bit cheaper. It hasn't been costing us anything for the checks only for the credit cards. One of the decisions that needs to be made, is do you want to go ahead with the online payments. They still have the option to come to the office. Mr. Walker stated if its too much they won't use it. Can we change it if we try it for awhile? Mrs. Scott responded I can ask if we use it for 3 to 6 months. Mr. Walker stated it would save the customer gas if they didn't want to come here. Chairman Watkins asked for a motion. Tommy Walker made the motion for the customers to pay for all fees. \$1.00 for checks and 2.75% (+ \$0.50 if under \$100). Jason Wagnon seconded the motion. Chairman Watkins called for a vote. Daulfin Bennett – no, Jason Wagnon – yes, Connie Poole – yes, Tommy Walker – yes. Motion passes. Mr. Walker stated if no one wants to use it because of the cost then we can change it.

8. BUSINESS NOT PREVIOUSLY CONSIDERED.

- A. DISCUSS AND ACT TO APPROVE AN ADDENDUM TO THE PROCEDURES FOR UTILITY ACCOUNTS. THE ADDENDUM CLARIFIES THAT THE END OF BUSINESS IS 5 P.M. AND BILLS ARE DUE BY THE END OF BUSINESS ON THE 10<sup>TH</sup> OF EVERY MONTH. Chairman Watkins asked for a motion. Tommy Walker made the motion. Daulfin Bennett seconded the motion. Chairman Watkins called for a vote. Daulfin Bennett – yes, Jason Wagnon – yes, Connie Poole – yes, Tommy Walker – yes. Motion passes.
- B. DISCUSS AND ACT TO APPROVE A YEARLY SERVICE CONTRACT FOR ACCOUNTING SERVICES RENDERED BY MIKE KERN, CERTIFIED PUBLIC ACCOUNTANT IN THE AMOUNT OF \$995 PER MONTH PLUS \$150 PER HOUR FOR TIME ATTENDING AUDIT & FINANCE COMMITTEE MEETINGS OR SPECIAL COUNCIL MEETINGS FOR THE TIME PERIOD OF JULY 1, 2015 TO JUNE 30, 2016. Chairman Watkins asked for motion. Tommy Walker made the motion. Daulfin Bennett seconded the motion. Chairman Watkins called for a vote. Daulfin Bennett – yes, Jason Wagnon – yes, Connie Poole – yes, Tommy Walker – yes. Motion passes.

9. COMMENTS FROM THE BOARD AND CHAIRMAN. Tommy Walker is there any possible way we can start accepting payments for electric and gas payments again. I have had several people asked. Mr. Klink stated he would put it on the list and we will look into it. We need to have an Audit & Finance Committee meeting the 1<sup>st</sup> week in September and it will be posted. Talked with Tenaska this week and they are not going to close the plant anytime soon. I did tell them that the \$250,000 for construction that they wanted us to put up there is not any way that we could afford it. We discussed ways in which we might use some of our infrastructure to come up with a system for the two infrastructures to work together. We will have to put some numbers together to see how much it would actually cost. We now know how much water that comes from Lake Eufaula to put in Krebs Lake. I have called MEECO to see how much a floating dock would cost. We can have a short finance meeting on the 27<sup>th</sup> at 5:15 p.m.
  
10. ADJOURN MEETING. Chairman Watkins asked for a motion to adjourn the meeting. Daulfin Bennett made the motion. Tommy Walker seconded the motion. Chairman Watkins called for a vote. Tommy Walker – yes, Connie Poole – yes, Jason Wagnon – yes, Daulfin Bennett – yes. Motion passes.