TOWN OF KIOWA

TOWN & PUBLIC WORKS AUTHORITY MINUTES

FOR SPECIAL FINANCIAL MEETING

FEBRUARY 15, 2022 @ 5:30 P.M.

AT KIOWA CITY HALL

813 S. HARRISON ST

KIOWA, OK

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 meeting to order @ 5:32 P.M.

**PLEDGE OF ALLEGIANCE:** Completed

**ROLL CALL:** Hatridge present, Hall present, Peterson present, Vanblaricom present, Ellis present, Nichols present, Johnston present.

1. **Discussion and possible approval to accept map of redistricting ward boundaries for Kiowa.** Tabled. No vote.
2. **Discussion about retirement through OMRF for city employees.** Tracy Reed, “So like Katie was telling us we can customize the retirement plan that we chose however we would like. She was also saying that once we set a vesting period the city will contribute to their retirement but if they leave before there vesting period begins than the employee will get to keep what they have put towards their retirement but they will not get to take what the city had paid towards that. Obviously the idea of a retirement plan would be to attract and keep the appropriate employees for the town, it is a common benefit and I was actually surprised that it wasn’t something that you all already offered your employees. We are in a time frame right now of anticipating a loss of revenue not only this year but continuing moving forward. So as you all recall when looking at our budget the budget has played out exactly how we projected we expect to spend more than we will bring in, to the tune of about $370,000.00. I told you I think the budget is conservative. With that in mind, I do believe that we need to offer retirement and it is the council’s decision when the right timing that is. If we offer retirement at 3% for all full time employees minus police because they have their own retirement plan the estimated cost given our current salary schedule would be about $8,000.00 a year. I did the 3% giving you an idea of what it might be. Do you all have any specific questions or points of discussion you would like to address?” Vanblaricom asks Reed knowing where we are currently at with financials and we look at doing this is it something feasible that the city should be looking at at this time. Tracy Reed, “My personal opinion we would hold off until we got our finances in a position that we could at least break even every year. It would concern me to do this right now, but I do think that if we don’t do anything immediately then we need to have a reasonable time frame to look at it again and get it in place because it is a reasonable benefit for your employees.” No more questions.
3. **Discussion of financials and budget.** Tracy Reed, “As you all know for our meeting next week I will come financials but I did really look at since we made some changes and looked at the budget a couple of months ago I have made those changes in our personal and utility rates and looked at how we are doing compared to budget and reworked it a little. So that figure I was giving you of $370,000.00 expected to spend above our income this year or in a year like this moving forward, taking out town cost of about $320,000.00 that $50,000.00 is what I expect us to spend over and above what we are bringing in. I’ve told you I think the budget is conservative; it may be $50,000.00 conservative but not $380,000.00. We will continue to watch that budget every month and begin planning for our next fiscal year budget keeping in mind what our needs are.” Vanblaricom states that she doesn’t think the citizens truly understand where we got this $370,000.00 loss and I would like for that to be explained so that they are aware of why we are projecting that and I know that you have touched on it but I don’t know if it is more to the detail that the citizens understand why we increased water rates and I know me and you had a discussion and us as the council decided that before we did any kind of increases that we were going to change the management of the water. We have installed new water meters, made sure outstanding water bills are current, collections, we’ve made sure that illegal taps that were into main lines that were receiving water we have corrected all of that, and as a council we have corrected all of that to make sure that we don’t have such a water loss but now we have to do this. Cost goes up on everything. Tracy Reed, “So in the past in our general fund our fines revenue has been so strong that it has been able to support your PWA losses. The big difference is we expect to have about $300,000.00 less in revenues and I’m going to guess that a majority of those revenues don’t come from people that live in the town of Kiowa. Your PWA has always lost money, but you didn’t know it because you had so much money In your general fund that you could cover it and now even with that rate change and all the necessary changes you all have made it is going to help but it isn’t a $300,000.00 change. Even with the utility rate change projected over 12 months it is still projected for PWA to lose at least $62,000.00. I think you all have looked at everything you could but I would be interested in having someone look that has legal expertise to look at the rural water contract because when I look at the numbers they are using 50% and paying only 30% of our revenues. It’s a potential to consider that maybe we haven’t looked at in its entirety. We are the only state in the nation that does not get any money from property taxes. We are strictly limited to our utility revenues and the sales and use tax, and citations revenue.”

**NEW BUSINESS:** Vanblaricom states that her and Tracy Reed were talking and she thinks that for the upcoming budget that each department supervisor needs to start looking at what they are thinking they will need for the upcoming budget and have a breakdown of what those are with the cost and we need to have a financial meeting in April to discuss and see the priority of the items.

**PUBLIC DISCUSSION:** N/A

**ADJOURN:** Peterson made the motion to adjourn at 6:11 P.M. Seconded by Hall. Hatridge- yes, Hall- yes, Peterson- yes, Vanblaricom- yes, Ellis- yes, Nichols- yes, Johnston- yes. Motion carries.

**TIME ADJOURNED:** 6:12 P.M.

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