

**WHITE OAK CITY COUNCIL
SPECIAL MEETING
WHITE OAK CITY HALL
APRIL 18, 2017
5:00 P.M.**

MEMBERS PRESENT : Mayor Kyle Kutch, Lance Noll, Thomas Cash, Greg Hulett, Dr. Barbara Ray, Kevin Hood

STAFF PRESENT : Charlie Smith, Sherry Roberts, Terry Roach, Billy Morgan, Jason Maxted, Tracey Fears, Beaux Huey, Brannon Robertson, Randy Dodson, Andy Willeford

CALL TO ORDER

- A. Invocation
- B. Pledge of Allegiance

Mayor Kutch called the meeting to order at 5:00 p.m. Mayor Kutch led the invocation and the Pledge of Allegiance.

CONSENT AGENDA

- A. Consider and/or approve payment of bills for March 2017
- B. Consider and/or approve City Council minutes from March 14, 2017
- C. Consider and/or approve Quarterly Investment Report ending March 31, 2017.
- D. Consider and/or approve Resolution 2017-05; Denying SWEPCO application to change rates submitted in December 2016.

Motion to approve made by Mayor Pro-Tem Hulett, seconded by Councilmember Cash. Carried unanimously.

*Mayor Kutch moved the audit presentation item up before Citizen Comments.

CITIZEN COMMENTS

Volunteer Fire Chief Bill McBride and Volunteer Assistant Fire Chief Lewis Reavis demonstrated a new battery operated hydraulic extrication tool, called a ram, that is used to assist in car wrecks similar to the Jaws of Life. This was purchased with the help of Jimmy Nall after he was rehired by the City as a compliance officer to help obtain grants. This was a \$4,500 grant and the volunteer fire department paid \$2,800 for the purchase. It weighs 41 pounds and is heavier than the rams the volunteer firefighters are accustomed to. The fire department has two spreaders and cutters. It has a 53" spread that will help free victims in a car wreck.

Boy Scout Mason Hill informed the City Council that he has completed four purple martin birdhouses in order to earn his Eagle Scout designation. He passed a photo album around for everyone to see his finished project. The birdhouses were placed along the Penick Park walking trail. The houses have 16 compartments and he will provide maintenance of the birdhouses.

PRESENTATION of City of White Oak Audited Financial Statements for fiscal year 2016 by Karen A. Jacks & Associates.

Ms. Jacks informed the Council that the City is receiving a clean audit opinion. As auditors, internal control is considered over financial reporting and presentation and accuracy of information. The City's financial statements are materially accurate and have the highest opinion available. She congratulated the City and expressed her appreciation on the good job

performed by staff. She explained that no surprises were found

There is a second report that addresses federal auditing requirements for governments. Again, auditors considered internal control over financial reporting but added compliance with the various rules, laws, regulations, etc. There were no instances of non-compliance found. No violations of statutes, contracts, or grant agreements identified.

On page nine is a discussion by management with lots of financial analyses, year-to-year comparisons, and some narrative to describe the on-goings in the City. She further explained that it is common knowledge that sales tax revenue is down, property tax revenue did not come in as expected, and municipal fines and fees were down. The General Fund basically broke even in FY 15/16. It was depleted by \$3,683, but outperformed the amended budget.

The Water & Sewer fund operated at a deficit of about \$220,000 for the year, but this includes a provision for depreciation, which is a non-cash outlay of \$596,000. Excluding depreciation, the fund performed in a surplus position for the year.

In meeting with management last week, there was discussion regarding two or three matters for staffs' roles in the city. There is a new state statute House Bill 1295 which requires a government that is entering into a contract with a vendor of at least \$1 million or more or if the contract requires city council approval, the vendor must make some disclosures about ownership to the Texas Ethics Commission. This filing is the responsibility of the government. City Coordinator Smith and Assistant City Manager Sherry Roberts will be determining the best implementation method. Staff will probably require this as part of future bid packets.

Ms. Jacks explained there were unauthorized purchases made from the volunteer fire department of approximately \$50,000 that was not sent to bid which is violation under state statute. This has been discussed and corrective action was taken for the future. The auditors understand this was an isolated occurrence.

PRESENTATION of National Safe Digging Month Proclamation.

Mayor Kutch explained the proclamation and advised everyone to call before you dig.

CONSIDER AND/OR APPROVE the construction of a building to house the local food bank.

Item tabled.

CITY COORDINATOR ITEMS

- A. Update on wastewater treatment plant construction
The construction crew should finish up in May or June.
- B. Police Department's Texas Police Chief's Recognition Program
Police Chief Terry Roach said the White Oak Police Department (WOPD) was the 66th agency recognized in the state in 2012. There are 164 recognized departments out of 1200 agencies and the WOPD was just re-recognized. Recognized departments must be re-recognized every four years. When the department was originally recognized, only two words required changing in the policy and each word was a demerit. It was the least number of demerits earned by anyone at that time. Kilgore asked Sgt. Brannon Robertson to assist in the assessment of their files before the program assessors arrived. With Sgt. Robertson's help, Kilgore received only one demerit. Chief Roach publicly thanked Sgt. Robertson for managing the program and Lt. Andy Willeford for the computer security support.
- C. City Hall roof
City Coordinator Smith informed the Council that he checked with Gary from Steel America

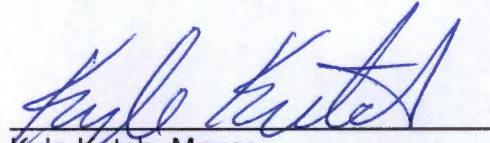
and he is waiting on the engineer to get his sign-off on it.

ADJOURNMENT

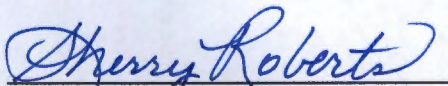
Motion to adjourn at 5:28 p.m. made by Councilmember Noll, seconded by Councilmember Ray.
Carried unanimously.



ATTEST:



Kyle Kutch, Mayor



Sherry Roberts, TRMC, CPM
Asst. City Manager/City Secretary