KREBS UTILITIES AUTHORITY
BOARD SPECIAL MEETING MINUTES
MAY 12, 2026

1. **MEETING CALLED TO ORDER** – by Chairman Zella Kincaid

2. **ROLL CALL** – by Cindy Cooper, City Clerk

Chairman Zella Kincaid- present,
Jeanetta Hauck- present,
Dan Heathcock- absent
Larry Coxsey- present,
Sherry DeFrange- present,

3. DISCUSS THE KUA BUDGET FOR THE 2026-2027 FISCAL YEAR

Mike Kern discussion of proposed 2026-2027 KUA budget. KUA is a Title VI trust, it is not a municipality, it is covered by state statue 60. It is called a business account. You can budget at 100% on the revenue side. Mike states he put in an estimate on revenues for water, sewer, Alderson sewer, garbage, sewer surcharges and regular surcharges. On line seven of page two for transfer-in we are going to put $100,000 because that is what we budgeted for from the capital improvement side. Mike states he was liberal on salaries as far as expenses because you really don't know on the KUA side how much overtime will be needed, so tried to put some extra money in there just in case. Same thing with payroll taxes. Payroll taxes are a function of the KUA. The rest of the expenditures are estimates. Line 27 capital outlay is $164,000 because the equipment KUA is having to buy. They have been approved but they won't come in until next fiscal year but need to be budgeted now. Mike states he has not done anything with water, sewer and garbage rate increase yet but will do that next month. Rate is higher for higher usage broken down by 1000-gallon increments. Normal practice is look at a 5000 user to calculate the percentage of increase, but on the front end the users that only use 1000-2000 don't raise those as much. Mike states it is up to the board, but he is thinking in the neighborhood of 50 to 60 cents for the 1000 and 2000 users. 60 cents is 2 cents a day. Then the rates will progress up for higher usage.

Dennis Cook, "I was thinking instead of buying two vehicles, if you need a pickup, I'll offer you this; why don't we give you our animal control truck, just transfer it if you will, to the city. It's a three-quarter ton extra heavy duty. It's got a little over 20,000 miles on it since 2024. I am scheduled to buy two vehicles this year because we haven't bought any vehicles in about four years, so we are due for those. We can get by with one vehicle, so if we transfer that vehicle, it's really a free vehicle.

Chairman Kincaid, does it have the trailer brake already set up in it?

Dennis Cook, yes, it's a three-quarter ton. That would be a free vehicle for them then we would replace that vehicle with a 1/2-ton pick-up. The only reason we have that three quarter ton is because the state of Oklahoma did not have any, it was the end of covid couldn't get them. That's the only thing they had on the lot under the state

purchasing agreement. It's still a good truck, it would free up… it's still got lots of miles left on it, we could take the lights off.
Mike Kern then you would only be looking at one vehicle.
Dennis Cook, one SUV and we would replace that (three quarter ton truck) with a half-ton pickup. They are a little cheaper, but we would pay for that out of the ticket fund.
Mike Kern, you would have to equip that truck too.
Dennis Cook, most of it.
Mike Kern, one vehicle and the truck and all the equipment, all that needs to come out of the $50 ticket fund.
Zella Kincaid is it still under warranty.
Dennis Cook is under warranty; 36,000 three years.
Mike Kern confirms that the next budget meeting will be on June 9, 2026
Jayme Busby asks Mike if the surcharge online item six was the same thing as the miscellaneous charge on the water bills?
Mike Kern, yes
Jayme Busby requested that Mike call it the miscellaneous on the line item to avoid confusion.
Mike Kern requests that any information be given to the clerk (Cindy) and she will make sure he gets it then he will reprint the budget books with the new information.

4. COMMENTS FROM THE CHAIRMAN AND THE BOARD

Cindy Cooper reminds board that the regular meeting scheduled for June 16, 2026, will be held at the Gene Heathcock Community Center instead of City Hall because there will be an election going on.

5. ADJOURN

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