

November 29, 2022

Tuesday 9:00 am

The Bourbon County Commission met in open session with all Commissioners and the County Clerk present.

Susan Bancroft, Rob Harrington, Anne Dare Clint Walker, Jason Silvers, Teri Hulsey, Mike Hueston, Terry Sercer, Deb McCoy, Michael Hoyt and Mark McCoy were present for some or all of the meeting.

Nelson made a motion to approve meeting minutes from previous meeting and also minutes from the Work Session. Clifton seconded. All approved.

Eric Bailey stated the north sidewalk project is moving along. There is a dip in the sidewalk which is supposed to be there for the ADA ramp. We are hoping to get the parking and curb in this week weather permitting. Eric made the commission aware that they are moving to an automated fuel system. When you get your fuel you will have a card and type in information for your vehicle. Each one will have their own number and will track who is purchasing. Multiple departments are going to be using this. This should begin hopefully at the first of the year. Landfill will be closed tomorrow from 11am to 1pm for the Holiday dinner. We are out pothole patching today. We have a few trees down and will take care of them as the calls come in. Eric stated we have 7 ambulances and we want to talk about EMS 3. Teri has pulled it out of service. The last 4 days it has lost 3 gallons of antifreeze and they have replaced the head gaskets twice already. Teri stated we've put 8 gallon of antifreeze in it since the 18<sup>th</sup>. Eric stated the cost would be anywhere from \$5,000 (bulletproofing) to \$20,000 (replacing block) to fix it. EMS 1 is out of service currently but we hope to have it back up and running by the end of the week. Jim asked if EMS 3 was good except the motor and the answer was yes. Eric stated he thought it should be bulletproofed. Mike Hueston stated that he had another quote by word of mouth for same block bulletproofing would be \$7,300. It would be \$5,000 to \$15,000 depending on how much bulletproofing. It will probably closer to \$15,000 to make it dependable. Clifton stated it shouldn't cost that much. It was explained that in order to bulletproof an ambulance either the front cab would have to be removed or the box would have to be removed. It makes it cost more. Jim asked if this could be done in-house. Eric said they didn't have the ability to lift the cab or the box off. Eric suggested getting another quote and talking about it again next week. Nelson asked if they could get by without EMS 3 or is it a life and death issue. Teri stated they are getting by and we'll be much better once EMS 1 is back on. Jim asked for two detailed quotes and we'll discuss again. Jim asked about the onyx process. Eric stated that onyx is not as thick as chip and seal and has fine aggregate to give traction. Eric stated he would be glad to look at it together so we're looking at the same thing.

Ashley Shelton asked for an executive session. Clifton made a motion for executive session KSA 75-4319(b)(1) to discuss personnel matters of individual nonelected personnel to protect their privacy for 20 minutes including 3 commissioners, Ashley

Shelton, Tiana McElroy, Patty Love and Bill Martin returning at 9:41am. Nelson seconded. All approved. Clifton made a motion to resume normal session with no action. Nelson seconded. All approved.

Terri Sercer - 2021 Audit Page one is the auditor's report. The first couple of paragraphs are opinion. In the second paragraph you will notice adverse opinion. In our opinion these are not in accordance with general accepted accounting principles. Someone might question why we don't follow general accepted account principles. The reason is Kansas allows local municipalities to waive general accepted accounting principles and follow what is call the regulatory basis of accounting which is used in your budget process. GAAP is much more time consuming. For example, you would need to show a road grader as a fixed asset and depreciate it out each year and doesn't following budget. Everyone we audit uses the regulatory basis of accounting except FSCC which can't waive GAAP. On page 1, paragraph 3 you will note unmodified opinion which states in our opinion the financial statement referred to above presents fairly in all material respects the cash and unencumbered cash balance of the County of December 31 and the receipts and expenditures for the year then ended in accordance with the regulatory basis of accounting. That is the highest level we can give on an audit. We had a single audit this year which is a Federal Audit based on the level of federal revenues and expenditures you had last year. General fund has a healthy balance as of 12/31/21. Road and Bridge was down and built back up to a much more health balance. On page 9, spells out any statutory violations and there were a few. The first one deals with tax distributions being incorrect. This year, motor vehicle distributions were over distributed. That has been fixed. Jim asked Patty to explain. Patty stated it was a glitch in CIC of which CIC was never able to explain. The second violation was bank reconciliation for 2020 was off. Throughout 2021 time and effort was placed into it and by the end of 2021 the reconciliations are done in a timely manner. There were 3 accounts in the Sheriff's office that were opened many years ago, prior to the current sheriff. Once found we audited and it was ok, but should be turned over to the county. There are 4 violations for last year due to the accounts not being turned in. If by the end of the year they are reconciled it should be ok. On page 12 regarding refunded bonds resulted in \$300,000 in savings. Good timing. On page 68 Federal Compliance Section, the county received COVID money and that triggered a federal audit. On page 73 & 74 is a summary of the audit. There was one finding on the bank recs not done in a timely manner. They are now being done and up to date. There is no corrective action plan. We need to monitor and make sure that it continues to be done. Loose Letter section - Banks recs are done and continuing to be done in a timely manner. Sheriff accounts should be looked at least 3 years if not more. It is important to look back. Any accounts like this should be turned over to the county and run through the normal processing. Good internal controls needed. In mate funds have two purposes. Inmates can't have money on them and also commissary available to buy. The balance on that account is high and should keep what is needed for inmate purposes and the rest should be turned over to the County. A reasonable amount should be set and anything over that should be turned over to the County. Jim asked why this account is ok. Terry stated it is because we know about the

account; it's been around for years. Now the balance is high and so recommends to transfer over. The account should be reconciled each month, balances tied back to what is being held for inmates, money receipted, internal things that be done at that location. Reconciliation monthly and turning into Treasurer's office for review is being done now. Nelson asked Terry for suggestions on avoiding violations. Terry stated he did not believe there would be violations next year if everything is done as it is being done now.

Clifton made a motion to approve Accounts Payable. Nelson seconded. All approved.

Ashley presented a resignation letter from Will Wallis. He will be retiring December 30<sup>th</sup> of this year due to health and age. He is willing to train someone through the end of the year. He has the money in his budget to support this.

Susan Bancroft - CFO: I'm working on the banking that Clifton asked me to research. I will have that for the next meeting. I will have budget amendments at our December 6<sup>th</sup> meeting to be approved on the 20<sup>th</sup>. I have to publish them 10 days before so we'll present on December 6<sup>th</sup>, publish on the 10<sup>th</sup> and approve on the 20<sup>th</sup>. I want to discuss the shared services agreement with the city of Fort Scott. In order to be able to have a partnership with them there are several things that have to be looked at. They get rock in exchange for the amount that we would be paying for EMS contractual obligations or IT that we are doing for them. Those are the only two that we really have a shared relationship now. We have dispatch for the Sheriff that is paid quarterly. That wasn't taken into consideration when I was doing these calculations. In May we brought EMS back over and until October they were continuing to do some maintenance and fuel for us. I had to go through from May to October and look at all their bills as far as the fuel that they have purchased, do an average of the amount of gas, the average price so that we could make it fair. We have a 3<sup>rd</sup> truck at the fire department and EMS dispatch that they also have a contract with us. When our money was funded over at the city it was basically county dollars. They were just administering and we were paying them to administer the program. With those dollars we helped buy a four post lift that was split into 4th amounts which was \$6,300. Since they are no longer servicing our vehicles I took that credit on this shared services so that it made it fair to the County because we don't have access to that piece of equipment anymore. For this year our shared services payment will be \$16,251. In a normal year it would be the \$25,500, \$48,000 for EMS and \$50,000 for dispatch. So, this year we will pay the \$50,000 for EMS and the \$16,251. There was discussion regarding 911 funds and Susan stated that the funds set at the city and can only be used for very specific things. Bobby Reed stated that before the city took over dispatch we had dispatch for the county during the day and then Sheriff Coleman and the commission at that time assuming made that agreement with the city. Then they received all 911 funds. Dispatch funds are paid from the General fund.

Clifton made a motion for Justin to move to the end of the meeting. Nelson seconded. All approved.

A 10 minute break was called.

Clifton made a motion to allow Jim to sign that we received the audit from Terry Sercer. Nelson seconded. All approved.

Shane Walker - CIO: We are working with Legacy to transfer the entire infrastructure over to them. They are going to have to run on our phones and internet for 20 days until they get equipment in to replace ours.

Public Comment: Anne Dare stated she is encouraged that there are fewer violations and that those are being fixed. Glad that departments are working together. Go to training when possible. Continue doing all you can do to make sure your departments so that the citizens are sure you are doing your best effort. It is important the County be above reproach at every level. Clint Walker stated regarding the audit, it is important that we come up with no violations because that prohibits us from getting grants. Michael Hoyt questioned the Legacy agreement. Last year you chastised us for not knowing Noble. I've tried to learn a little bit about Legacy and if you look into your donation agreement it's starts off and states that the corporate structure for Legacy is a not for profit corporation but yet their charter in California says they're a non-profit corporation. Big difference. A non-profit organization makes no money. A not for profit corporation puts all of its money back into the company to succeed the organizational goals. Under article 1.5.1 of the agreement, which discusses excluded liabilities, the donee, that's Legacy, does not assume the following liabilities and obligations of the donors ready mix business. Are we making concrete out there? The agreement states within the 1 year, 2 year, 3 year, 4 year window if we don't like something we can get back \$1,000,000, \$750,000, \$500,000 in the last year. There are no deliverables. There are no explanation as to what would trigger us to ask for the building back and the money. So, day one they are getting away with \$1,000,000. If they show up, take the keys, take the \$2,000,000 and go away the most we can ask for after year two is the building and \$1,000,000 back but it does not define what the triggers are. There are several typos and my suspect is that this is the Noble agreement with the name change to Legacy. Legacy nonprofit charter was created 9/26/22. To do business in the state it appears they have created a business entity named Legacy Strategies was formed on 11/21/22 and happens to be housed in the Eisenhower home in Abilene, KS. Jim stated that he is not going to discuss the legal documents with you as our legal council prepared those and I'm confident that we're protected. Michael stated that you gave \$4,000,000 in assets away with no notice to taxpayer. Jim stated it will be discussed at a later date. We want Legacy to do their own talking and press release. Clifton stated that Legacy is not Noble. We paid for a study and Noble delivered the study. I don't know what people don't understand about that. I'm sick and tired of hearing about Noble. It's not the same company; not even close. Rob Harrington presented 3 studies REDI paid to have completed. One is a retail study, a labor study and the Housing Study will come later. It took most of the year to do these studies, surveys done through businesses, residents, real estate individuals and more. If you have questions after reading please contact me.

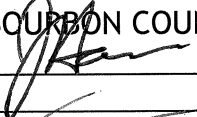
Rob stated that we have worked very hard this last year to do good things for this county and the people who live here. Some days it's very hard to do what we've done. We do our jobs with higher scrutiny than private individuals and their businesses. Our words have actions attached to them. Say what you want it doesn't hurt that company. They can take their 150 jobs and go somewhere else. I had a call from an individual that was going to buy two buildings and bring in jobs. He called and said I'm not coming to a town as vile as the one I see on Facebook. What am I supposed to say to that individual? That happened 3 months ago. When you get on Facebook and say what you want to say remember they effect things that could happen that are good and positive for this town. My character has been put into question. My families' character has been put into question. I'm going to tell you that I have never taken a bribe, a backroom deal or anything to bring a company to a community. I'm not going to sit here and listen to people say that about me anymore. I'm going to say what I want to say too. It's my God-given right. Unless you have the facts stop saying things. The projects we are working will bring significant development to this community. Development that has never happened before in this community. It's going to bring hundreds of jobs to this community. If we keep jumping on Facebook and throwing out false accusations continually, we will be in the same boat we are today. Jim stated that he is not getting kickbacks from anyone. Don't call me a thief. Mark McCoy stated that he is on multiple boards. Rob is very dedicated to our community but there are also 11 other people on that board. We are all concerned and want a better community. We are trying to make Bourbon County better. Many of these things can't be discussed in the public eye until it is ready to promote and market. Too many businesses have failed here. I would ask our public to be more positive and work together and go forward. I believe for us to be successful as an entire county we have to work more collaboratively so that we are still thriving, surviving and succeeding in 2030. REDI is here with a lot of volunteers. Small staff that work very hard. Currently working on 13 grants. Brian Allen reminded everyone of the flood plain meeting tomorrow at the hospital in the McAuley Room. Everyone is encouraged to attend. The maps have changed.

Commission Comments: Clifton stated his cell phone number is easy to find. The Clerk's office has been given permission to give it out. I will echo what Rob and Jim said. Find out the facts because a lot of it on Facebook, I follow the threads, and there is a lot of untruth. Like Jim said, if you're going to call me a thief at least do it to our faces. We teach our kids not to bully, but what I see on Facebook is nothing more than bullying. Jim stated that he has encouraged the public to come to our meetings. Those on the Facebook making those false statements I will call Keyboard Cowboys are cowards. If you want to call me a thief, do it to my face.

Justin Meeks requested executive session. Clifton made a motion for executive session KSA 75-4319(b)(2) for consultation with an attorney for the public body or agency which would be deemed privileged in the attorney-client relationship including 3 commissioners and Justin Meeks returning here at 10:22am. Nelson seconded. All approved. Clifton made a motion to return to normal session with no action. Jim seconded. All approved.

At 11:24, Clifton made a motion to adjourn. Nelson seconded. All approved.

THE BOARD OF COMMISSIONERS  
OF BOURBON COUNTY, KANSAS

  
\_\_\_\_\_, Chairman  
\_\_\_\_\_, Commissioner  
\_\_\_\_\_, Commissioner

ATTEST:

Ashley Shelton, Bourbon County Clerk

12/6/22, Approved Date