

CLEVELAND CITY COUNCIL

Minutes

Thursday, January 12, 2023 – 6:00 p.m.

Members of the Cleveland City Council met in a regular scheduled meeting at 6:00 p.m. on Thursday January 12, 2023, in the Council Chambers of the Cleveland Municipal Building located at 201 North Broadway, Cleveland, Oklahoma with Mayor Torres presiding. The agenda for this meeting was posted in the display case located at the front entrance of the City Hall located at 105 W. Caddo, Cleveland, OK 74020.

1. **CALL TO ORDER.** Mayor Brian Torres called the meeting to order at 6:00 p.m.
2. **ROLL CALL.** City Clerk Ashley Schulze called roll with the following members present:
WARD 1- Mike Carroll- present
WARD 3- Chris Gabriel- present
WARD 4: Brian Torres- present
AT LARGE- Damon Lester- present
3. **PLEDGE OF ALLEGIANCE.** Pledge of Allegiance was led by Mayor Torres.
4. **INVOCATION** by Mayor Torres.
5. **CONSENT AGENDA (Items A-C)**

All matters listed under “consent” are considered by the city council to be routine and will be enacted by one motion. Any Council member may, however, remove an item from the consent agenda by request to be voted on separately.

A. Approval of the minutes of the Regular City Council Meeting held on December 8, 2022.

B. Approval of all purchase orders.

C. Approval of the Treasurer’s Report.

Mayor Torres had a question on the treasurer’s report about the monthly deposit in the ½ cent sales tax account. Clerk Ashley Schulze stated it was an oversight and the ½ cent sales tax was in general fund and hadn’t been transferred for December but would get the transfer taken care of.

A motion was made by Brian Torres and seconded by Mike Carroll to approve the Consent Agenda Items 5A-5C. The motion carried with the following roll call vote: (4-0)

Aye: Brian Torres, Chris Gabriel, Damon Lester, Mike Carroll

Nay: None

***Moved to item #7 due to Leland Davis not being present yet.

7. **Consideration, discussion, and possible action to approve or reject the 2021 City of Cleveland Audit Report of the Financial Statements by HBC CPAs & Advisors.** Chris Heim from HBC CPAs & Advisors presented the 2021 audit to the council. Mr. Heim explained to the council that the financial statements are prepared on the modified cash basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America (GAAP). The modified cash basis of accounting is based on the recording of cash and cash equivalents and changes therein, and only recognizes revenues, expenses, assets and liabilities resulting from cash transactions. Mr. Heim asked the council to turn to page 7 governmental funds and look at the cash and cash equivalents. There are 1.1 million unassigned funds in general fund that can be used for emergencies. That is a 32% in excessive funds, which is a healthy position to be in. The desirable amount is in the 10-30% range and the City of Cleveland exceeds that. Council was advised to look at page 9 profit and loss statement. Sales tax has increased \$400,000.00 from 2020. Mr. Torres asked what the process of the audit looks like. Mr. Heim explained to council that Chuck from CBEW provides the monthly statements for the audit. Then advisors come in and do interviews with different city employees to see daily operations and procedures. Taxes, expenditures, and revenues are then tested by asking for supporting documents. Everything went smooth on expenditures and revenues. Overall the audit presents fairly and funds are reasonably stated. There were no

overall issues with the audit except for the capital assets which there was a disclaimer of opinion due to not maintaining complete capital asset records which has also been stated in previous audits from 2015-2019. Chuck with CBEW is already working on helping track assets with depreciation schedules. A motion was made by Brian Torres and seconded by Damon Lester to approve the 2021 City of Cleveland audit report as presented. The motion carried with the following roll call vote: (4-0)

Aye: Brian Torres, Chris Gabriel, Damon Lester, Mike Carroll

Nay: None

- 6. Appointment of Leland Davis to the Ward Two vacancy position and administration of Oath of Office.** A motion to appoint Leland Davis to the Ward Two vacancy position for the remainder of the term through April 10, 2023 was made by Brian Torres and seconded by Mike Carroll. The motion carried with the following roll call vote: (4-0)

Aye: Brian Torres, Chris Gabriel, Damon Lester, Mike Carroll

Nay: None

The Oath of Office for Leland Davis was given by Police Chief Clint Stout at 6:48 p.m.

- 8. Consideration, discussion, and possible action to approve or reject the agreement between Local Government Testing Consortium (LGTC) and the City of Cleveland.** City Manager Mike Vaughan explained to council that LGTC is who does the random drug screening for city employees. A motion was made by Damon Lester and seconded by Mike Carroll to approve the agreement between Local Government Testing Consortium (LGTC). The motion carried with the following roll call vote: (5-0)

Aye: Brian Torres, Chris Gabriel, Damon Lester, Mike Carroll, Leland Davis

Nay: None

- 9. CITY MANAGER'S REPORT. The City Manager will provide updates regarding recent and upcoming events and projects, including events of interest and the general operations of the City.**

City Managers Report

-Sales tax for the month is \$212,098.67 up \$7000.00 from previous month and up around \$10,000.00 from previous year. Use tax is up about \$11,000.00 from the previous month.

-Total utility billing is \$463,945.21. Gas rates went up this year, last rate increase was in 2009. We have also had a few cold snaps in the last few months compared to last year's winter. Other cities/towns minimum charge for gas is higher than ours plus some cities/towns are adding an extra fee to the customers for the past years higher usage that the city had to pay.

-Still looking at early April time frame for the water plant to be up and running. Meeting with IEC to get power set up for the new plant.

-Waste water system running well. We have not installed the grinder yet. We may need a permit from DEQ to install it first.

-There are currently no street projects right now.

-DEQ-There is a lead service line inventory that has to be completed by October 16, 2024. Brian, Paul, and Mike all going to a training class on this.

-Have met with Sharpshooter to look into grants for the city.

-New sleeping quarters have been put in at the fire station due to staff going to 24 hours.

-There has been more activity at the east side gym- looking for new lights to put over there and at the library.

Police Department 2022 Annual Report

-numbers are coming back up since coming out of COVID

- Citations are up from 662 in 2020 to 1064 in 2022.

- There were 9258 calls for service compared to 5994 in 2020.

- K9 is on duty with his handler Brendan O'Driscoll

- There have been 10+ fentanyl overdoses in the community w/in the last few months

- Looking to grow the dispatch department which allows firemen to get out of dispatching

10. ADJOURNMENT. Mayor Torres adjourned the meeting at 7:34 p.m.

Brian Torres, Mayor

Ashley Schulze, City Clerk