

Durant Industrial Authority

MINUTES OF THE DURANT INDUSTRIAL AUTHORITY MEETING OF JANUARY 14, 2014 AT 7:00 A.M. IN THE DURANT INDUSTRIAL AUTHORITY CONFERENCE ROOM.

I. **Call to Order. – Chairman Tomlinson**

Chairman Tomlinson called the meeting to order at 7:00 a.m., declared a quorum present and opened the meeting. Chairman Tomlinson recognized the following guests present for the Durant Industrial Authority Board Meeting: Frank Crawford – President of Crawford & Associates, P.C., and Jessica Breger – Staff Reporter for the Durant Daily Democrat.

II. **Opening Invocation. – Ron Bennett**

III. **Roll Call. – Cynthia Price**

The following Authority members were present: Ron Bennett, Fran Mickle, Nate Morrison and Chairman Tomlinson.

The following Authority members were absent: Rick Hammel, Greg Massey, and Janet Reed.

The following support staff members were present: James Dunegan, Tommy Kramer, and Cynthia Price.

The following support staff members were absent: None.

The following guests were present at this month's meeting: Frank Crawford – President of Crawford & Associates, P.C., and Jessica Breger – Staff Reporter for the Durant Daily Democrat.

IV. **Approval of Minutes of the Regular Monthly Meeting on November 12, 2013. – Chairman Tomlinson**

A motion was made by Nate Morrison to accept the minutes from the Regular Monthly Meeting on November 12, 2013. This motion was seconded by Fran Mickle. The motion was carried by:

Aye: Ron Bennett, Fran Mickle, Nate Morrison, and Chairman Tomlinson.

Nay: None

Abstain: None

Greg Massey entered and attended the meeting.

V. Review the Durant Industrial Authority October 2013 Financial Report. – Tommy Kramer

Tommy Kramer reviewed the October 2013 Financial Report for Durant Industrial Authority Fund 020. The Durant Industrial Authority total cash and receivables, as of October 31, 2013 were \$3,959,968.68. The Fund 020 total current and long term liabilities are \$1,622,041.15 for October 31, 2013.

The total revenues collected in Fund 020 for October 2013 were \$46,067.21. The total expenses and fund reserve activity was \$40,696.43. The net change in fund balance as of October 31, 2013 is \$5,370.78. The 2013-2014 fiscal year-to-date net change in fund balance as of October 31, 2013 is \$117,316.88.

Economic Development Fund 110 for Job Creation total assets as of October 31, 2013, was \$4,934,316.45 with no liabilities as of October 31, 2013. Fund 110 Account had a surplus deficit in the amount of \$350,243.95 for October 2013. The total liabilities and fund balance as of October 31, 2013, was \$4,934,316.45. The total revenue received for the month of October 2013 was \$85,032.56. There were no expenses for the month of October 2013. Therefore, the net change in fund balance as of October 31, 2013 was \$85,032.56.

VI. Review the Durant Industrial Authority November 2013 Financial Report. – Tommy Kramer

Tommy Kramer reviewed the November 2013 Financial Report for Durant Industrial Authority Fund 020. The Durant Industrial Authority total cash and receivables, as of November 30, 2013 were \$3,945,802.04. The Fund 020 total current and long term liabilities are \$1,612,036.23 for November 30, 2013.

The total revenues collected in Fund 020 for November 2013 were \$43,051.01. The total expenses and fund reserve activity was \$35,576.40. The net change in fund balance as of November 30, 2013 is \$7,474.61. The 2013-2014 fiscal year-to-date net change in fund balance as of November 30, 2013 is \$124,791.49.

Economic Development Fund 110 for Job Creation total assets as of November 30, 2013, was \$5,017,962.15 with no liabilities as of November 30, 2013. Fund 110 Account had a surplus deficit in the amount of \$433,889.65 for November 2013. The total liabilities and fund balance as of November 30, 2013, was \$5,017,962.15. The total revenue received for the month of November 2013 was \$83,645.70. There were no expenses for the month of November 2013. Therefore, the net change in fund balance as of November 30, 2013 was \$83,645.70.

VII. Consider Approval of Durant Industrial Authority Claims for the Month of November 2013. – Tommy Kramer

A copy of the November 2013 Durant Industrial Authority Budget Analysis was electronically mailed to each Durant Industrial Authority Board Member on December 3,

2013 for their review prior to the December 10, 2013 regular scheduled meeting of the Durant Industrial Authority.

Tommy Kramer informed the Durant Industrial Authority Board of the November 2013 claims for payment approval. The payroll claims for November 2013 were \$16,300.72. The submitted claim reports for Durant Industrial Authority Fund 020 for the month of December 2013 totaled \$14,666.91.

Items discussed were the following expense claims for Fund 020:

- Durant Area Chamber of Commerce – Copy Machine Rental - \$160.00;
- Durant Area Chamber of Commerce – Office Rent - \$1,225.00;
- AT&T Phone Service (Office, Mobile, Long Distance) - \$36.03;
- Conway Data – Site Selection Magazine Advertising (November 2013) - \$904.40;
- JP Morgan Chase – Postage, Ink Cartridges, Office Supplies, Training and Travel - \$217.63;
- Rachel Cross – Office Cleaning for November 2013 - \$30.00;
- Five CDBG Loan Payments to Oklahoma Department of Commerce - \$7,020.66;
- Cheryl Jackson – Land Acquisition Payment (principal and interest) - \$2,407.61;
- John Jackson – Land Acquisition Payment (principal and interest) - \$2,407.60;
- Fuelman – Fuel - \$128.98;
- James Dry Carpet & Upholstery Cleaning Service – Office Carpet Cleaning - \$129.00;

A motion was made by Fran Mickle to approve the claims from the month of November 2013. This motion was seconded by Ron Bennett. The motion was carried by:

Aye: Ron Bennett, Greg Massey, Fran Mickle, Nate Morrison, and Chairman Tomlinson.
Nay: None
Abstain: None

VIII. Consider Approval of Durant Industrial Authority Claims for the Month of December 2013. – Tommy Kramer

A copy of the December 2013 Durant Industrial Authority Budget Analysis was electronically mailed to each Durant Industrial Authority Board Member on January 3, 2014 for their review prior to the January 14, 2014 regular scheduled meeting of the Durant Industrial Authority.

Tommy Kramer informed the Durant Industrial Authority Board of the December 2013 claims for payment approval. The payroll claims for December 2013 were \$16,640.54. The submitted claim reports for Durant Industrial Authority Fund 020 for the month of December 2013 totaled \$19,913.05.

Items discussed were the following expense claims for Fund 020:

- Durant Daily Democrat – Advertisement of Durant Industrial Authority East 20 Acres Pasture Lease - \$224.70;
- Durant Area Chamber of Commerce – Copy Machine Rental - \$160.00;
- Durant Area Chamber of Commerce – Office Rent - \$1,225.00;
- Durant Area Chamber of Commerce – Annual Membership Dues - \$185.00;
- AT&T Phone Service (Office, Mobile, Long Distance) - \$136.16;
- Texoma Print Services – Embossed Large Business Envelopes – \$127.17;
- A&M Engraving – 2 Engraved Plaques with Gold Key (Recipients - Durant Big Lots Distribution Center and Cardinal FG Durant) - \$200.00;
- Crawford & Associates – Audit Fees (Professional Services through 11/15/2013) - \$4,006.91;
- Crawford & Associates – Audit Fees (Professional Services through 12/18/2013) - \$29.20;
- JP Morgan Chase – Vehicle Battery, Fuel, Training and Travel - \$244.33;
- Computer Services of Durant – Annual Web Hosting Fee - \$200.00;
- Computer Services of Durant – Annual Domain Registration Fee - \$25.00;
- P.L. Pat Phelps – Legal Consultation Fees (12/18/2013) - \$35.00;
- Five CDBG Loan Payments to Oklahoma Department of Commerce - \$7,020.66;
- Cheryl Jackson – Land Acquisition Payment (principal and interest) - \$2,407.61;
- John Jackson – Land Acquisition Payment (principal and interest) - \$2,407.60;
- Fuelman – Fuel - \$156.30;
- Rachel Cross – Contract Labor – (4 hrs. x \$15/hr.) - \$60.00;
- TEX-21 – Annual Membership Dues (Amount represents one half of total dues shared equally with City of Durant) - \$1,062.50

A motion was made by Ron Bennett to approve the claims for the month of December 2013. This motion was seconded by Greg Massey. The motion was carried by:

Aye: Ron Bennett, Greg Massey, Fran Mickle, Nate Morrison, and Chairman Tomlinson.

Nay: None

Abstain: None

IX. Frank Crawford, President of Crawford & Associates, P.C., Will Discuss Durant Industrial Authority Financial Reporting Procedures. – Chairman Tomlinson

Frank Crawford reviewed the differences between government accounting procedures and general accounting procedures. Mr. Crawford provided an overview of his company's role in the auditing process for the City of Durant and the Durant Industrial Authority. Mr. Crawford explained that city municipalities budget and anticipate revenues and expenses are reported on a cash basis. The municipal financial records are balanced with any asset acquisitions, dispositions or transfers applied under full accrual at the end of each fiscal year. Mr. Crawford stated it would be cost prohibitive from a workforce standpoint for the

City of Durant to do full accrual reporting on a daily or even semi-annual basis due to the large number of department funds involved with the city. Mr. Crawford further stated that the Durant Industrial Authority is the most active economic development organization in the state of Oklahoma. A question/answer period followed. Tommy Kramer provided each board member with an aerial map identifying the location of each of the Durant Industrial Authority capital property assets.

X. Durant Industrial Authority Information Items:

- A.** Chairman Tomlinson stated the Durant Industrial Authority Board was invited to attend a dinner hosted by Amy Ford, President of the Citizens for the Protection of the Arbuckle Simpson Aquifer (CPASA), and the Choctaw Nation of Oklahoma with special guest Col. Michael Teague – Secretary of Energy & Environment. The purpose of this dinner was to develop a stronger relationship with Secretary Teague and garner support for the protection of the Arbuckle Simpson Aquifer and Blue River sole city water source.

- B.** Chairman Tomlinson stated President Obama announced the Choctaw Nation of Oklahoma was selected to participate in the Promise Zone Initiative. Tommy Kramer stated Bill Wimberley, Chief Economic Development Officer for the Choctaw Nation of Oklahoma, will be the guest speaker at the next regularly scheduled meeting of the Durant Economic Development Council on February 11, 2014, and will discuss more details of the program at that time. Mr. Kramer provided each board member and guest with a copy of the press release issued by the Office of the Press Secretary at The White House.

XI. Durant Industrial Authority New Business

There was no new business.

XII. Adjournment.

Chairman Tomlinson called the Durant Industrial Authority meeting adjourned at 8:00 a.m.