

Court ...

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there were five findings that were repeat findings. All of those findings were from the previous administration. We had no findings whatsoever for the second six months of the 2023 fiscal year. So we did accomplish our goals as far as that is concerned.”

Phipps also gave brief overviews of each audit finding:

1.) **The Morgan County Fiscal Court did not approve interfund cash transfers in advance** – Phipps noted that he had reported this issue to the court during his tenure as treasurer. He also stated that all interfund transfers since that time had been properly approved: “You just had one tonight that was approved,” Phipps said.

2.) **The Morgan County Fiscal Court lacks adequate internal controls over off-site receipts** – Phipps said this finding was in regard to monies collected at the garbage transfer station and the Wellness Center, and that point-of-sales systems have been installed to rectify this issue.

3.) **The Morgan County Fiscal Court did not have adequate internal controls over disbursements** – Phipps recalled that when Judge Gazay took office in January 2023, county government had \$1.5 million in unpaid bills: “We don’t have that problem anymore,” Phipps said. “All that stuff is brought to you each month for your review. Everything is kept on a timely basis.”

4.) **The Morgan County Fiscal Court did not follow competitive bidding requirements** – Phipps reiterated that since January 2023, the court has solicited numerous bids that were in compliance with state and federal regulations.

5.) **The Morgan County Fiscal Court did not adhere to fourth year expenditure**

restrictions – Phipps cited the state’s “65-35” rule, which limits expenditures for a county to 65 percent of any fund budgeted during the first half of the fourth year of each term of office, as per KRS 68.310: “In this situation, the road fund was overspent at 104 percent,” Phipps said. “In other words, the original budget for the road fund was \$3.929 million, and expenditures against that fund were \$4,080,000 at the end of the first six months of the fiscal year.” He indicated that current Treasurer Shenea Easterling and the judge executive’s office staff will be tracking expenditures during the fourth year of the current administration to prevent overspending ahead of the next elected term.

Phipps concluded his remarks on optimistic note.

“I want to thank you for allowing me to have an opportunity to speak to you to you tonight about this, and to have some hand in trying to fix these problems,” Phipps said. “I know you’re in good hands with Shenea, Vicci and Linda. Going forward I expect you’ll see very few findings if any in the audits, and that is what we aim for.”

Judge Executive Gazay expressed the court’s gratitude to Phipps.

“Tommy, we really appreciate what you did, coming on board and getting this ship back on course again,” Gazay said. “And putting us back in the right direction. We really appreciate it, and I want to give you a big round of applause.”

Judge Executive’s Report

Prior to Phipps’ comments, Judge Gazay provided several updates:

- **Wellness Center Floor Replacement** – The replacement of the basketball court floor at the Wellness Center has begun following the discovery of water damage caused by a leak. Judge Gazay indicated that repairs will not interfere with the Nov. 5 general election for residents who vote at the Well-

ness Center: “We talked to the contractors and they said there will be no problem,” Gazay said. “They will not be working that day on Nov. 5, so we will be able to have the election there on the ball court floor.” He noted that should the status of the basketball court floor change, voting will still take place in the Wellness Center on the second floor – which is handicap accessible.

- **Transfer Station Grant Denied** – A federal Abandoned Mine Lands grant for which the court had applied to move the garbage transfer station next to the county garage site on Hwy. 172 was denied. “I think there were 81 applicants, and two of us put in for transfer stations,” Gazay said. “Letcher County got [the grant]. We lost on that one, but we’ll keep on trying.”
- **Emergency Communications Project** – Preliminary work is underway on an emergency services communications project, as Southern Communications is currently working to complete an assessment.
- **Multi-Generational Center Project** – Gateway Area Development District officials have submitted a Community Development Block Grant application for the regional multi-generation center project to the Kentucky Department for Local Government. An Appalachian Regional Commission pre-application has also been submitted. The proposed facility – as previously reported in the Courier – would house a new senior citizens center and a child care facility on property behind the Wellness Center: “It’s looking pretty good,” Gazay said. “We’ve got a lot of community support from other local government, the city, the hospital, Lion Apparel – they’re all in for it. So it’s looking good.”
- **Blacktopping** – Blacktopping is underway with Standafer Builders paving and Hinkle supplying the asphalt.

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HUGE
GARAGE
SALE

2597 Old Hwy. 172
Fri., Nov. 1 • 8 to 5
Sat., Nov. 2 • 9 to 3

Full size bed, very nice Arm Chair, tv stand, jewelry Armoire, 2 white distressed night stands, antique kid-net shape table. **So Much!** Clothes for everyone! Winter coats- med to 3x, little boys clothes.

AWESOME DEALS
At The Home Of
JUNE HOLBROOK
SIGNS WILL BE POSTED!

Family & Youth
Night worship
event set Nov. 17

The Morgan County Family & Youth Night worship event is slated for 4:30 p.m. Sunday, Nov. 17, at the Index Community Center.

The program – themed “Created For A Purpose” – will feature the Faith Walk Drama Team’s 2024 production, as well as singing from local church youth groups across the county.

There will also be door prizes and food provided by Giovanni’s of West Liberty, as well as a coloring contest for the kids!

For additional information contact David Vance at 606-362-8339. All event donations are greatly appreciated.

Everyone is invited to this special faith-based event!

Helping Hands For
Animals benefit is
slated for Nov. 1st

Giovanni’s of West Liberty will host a fundraiser for Helping Hands For Animals on Friday, Nov. 1.

Giovanni’s will donate 10 percent of gross earnings on that date to benefit Helping Hands For Animals, which supports the Morgan County Animal Shelter.

For additional information about this event, call Giovanni’s at 743-2000.

Council ...

(Continued From Page One)

The council voted to accept the bid from Elevated Facilities Group for primary repairs and both options.

City Clerk Amy Cox noted during the meeting that elevator maintenance has become more frequent and that DC Elevator employees – who currently maintain elevator – have indicated that most of the parts have become obsolete.

The clerk also stated that the elevator repair costs were included in the city’s current budget.

In other news, the council voted to increase rent for the vocational rehabilitation office that occupies space on the second floor of City Hall.

Clerk Cox noted that the current rate of \$13,533 per year has not raised since the agency began renting the space in the 1990s.

The council voted to increase the rent by \$10 per square foot.

Elect ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★

★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★ ★

TONY
SMITH

West Liberty City Council

“Your Vote and Support Will Be Appreciated”

Paid For By Candidate C-10-24-25PD

Re-Elect

DWAYNE NICKELL

WEST LIBERTY CITY COUNCIL

“COMMITTED TO OUR CITY.”

•US Army Vetran
•Over 30 years on City Council
•30 years on West Liberty Fire Department
•20 years as Volunteer Chief

PAID FOR BY CANDIDATE DWAYNE NICKELL

RICK
BARKER

SCHOOL BOARD DISTRICT 4

VOTE
2024

PAID FOR BY CANDIDATE RICK BARKER

RE-ELECT

Mark Walter

CITY COUNCIL
MEMBER

(Paid by candidate)

Additionally, the council passed resolutions regarding financing for a previously-approved police vehicle, and an upcoming sewer project.

The council also heard comments from West Liberty United Methodist Church Pastor Jamie Brunk, who expressed concerns about area homelessness.

“There is a small group of us talking about the concern that we have with what we see as a homeless situation taking place [in Morgan County],” Brunk said. “From my own experience over the past several years, and in talking with [Judge Executive] Jim Gazay and various others in the community, we see that becoming more of a concern for Morgan County. We have nothing in Morgan County to deal with homelessness at all.”

Brunk noted that he has worked with multiple outside organizations including private and faith-based groups, as well as Gateway Area Development District, to assist homeless persons who have contacted him or approached him at his church of late.

“I have no plan that I can present to you tonight,” Brunk said. “But I am giving you a heads up that there is a few of us who are starting to put our heads together to see what we can do to help people who are finding themselves in that situation.”

Additionally, the council heard comments from a representative of Gateway Community Action Agency regarding the Kentucky Career Center JobSight registered apprenticeship program, which places persons in need of job experience in local places of employment in Morgan and Menifee counties.

A brochure for the program notes that interested parties can contact Gateway Community Action Agency by calling 1-800-927-1833 or by visiting the office at 151 University Dr. in the Morgan County Public Library.

Before adjournment, Councilman Mark Walter and Mayor Kyle Risner extended the city’s condolences to the family of Montana Price, and to all who have lost loved ones in recent weeks.

Order ...

(Continued From Page One)

pro forma present rate revenues is necessary to generate the Overall Revenue Requirement. The Commission finds that, as a result of this overall required revenue increase, Morgan District will not be obligated to calculate any refunds based on the emergency rate Order.

IT IS THEREFORE ORDERED that:

1. The recommendations contained in the Commission Staff’s Report, are adopted and incorporated by reference into this Order as if fully set out herein.
2. The water service rates proposed by Morgan District are denied. [NOTE: This refers to the original 40.08 percent that was requested, as opposed to the 41.17 percent that was granted.]
3. The water service rates set forth in Appendix B to this Order are approved for service rendered by Morgan District starting the next full billing cycle after the date of this Order.
4. Within 20 days of the date of service of this Order, Morgan District shall file with this Commission, using the Commission’s electronic Tariff Filing System, new tariff sheets setting forth the rates and charges approved herein and their effective date, and stating

that the rates and charges were authorized by this Order.

5. The record of this proceeding shall be incorporated by reference into the record of Case No. 2024-00325.127
6. A copy of this Order shall be place in the case file of Case No. 2024-00325.
7. This case is closed and removed from the Commission’s docket.

...

The order was signed by PSC Chair Angie Hatton and Commissioner Mary Pat Reagan, who note that Commissioner John Will Stacy – recently appointed to the PSC by Gov. Andy Beshear – did not participate in deliberations or decisions concerning this rate case.

The Oct. 25 document also notes that PSC staff have recommended an investigation by alleged violations by MCWD officials that occurred during the utility’s previous administration:

...

INVESTIGATION INTO ALLEGED VIOLATIONS

In the Commission Staff’s Report, Commission Staff noted serious concerns regarding Morgan District’s accounting records along with difficulty tracing and reviewing transactions to determine their purpose and appropriateness. Additionally, the Commission previously noted concerns over use of Morgan District’s

funds for personal use without evidence of reimbursement and adding positions that it cannot afford. Morgan District reported a 32.4487 percent water loss in its 2022 Annual Report and a 34.0519 percent water loss in its 2023 Annual Report.

Therefore, the Commission finds that a separate proceeding should be established to investigate Morgan District’s financial and operating capacity, accounting, water loss, and its ability to provide adequate, safe service to customers. Each current commissioner and current general manager should be named as parties. Additionally, the Commission finds that the record of this proceeding should be incorporated by reference in that matter in order to reduce the filing of duplicative information.

...

The alleged violations referenced in the PSC document occurred during MCWD’s previous administration and preceded the appointments of current board members Chris Adams, Ellen Motley, Patty Cordeiro, Donald Harper and William LeMaster, as well as Interim General Manager John Coffey.

The rate increase’s initiation also preceded the tenures of all the above-mentioned persons.

The following is a listing new minimum monthly bill rates for MCWD:

- 5/8 x 3/4 Inch Meter – \$44.97.
- 1 Inch Meter – \$95.41.
- 2 Inch Meter – \$242.71.
- 6 Inch Meter – \$1,359.49.

As noted in the PSC document, these rates will take effect the next full rate cycle from the date of the order. The listed amounts are not reflected on bills that were mailed out in October.

The complete 45-page rate increase order can be found on the PSC website at psc.ky.gov by clicking on the “Recent Orders” link.

REVIVALS

Faith Hills
Mennonite Church

Crockett, Kentucky
November 4-10, 2024
7:00 EACH EVENING
Speaker: Wayne Gerber
(from Michigan)

FOR MORE INFORMATION,
CALL 522-4778

Everyone Welcome!

“Come unto me, all ye that labour and heavy laden, and I will give you rest” (Matthew 11:28).

C-11-1-2TPD

Benefit ...

(Continued From Page One)

or Frederick Hutchinson at 606-495-0376.

The concert will be from 12 p.m. to 1 p.m. and will feature James Foster, of Nicholasville, who will perform a Keith Whitley tribute show and other country hits.

All proceeds will benefit farmers in Central Appalachia.

This event is sponsored by Allen Construction, Appalachian Fusion, JSW Farms, Morgan County Extension Service and Standafer Builders.

★★★★ VOTE ★★★★★

PAUL COLLINS

District #4
SCHOOL BOARD

TUESDAY, NOVEMBER 5

I am Paul Collins and I am running for School Board District #4. If selected, I plan on being a fair representative for the students, parents, school personnel, and community stakeholders.

Paid for by candidate