

**City of Martensdale**  
**Special City Council Meeting**  
September 28, 2017

Meeting called to order by Mayor Ralls.

Members present: Ryan Baker, Scott Henson, Nathan Wheeldon and Robert Wetzler.

Members absent: None

Attorney Robert Stuyvesant was present.

The city clerk called into the State Auditor's Office for a conference call regarding the Fire Dept. Association Funds. The discussion started with the State Auditors Ernie Reuben and Marlys Gaston regarding the \$25,000.00 the Fire Dept. Association received in January 2016 from the City into their Association and that the auditor's report stated those funds needed to be returned to the City. The auditors stated that if any funds have been spent out of that amount of money the fire dept. would need to show what it was spent on and the city council would decide if it was justified. There was discussion about a 28E agreement and the auditors stated the government cannot donate funds, if a 28E agreement was done the City Attorney would need to draft it and those funds would be controlled jointly between the fire dept. and the City.

The auditors stated that the City would need to hold onto those funds in a separate fund and the funds could still be discussed jointly. The fire dept. can come to the City on how those funds are being spent.

In the future if someone wants to donate to the Fire Association which is a 501C3, the money needs to be made out to the Fire Association and not the Martensdale Fire Dept. Any fundraiser funds that the Fire Association raises can go into the Association account, any other funds made out to the fire dept. must go to the City.

S. Henson stated that originally those funds were not the City, but were originated by the fire dept. and those funds were from memorial donations and other donations to the fire dept. The auditors stated the fire dept. was still under the City as a department at that time. He also inquired why this hadn't been brought up before now, the auditors said it was in previous reports.

The auditors said if the Fire Association can prove that money was given them after the date of resolution for the Fire Association, those funds can go to the Association, otherwise any funds given to the fire dept. has to come back to the city. S. Henson asked how they would get the funds they needed for their fundraisers; the City could give them funds to pay for their supplies for the fundraiser, if approved through the City.

Mayor Ralls asked the auditors if the final conclusion was that the \$25,000.00 needed to be returned to the City and any funds spent must be justified and approved by the city council. The auditors stated that was correct.

N. Wheeldon made a motion to adjourn; seconded by S. Henson. On a voice vote Mayor Ralls declared the motion carried unanimously.

Mayor John Ralls

Donna Bahun, City Clerk

These city council minutes are a draft copy and have not been approved by the city council members.