

**MINUTES OF THE SPECIAL
JOINT WORK STUDY SESSION
HELD BY THE MOORE CITY COUNCIL
THE MOORE PUBLIC WORKS AUTHORITY
AND MOORE RISK MANAGEMENT BOARD
MAY 5, 2009 – 6:30 P.M.**

The City Council of the City of Moore met at Moore City Hall in the upstairs conference room, 301 North Broadway, Moore, Oklahoma on May 5, 2009 at 6:30 p.m. with Mayor Glenn Lewis presiding.

*David Roberts
Councilman, Ward I*

*Robert Krows
Councilman, Ward I*

*Kathy McMillan
Councilwoman, Ward II*

*Janie Milum
Councilwoman, Ward II*

*Jason Blair
Councilman, Ward III*

*Terry Cavnar
Councilman, Ward III*

PRESENT: Blair, McMillan, Cavnar, Roberts, Milum, Lewis (arrived 6:45 p.m.)

ABSENT: Krows

Vice-Mayor Roberts called the meeting to order prior to the arrival of Mayor Lewis.

Agenda Item Number 2 being:

DISCUSS THE PROPOSED 2009-2010 FISCAL YEAR BUDGET.

Steve Eddy, City Manager, stated that he had prepared a memo containing the highlights of the budget. It also contains major changes in the budget. He advised that he previously met with each council person individually. The discussion would be a recap of what was discussed earlier. The department heads are available to answer questions regarding their budget from Council.

Mr. Eddy advised the 2009-2010 Fiscal Year Budget was the largest budget the City had ever prepared at almost \$80 million as compared to last year's budget at around \$62 million. The primary reason for the large increase was the 2009/2010 General Obligation Bonds issued at around \$15 million.

The following information was discussed:

REVENUES:

- Moore Risk Management revenues reflected a 16.48% increase over 08-09. Mr. Eddy advised that the primary sources of revenues are premiums paid by the City/employees and a transfer from the MPWA. Health claims costs are expected to increase by 15.5% and the health premiums are projected to increase by the same amount.
- There was a projected increase for Moore Public Works Authority revenues of 25.9%, of that amount 15.8% accounts for a proposed utility rate increase with the remainder coming loan proceeds from OWRB for the wastewater treatment plant and normal growth.

- City General Fund was up 5.27% with a projected 4.8% increase in sales tax. Total sales tax is projected to be around \$19.9 million.
- The Shops at Moore projected revenue is \$939,600 which is subject to rebate to Moore Sorrento, LLC.
- Zero Budgeted Fund Balance in the General Fund and MPWA.

PERSONNEL:

- There are 313 full-time employees.
- Four new police officer positions to be funded with COPS grant funds. The City will be notified sometime in September if we will be awarded the grant funds.
- Six firefighter positions. This will be the second set of six firefighters that will be hired to man the new station. The positions are funded for nine months since they will be brought on duty in October.
- Parks Maintenance Supervisor position was eliminated.
- Existing Parks and Recreation Coordinator position to be reclassified to Assistant Parks and Recreation Director with an increase in salary of \$6,895.
- Police and Fire salaries under union contract are a year behind Oklahoma City's pay scale. This would average out to 3% for Fire and 3.01% for Police. This differs somewhat since it is based on rank. (These numbers are used for budgeting purposes. Union contracts have not been approved).
- AFSCME salaries 3.14% COLA plus merit steps. (Union contract has not been approved. Numbers are for budgeting purposes only).
- General and Management Employees which involves around 28 people: 3.14% COLA plus merit steps. Also propose 2% increase in City's contribution to retirement to match what the City agreed to with AFSCME in 2008-2009.

MOORE RISK MANAGEMENT:

- Proposed a 15.5% increase in health insurance premiums.
- Actuarial report estimated a 15.46% projected increase in health claims.
- Transfer from MPWA increased from \$1,150,000 in 2008-2009 to \$1,518,186.
- 1.25 full-time employees transferred from Finance Department to Risk Management to staff the new Human Resources function of the department.

MORE ECONOMIC DEVELOPMENT AUTHORITY:

- \$84,000 for Inside Moore and Business Spotlight cable shows. (Budgeted in City General Fund).
- \$35,700 budgeted for special projects.
- \$11,925 for Oklahoma City Partnership dues. (Budgeted in City General Fund).
- One additional employee transferred from Parks Department to Economic Development.

G.O. Street Bonds:

- 2009 General Obligation Bond in the amount of \$7,223,100 issued in January 2009 to fund the following street projects:
 - ✓ SW 19th and Telephone Road in the amount of \$3,114,850.
 - ✓ NE 12th Street from Eastern to Bryant in the amount of \$4,108,000.
- 2010 General Obligation Bond in the amount of \$6,864,500 to be issued in early 2010 for the following street projects:

- ✓ NW 5th Street from I-35 to Markwell in the amount of \$4,400,000.
- ✓ NW 12th Street form I-35 to Janeway in the amount of \$2,300,000.

MPWA:

- Propose a water and sewer rate increase of approximately \$5.00 per month for the average user to generate \$1,557,365 in revenue to fund debt service on the OWRB loan for the new wastewater treatment plant.
- \$3 million transfer to General Fund to balance the City budget.
- \$1.51 million transfer to Moore Risk Management.
- \$1.725 million Oklahoma City water purchases reflect a 7.8% increase.
- \$2.6 million Wastewater Treatment Plant Phase I. Wynn Construction was awarded the construction contract.
- \$1.4 million for landfill fees contract with Allied Waste reflected a 14.3% increase.
- \$2.6 million for Veolia Water contract reflecting a 4% increase.
- \$1.25 million for R-Account (repairs and maintenance) reflect a 56.25% increase due to increased costs associated with maintenance and repair of sewer and water systems.
- \$1,568,634 contingency.

Mayor Lewis asked if the City would be awarded up to \$2 million in stimulus monies to go toward construction of the treatment plant. Mr. Eddy indicated that if the City wants to accept the grant monies we must use Davis-Bacon wage rates. There are other federal rules with which we must comply. Paul Smith, the City's financial advisor, and Satish Dasharathy, the engineer, are making calculations to determine the feasibility of accepting the grant funds.

CITY GENERAL FUND:

- \$315,085 transfer to MEDA
- \$87,000 transfer to Special Revenue Fund containing matching funds for CDBG projects.
- \$3 Million transfer from MPWA
- \$158,000 contingency
- \$100,000 set-aside for engineering fees – new line item
- \$1,352,355 set-aside for Street Maintenance/Repair – include Silver Star Construction labor and equipment rental, and materials.

DEBT SERVICE FUND:

- \$1,909,100 IN General Obligation Bond Debt Service:
 - ✓ 1992 G.O. Bonds - \$703,700
 - ✓ 2003 G.O. Bonds - \$1,105,200
 - ✓ 2009 G.O. Bonds - \$100,200

PUBLIC SAFETY FUND:

- \$3.2 Million projected sales tax revenue from ½ cent sales tax for public safety projects
- \$10.5 Million proceeds from 2007 financing for construction
- \$7,254,000 for construction of new fire stations. Station One construction is underway. Will be bidding out construction of Substations 3 and 4 within the next few weeks.
- \$306,000 for six patrol vehicles and three detective vehicles
- \$300,000 for Emergency Management Command Post
- \$1,531,000 for engineering, architectural and construction management services
- \$1,215,664 - contingency

MAJOR CAPITAL PROJECTS/EQUIPMENT:

- \$250,000 – Water line replacement
- \$100,000 – Sewer manhole rehab as part of a Consent Order
- \$69,500 – MPWA equipment
- \$230,000 – New sanitation truck.
- \$35,000 – Fencing along I-35 from Post Office to end of shopping district south of 19th Street along the west side. On the east side from 19th south to the end of the retail development
- \$60,000 – Computer network equipment
- \$66,540 – Tactical Team equipment and bullet proof vests
- \$75,000 – Street striping
- \$97,357 – Equipment at the library
- \$705,000 – Hotel/Motel Tax Fund
 - ✓ Buck Thomas Park football field lighting - \$180,000
 - ✓ Fairmoore Park tennis court renovation or new courts at Quailridge North property - \$255,000
 - ✓ In-ground trash receptacles - \$20,000
 - ✓ Parmele Park - \$50,000
 - ✓ Lockhoma Park - \$100,000
 - ✓ Arboretum (Phase I) - \$100,000
- \$120,000 - Neighborhood Park Fund
 - ✓ Summit Ridge Park - \$45,000
 - ✓ Apple Valley Park - \$75,000
- \$204,000 – CDBG Project
- \$100,000 – Traffic Impact Fee Account
- \$70,000 – 9-1-1 System Maintenance

UNFUNDED CAPITAL OUTLAY:

- \$250,000 – Public Works Building improvements
- \$25,000 – Emergency Management
- \$102,670 – Public Works equipment
- \$20,000 – Animal Control Facility Repairs (some repairs may be done this fiscal year). The new treatment facility will encroach on the animal shelter.

DEBT SERVICE PAID OFF:

- Fund 05 – Sanitation Equipment Loan paid off in the amount of \$429,040
- Fund 06 – MEDA 2001 Revenue Note paid off in the amount of \$298,388

Mr. Eddy asked for questions or comments. Mayor Lewis thanked Steve Eddy, City Manager and Jim Corbett, Finance Director for their work on the budget. Councilman Roberts commented that he liked the new policy of meeting with each council member individually prior to the Budget Study Session.

Mayor Lewis asked staff if there were any new projects that they felt should be considered and were not included in the budget. He also asked the City Council if there were any projects they wanted considered for inclusion in the budget. Councilman Krows asked if there were any plans to construct an overpass or

underpass at Main Street. Mr. Eddy indicated that there had been some discussion about the construction of a future overpass or underpass at 4th Street

Councilman Cavnar indicated that the Public Works buildings looked bad and would like to see something happen with them at some point. Mr. Eddy indicated that they do need to address the need for new office space soon.

Mr. Eddy expressed his sincere appreciation for the confidence that the City Council has expressed in staff. He wanted to provide an opportunity for a true understanding of the budget and an opportunity to ask questions. Mr. Eddy indicated that a rate increase would generate discussion among the citizens but stated there was really no other option.

Lisa Wells, Library Director, thanked Mayor Lewis for participating in the filming of the Moore Public Library's summer reading program skit that will be sent to the schools in the Moore School District.

Agenda Item Number 3 being:

ADJOURNMENT

Councilwoman McMillan moved to adjourn the special joint work study session, second by Councilman Cavnar. Motion carried unanimously.

Ayes: Krows, McMillan, Haworth, Cavnar, Roberts, Milum, Lewis
Nays: None

The meeting was adjourned at 7:14 p.m.

TRANSCRIBED BY:

RHONDA BAXTER, Executive Assistant

RECORDED BY:

JIM CORBETT, City Clerk

FOR:

JANIE MILUM, MPWA Secretary

These minutes passed and approved as noted this ____ day of _____, 2009.

ATTEST:

JIM CORBETT, JR., City Clerk