



CITY of MOORE

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May 21, 2007

Honorable Mayor and City Council, City of Moore
Honorable Chairman and Trustees, Moore Public Works Authority (MPWA)
Honorable Chairwoman and Trustees, Moore Economic Development Authority (MEDA)

RE: FY 2007-2008 Operating Budget – City of Moore, MPWA and MEDA

In support of the goals adopted by the City Council, the FY 2007-2008 operating budget of the City of Moore, the Moore Public Works Authority, and the Moore Economic Development Authority is hereby submitted for your review, consideration, and adoption as required by the Charter of the City of Moore, Oklahoma; 11 Oklahoma Statutes 17-201 et. seq. ("The Municipal Budget Act"); the Trust Indenture of the Moore Public Works Authority; and 60 Oklahoma Statutes 176 ("The Public Trust Act").

The City Council has adopted the following goals for the City of Moore:

1. 10% annual increase in sales tax revenue
2. Enhance the city's appearance
3. Increase community involvement
4. Provide the highest quality of services

We continue to make great strides towards meeting the sales tax goal, with efforts to continue in the upcoming year. The on-going efforts of the Mayor and City Council in the area of economic development have resulted in a 9.72% increase in sales tax revenue for the current year, with only June receipts remaining. This increase continues to allow us the opportunity to address on-going as well as unforeseen needs. I anticipate that the coming year will bring significant new development, resulting in new sales tax revenue to the City.

With regard to community appearance, we have continued to beautify the community through landscaping and beautification projects, various construction projects, and park projects. The Broadway Streetscape project is well under way and should be complete this summer. This will be a major improvement to the downtown area. Another major project this past year was the beautification of

the Riverwalk, wherein we held a community planting day last fall and landscaped along the walkways. Work continues on the arboretum and nature trail project on SW 34th Street. Another project that is nearing completion is the new Veterans Memorial at Veterans Memorial Park (formerly J.D. Estates Park). It is anticipated that this project will be complete in July, and will be a beautiful addition to this heavily used park. Moore Beautiful is continuing to work on beautification projects, with future projects to include new landscaped areas at City Hall and the Library.

With regard to community involvement, a goal has been to make the citizens aware of what is happening in the city and of the many new businesses we have. We continue to produce the *Inside Moore* and *Moore Business Spotlight* television shows. These have been very well received by the public and we have been able to highlight the people, places, and events in our city. We again published the Report to Citizens last fall. This multi-page color brochure was made available to all of our residents, either by mail or through our web site. The brochure highlighted the accomplishments of the City during the previous year. Also, MEDA published the Economic Profile of the City, which has been well received in the business and economic development community. The City continues to publish the semi-monthly newsletter that goes out in the utility bills. It is our hope to be able to publish this monthly in the near future. We also continue to upgrade and refresh the City's and MEDA's web sites, which more and more people are using to get information about the community. Overall, I believe that we are doing a very good job of informing the citizens of what's going on, while at the same time encouraging community involvement.

The City Council maintains its goal and expectation that the City provide the highest quality of service possible. The Council has approved the purchase of several new pieces of equipment and various vehicles over the last few years, which has enabled the city to provide a much higher level of service than in the past. Among these are new fully automated sanitation trucks, new mowing equipment, new police and fire equipment, and many new trucks and smaller pieces of equipment. It is my belief that the employees of the City of Moore provide a higher level of service than other cities in the metro area, with far fewer employees than cities comparable in size. Even with the tremendous growth that we have experienced over the last few years, we have been able to maintain a high quality of service without significant increases in staffing levels. We will continue to pursue the goal of excellence in customer service.

In pursuit of these goals, the combined budgets of the City, MPWA, and MEDA total \$55,588,660, which represents a 13.28% increase over the current budget. This results in a projected expenditure of \$1,109.18 per capita based on an estimated population of 50,117. No new fee increases are proposed in the budget. The primary reason for the large increase in the budget is the addition of

the new half-cent public safety sales tax. It is anticipated that expenditures will be \$12,750,000 in this budget year, which will include the construction of three new fire stations and a new Police and Emergency Management facility. The passage of this temporary sales tax by the citizens represents a tremendous step forward in providing the best possible public safety service to our citizens.

The budget includes varying cost of living increases for all employees, based on negotiated contracts with the FOP, IAFF, and AFSCME unions. The budget also includes merit increases for all eligible employees as well as salary adjustments for management employees to help us be more competitive in pay with other municipalities in the metro area. The budget includes a total of 12 new positions. These include three police officers, six firefighters, one animal control officer, one mechanic helper position, and one additional sanitation position. These positions are necessary in order to insure that we continue to provide excellent service in the areas of public safety and public works. There are a total of 318.25 full-time equivalents (FTE's) proposed, of which 268 are full time employees.

The budget was developed without using any of the City or MPWA fund balance. This provides the City Council with tremendous flexibility to address unforeseen expenses or new projects in the future. In addition, there is a contingency amount in the City general fund budget of approximately \$439K, which will enable us to deal with unexpected expenses throughout the year.

The revenue of the City general fund is projected to increase 9.29% over current budgeted amounts, which includes an estimated 13.34% increase in sales tax collections, not including the public safety sales tax. The MPWA revenues are projected to increase approximately 6% over the current year budgeted amounts, which includes water, sewer, and sanitation revenues. Overall expenditures will increase at approximately the same rate as projected revenues, with personnel costs, health care costs, fuel, growth related costs, and capital expenditures making up the bulk of the projected increases in expenditures. New debt service includes \$453K to repay the proposed 2007 MEDA revenue note.

The proposed budget includes over \$15.5M in capital expenditures, which includes the new fire stations and police station as well as new public safety equipment. The public safety equipment includes two Fire brush units, two Detective vehicles, two Special-Ops vehicles, four marked patrol cars, a canine unit, and a command post for Emergency Management. Funds are also included for anticipated wastewater treatment plant improvements (\$1.5M), water line replacement (\$350K), a new sanitation truck, and numerous park improvements. The park improvements include new tennis courts and parking at Buck Thomas Park and several neighborhood park improvement projects, with projected park expenditures of approximately \$625,000.

Funds are also included (\$350K) for the City's share of the street widening project on Santa Fe between SW 19th and SW 34th where the new Southmoore High School is under construction. Other expenditures include various pieces of public works equipment, computer and information systems upgrades, a project to install a generator at the Community Center, renovation of the restrooms at the Library, and other miscellaneous equipment. The amount of money set aside for capital projects and equipment is considerably more than we have been able to allocate over the last several years. This is due in large part to continued retail development in the community. Management is appreciative to the Mayor and City Council for recognizing the needs in these areas and for placing these items in the budget.

In summary, the budget proposed for FY 2007-2008 will enable the City and the Trust to function on a solid financial basis. However, the operating budget is not designed and is not capable of providing funding for other much needed capital projects. Other funding sources must be identified for needed residential street improvements, drainage improvements, and improvements in our parks.

At this time, on behalf of all the employees of the City of Moore, I wish to extend our sincere congratulations to the Mayor and City Council for a job well done in guiding the growth and development of our city. Your decisions have been sound and your policy formulation excellent. I look forward to the future and to working with the Mayor and Council to implement the budget, as we continually strive to be "A Progressive City Committed to a Quality Community."

Respectfully submitted,


Stephen O. Eddy
City Manager