

**MUSTANG CITY COUNCIL
MUSTANG IMPROVEMENT AUTHORITY
SPECIAL MEETING – BUDGET WORK SESSION
MAY 9, 2022**

The Mustang City Council met in a Special Meeting on Monday, May 9, 2022 at 6:00 p.m. in Meeting Rooms C & D, Mustang Town Center, 1201 N. Mustang, Rd. Notice of the meeting was posted as required on Wednesday, May 4, 2022, at 3:45 p.m in compliance with the Open meeting Law, 25 O.S., Section 301, et. seq.

A. CALL TO ORDER

Mayor Grider called the meeting to order at 6:01 p.m.

B. ROLL CALL

Councilmembers Present:	Ray
	Leete
	Wald
	Waugh
	Sholund
	Grider

Councilmembers Absent:	McKenzie
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C. DISCUSSION ITEMS

- C.1 **Discussion and Review** regarding the Proposed Annual Operating Budget for FY 2022-2023 for the City of Mustang and Mustang Improvement Authority.

City Manager Rooney reviewed the "Message from the City Manager" stating it will provide an overview of the budget and identifies changes and goals. He stated due to cost control measures in FY 21 and a conservative budget in FY 22, the City has not had to use the General Fund operating reserve, which is expected to be at a level of 14-15% to begin FY23. He also stated the City retained its top-tier of AAA rating from both Standard & Poor's and Moody's on our General Obligation bonds stating this was another endorsement of the strong financial management practices of Mustang.

Rooney presented the "Assumptions" included in the "Message from the City Manager" and along with **Finance Director Watts**, provided a PowerPoint overview of the budget (PowerPoint available in City Clerk's office and online for review).

Attached to the minutes is a detailed list of questions and answers during the meeting.

D. EXECUTIVE SESSION

- D.1 Discussion regarding Annual Review of City Attorney Employment Agreement; and, proposed Executive Session as authorized by 25 Okla. Stat. §307(B)(1).

MOTION was made by **Councilman Sholund**, seconded by **Vice Mayor Ray** to adjourn to Executive Session.

AYE: Ray, Leete, Wald, Waugh, Sholund, Grider
NAY: None

TIME ADJOURNED to Executive Session: 7:07 p.m.

MOTION was made by **Vice Mayor Ray**, seconded by **Councilman Sholund** to return from Executive Session.

AYE: Ray, Leete, Wald, Waugh, Sholund, Grider
NAY: None

TIME RETURNED from Executive Session: 8:10 p.m.

E. ADJOURNMENT

MOTION was made by **Vice Mayor Ray** and seconded by **Councilman Wald** to adjourn.

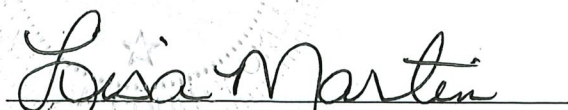
AYE: Ray, Leete, Wald, Waugh, Sholund, Grider
NAY: None

Meeting was adjourned at **8:10 p.m.**



Brian Grider, Mayor

Attest:



Lisa Martin, City Clerk



**QUESTIONS ASKED BY COUNCIL
DURING THE BUDGET WORKSHOP OR BY THE PUBLIC
AFTER FY 2022-23 PROPOSED BUDGET WAS ADDED
TO THE WEBSITE**

- In discussing grants that have been obtained by the City of Mustang, can you tell me if the recently added storybook walk boards that were added to Wild Horse Park were obtained via a grant?
 - Yes. The grant was secured by Ms. Slupe and was from the Oklahoma Department of Libraries – Health Literacy Grant (\$10,500).
- Continuing with the grants discussion, you mentioned the SAFER grant that was secured previously to hire 3 firefighters had expired during the current fiscal year. What does that mean and have we applied for any additional SAFER grants?
 - The SAFER grants provide for a portion of the costs associated with hiring new firefighters. In Mustang's case, it is a three year grant that pays for a portion of the new firefighters salary on gradually declining basis each of the three years. In years one and two, 75% of the costs were covered by the grant. In year three, 35% of the costs were covered by the grant. The City of Mustang is now responsible for 100% of the cost as the grant expired in February. The City of Mustang has applied for an additional SAFER grant to hire up to six additional firefighters and are currently awaiting the results of that application.
- The City recently switched from EMSA to Pafford for ambulance service. Are we happy with the service being provided by Pafford at this time?
 - Yes.
- In terms of debt, does the City of Mustang have a debt payment schedule and would it be possible to receive a copy of it?
 - Yes, we can email it to you tomorrow morning. The debt payment schedule is attached to this document as well.
- What year will the Lakehoma Water Tower be replaced?
 - Lakehoma Water Tower, as listed in the City of Mustang Water Model Capital Improvement Plan, is included in Phase 3 of the identified improvements in the plan. It is anticipated to be replaced anytime between 2026 and 2045. This project has been submitted to Senator Inhofe's office for potential federal funding and placed on the ODEQ State Revolving Fund Project Priority List.
- Are there plans to add sidewalks in different areas throughout the City?
 - Yes. For the last several years, the City of Mustang has budgeted up to \$25,000 to add sidewalks in targeted areas throughout Mustang. Currently we have been concentrating on adding sidewalks along Hwy 152 where there are missing segments. Funding for sidewalks can be found on Page 141 (Street/Drainage Improvement Fund) account #14-514-5391 (partial funding) and Page 167 (CDBG Grant) account #25-500-5626 (partial funding).

- You mentioned the traffic light at the intersection of Plantation Terrace/Morrel Way and Mustang Road? What is the status of this project and its funding?
 - Funds for this improvement are located within the Street Improvement Fund. The City has applied to ODOT for this light and it was denied. The City has appealed the denial. ODOT must approve the traffic light as it intersects with a state highway (Highway 4).
- You discussed the importance of Sales Tax as a revenue stream for the City of Mustang. What types of factors do you consider when making projections regarding Sales Tax?
 - Many different factors are included when making projections. They include past and current trending, unemployment, the current economic conditions on a local, state, and national scale, as well as geopolitical events (Covid-19 Pandemic, Russia invasion of Ukraine, etc.).
- For many of our youth or young adults that end up in our Court system, the City provides the opportunity to perform Community Service vs Paying a Fine. Do we keep records regarding the amount of community service hours performed each year vs the fines we would have collected?
 - Neither Ms. Watts nor Mr. Rooney believed we track those two items specifically because the fines and/or community service permitted are determined by the Judge. Both committed to looking into the possibility of tracking such information.
- When Fire Station #2 comes online, will we need additional vehicles?
 - Some of the vehicles at Station 1 will be relocated to Station 2 while the City continues to add equipment over time. Squad 1 was placed into service last Friday (May 6, 2022) and the proposed budget includes an additional Command Vehicle.

CO Bonds	Bonding Industry	Issued Date	Maturity Date	Interest Rate	Original Issue	Principal Paid to Date	Principal Outstanding	Principal + Interest Payments	Estimated Maturity	Source of Payments	Purpose	Callable
CO Bonds - Series 2012	Bank of Oklahoma	01/11/12	02/01/17	3.0% - 3.5%	3,650,000 3,650,000	2,040,000 3,650,000	1,550,000 1,550,000	\$259,000/annually		Ad Valorem Taxes	Town Center Expansion \$2,050,000/BB Capital \$1,550,000	
OWRB Preliminary Notes Series 2009	BankFirst (OWRB)	06/26/09	03/15/10	2.810%	4,256,994	3,340,809	1,023,185	321.31/mo	258,238	MIA operating revenue	WWTP Expansion (Improvements-Phase I)	constant of OWRB
Series 2009	BankFirst (OWRB)	06/26/09	NA	ARMA-Note Forgiven	2,000,000	2,000,000	-	-	1,175,765	MIA operating revenue	WWTP Expansion (Improvements-Phase II)	constant of OWRB
Series 2016 (New)	BankFirst (JP Morgan)	10/12/16	09/01/20	2.15%	13,245,000	4,031,323	9,356,667	338.46/mo	1,000,412	4th penny exc sales tax	10% p.a. (public safety) 50% public safety, quality of life, WWTP ph2, streets	On or after 9/1/25
Series 2017 (New)	BankFirst (JP Morgan)	07/11/17	06/01/20	2.39%	11,615,000	3,351,667	8,263,333	339.91/mo	115,917	4th penny exc sales tax	Remaining 4th penny sales tax exc (public safety, quality of life, streets)	On or after 9/1/24
Series 2020 (New)	BankFirst (BBCT-Truist)	09/15/20	09/01/25	2.65%	4,021,000	85,000	3,936,000	211.39/mo	641,588	MIA capitalizing revenue	Water Atlantic solids, City Line Water Imp, Sewer Lift Sta, Ball Press, Bath, discharge profit, and streets	On or after 9/1/20
Series 2020A (New)	BankFirst (BBCT-Truist)	11/06/20	09/01/28	1.55%	5,523,000	1,189,000	3,222,000	322.46/mo	61,500-5732	MIA operating revenue	S. Mainland Road	On or after 9/1/20
Development Agreement Payoffs		Issued Date	Maturity Date		317,556	317,556	328,444	\$50,000/annually	62,000	General Fund Sales Tax	Cash Saver - 10 year incentive payback	
HC Holdings, LP/AVX LP Land Holdings-Cash Saver		01/19/16	11/15/22	NA	600,000	-	-	2% term every 4c sales tax	01-5115-5338	General Fund Sales Tax	Avoids - 5 year incentive payback	
Capital Lease-Purchase		03/21/12	03/21/27									
2019 Velocity Chassis - Fle Ladder Truck	BBCT-SunTrust	11/20/18	03/01/24	3.80%	1,329,465	111,300	1,218,165	\$123.03/annually	39-551-5973	3rd penny access revenue	Purchase 2019 Velocity Chassis, Pro Auto/Ladder Truck	On or after 9/1/25
2021 Tahoe	RCB Bank	03/08/21	05/03/23	2.69%	477,195	161,292	315,904	\$164,381.20/annually	39-541-5973	3rd penny access revenue	Purchase (b) 2021 Chevy Tahoe	2791,206.04 payoff
2022 Tahoe	RCB Bank	08/07/21	01/01/24	2.85%	211,259	211,259	-	\$73,036.61/annually	39-541-5973	3rd penny access revenue	Purchase (a) 2022 Chevy Tahoe	
					2,010,010	272,694	1,742,325					
TOTAL LONG-TERM DEBT					23,266,954							

TOTAL LONG-TERM DEBT

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