

**MUSTANG CITY COUNCIL
MUSTANG IMPROVEMENT AUTHORITY
BUDGET SESSION
MAY 16, 2013**

The Mustang City Council met in a special Budget Session on May 16, 2013 at 6:00 p.m. in the Mustang Police Department Community Room. Notice of the Meeting was posted on the Bulletin Board outside the Mustang Municipal Building on Tuesday, May 14, 2013 at 5:00 p.m. in compliance with the Open Meeting Law, 25 O.S., Section 301, et. seq.

A. CALL TO ORDER

Meeting was called to order at 6:05 p.m. by Mayor Adams.

B. ROLL CALL

Councilmembers Present:	Taylor
	Staples—arrived at 6:10 p.m.
	Bowers
	Hagan
	Mount
	Adams

Councilmembers Absent:	Jones
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C. DISCUSSION ITEMS

1. **Discussion, Consideration and Possible Action** Regarding the Proposed Annual Operating Budget for **FY '2013-'2014** for the City of Mustang/MIA.

Battles explained the information that he passed out in regards to the Limited Purpose Fund and Resolution #05-027. It may be a little hard to follow but we felt it was important for Council to know what was spent out of the Limited Purpose Fund.

The Public Hearing and the acceptance of the Budget will be on the June 4, 2013 City Council Meeting because we have to get it published 15 days prior to the new budget year.

Councilwoman Staples asked about the appropriations to the Mayor and Council. **Battles** replied that we did away with these appropriations.

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Mayor Adams stated that his proposal was to suspend the Resolution for this budget year only. **Staples** stated that she would not vote for it. **Adams** commented that next year we will not have the Lowe's payment and maybe have a little higher sales tax revenues and it could pay for the dispatchers. **Staples** stated that they could take what they need from the Mayor and Council budget. **Adams** stated that he does not have a problem with that as long as the City Attorney, etc. is taken care of out of this budget. **Watts and Battles** stated that Mayor and Council budget has already been cut by \$50,000.

Battles reminded Council that two dispatchers is around \$99,000. Going back over our surveys based upon the number of people in your town and comparing it with other towns we were a little under market value.

Mayor Adams asked if there was anyone else not in favor of it for the same reason as Councilwoman Staples.

No one else spoke against this suspension.

Staples asked what happens if we have an emergency.

Battles replied that we have reserves and we will have to come back to Council if something is needed. We have cut the General Fund to the bare minimal amount. Most Department Heads are pretty in tuned with this.

Mayor Adams stated that if we want to do this then we will need to vote on this tonight so that we can bring the Resolution back at the next meeting.

Staples asked that we put in the Resolution that it be reactivated in the next fiscal year.

Mayor Adams stated that wording will be in the Resolution.

Battles commented that basically what Council will do tonight is vote to approve direction of staff and bring the Resolution back to the next meeting and then will be brought back with the budget.

Bowers is worried about the budget showing that we are spending more than we are receiving.

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Battles replied that looking back it is pretty common to dip into the reserves but it is not common to dip into everything. We are trying to be as aggressive as we can without cutting any employees or services.

Bowers does not like so much money going into Wild Horse Park.

Battles replied that his goal is to open in September on Western Days weekend. If we do not open then we will not be making the revenues that we have proposed.

He stated that Councilman Jones is in favor of finding a way to budget in two dispatchers.

MOTION was made by **Mayor Adams** and seconded by **Councilman Mount** to move forward to acquire two (2) new dispatchers for this budget year and that we move forward to suspend Resolution #05-027 for only the 2013-2014 budget year and that Resolution #05-027 will go back into effect beginning July 1, 2014 for fiscal year 2014-2015. The \$127,000 that we are anticipating on is to go back to the General Fund to be used to hire the two (2) dispatchers.

Councilman Taylor asked the City Manager to reply to the paperwork that Battles was just handed from Councilman Mount.

Battles replied:

- Item 1: Total Taxes and Franchise Fees Less 2% on the change.
- Item 2: Resource line item transfers account \$7,500; Change to \$3,230,000 which is operating plus 2% equals \$4,270,000
- Item 3: Resources previously shown \$19,000,000 change to \$10,470,000 with a difference of \$8,540,000.

Battles stated that if Council would look at the spread sheet to the far right it would address these issues. He understands where Mr. Mount is coming from from a banking background aspect but we are required by **State Law** to notate it the way we do.

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Watts stated that the budget takes into account the transfers in and transfers out. You have to have them appropriated. State Law mandates that the \$.04 sales tax has to be recorded into the General Fund. Then the \$.04 is transferred from the General Fund into the MIA where we are mandated by Bond Covenants. We have to pledge that future sales tax and then the \$.02 goes back to the General Fund. According to the news article in the Mustang Times and Mustang News in regards to the misleading of the budget, the \$21,000,000 is accounted for across the board of those six funds and the Enterprise Fund and the General Fund but did not take into consideration the Transfers out. When you take the Transfers out your net effect is still the \$8,540,000. You can also look in the middle section that speaks in regards to the end results again. She tried to put the account line items so that Council could follow it through the budget. These are always questions that are asked of City Staff but it is State Law to do it this way.

AYE: Taylor, Staples, Bowers, Hagan, Mount, Adams
NAY: None

Mayor Adams talked about his recommendation of the \$25,000 in the Limited Purpose Fund for SCADA for the water and sewer upgrade and that it be paid out of the MIA reserves. He also recommended \$30,000 to Community Development to do the market analysis survey to give out to prospective businesses.

Councilman Mount stated that personally he hopes that they get it done.

Battles stated that he does not know how long it would take to do this survey. He knows one company it was three months.

Mayor Adams stated that maybe we need to go out for bid as soon as possible.

Battles feels that we could go out for bid in June and open them in July.

Mayor Adams stated that he is asking that the SCADA money come from the MIA Reserves instead of the Limited Purpose. Then spend the \$30,000 for Community Development from the Limited Purpose.

Bowers asked how long the market analysis is good for.

Battles replied about three (3) years.

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MOTION was made by **Mayor Adams** and seconded by **Councilwoman Bowers** that the \$25,000 for the SCADA system come out of the MIA Reserve instead of the Limited Purpose and then pay \$30,000 for Community Development Market Analysis out of the Limited Purpose Fund.

AYE: Taylor, Staples, Bowers, Hagan, Mount, Adams.

NAY: None

MOTION was made by **Councilman Taylor** and seconded by **Mayor Adams** to allocate \$25,000 toward the website design.

Staples asked how important that was. **Battles** stated that it is critical. When the Health Plex came here to the first meeting our website was a joke. We are already behind in technology. We could provide a much better service with this upgrade.

Adams stated that he is hammered daily about our website.

Taylor stated that a community of our size should have a far better website. When people are thinking about locating here they receive no guidance from our website.

Staples asked what it would cost. **Battles** said that it depends. It could be \$15,000 or more but we would go out for bid. We really need to cater to what our citizens want and need.

AYE: Taylor, Staples, Bowers, Hagan, Mount, Adams

NAY: None

Adams stated that part of his original **MOTION** was to not take anything out of the Limited Purpose but \$102,000 from Streets. His proposal is that the \$102,000 be paid out of the Streets Fund.

MOTION was made by **Mayor Adams** and seconded by **Councilwoman Bowers** that along with the changes that we utilize \$102,000 for Street Improvements/Engineering from the Limited Purpose come out of the Street and Drainage Improvement Fund and allow the \$102,000 in the Limited Purpose to stay in there for the projected ending fund balance.

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AYE: Taylor, Staples, Bowers, Hagan, Mount, Adams
NAY: None

Councilman Taylor wanted to thank Mayor Adams for coming up with this plan to satisfy the hiring of two dispatchers. This was sorely needed.

Battles thanked Trisha Winham one last time because it is her last and final meeting. The new City Clerk starts on Monday.

D. ADJOURNMENT

MOTION was made by **Councilwoman Staples** and seconded by **Councilwoman Bowers** to adjourn.

AYE: Taylor, Staples, Bowers, Hagan, Mount, Adams
NAY: None

Mayor

Attest:

City Clerk