



WATONGA CITY COUNCIL SPECIAL MEETING MINUTES FOR JUNE 1, 2022

*In accordance with the Oklahoma Open Meeting Law, this Agenda was posted
MAY 27, 2022 Prior to 5:00 PM at the Main Street Entrance of Watonga City Hall,
located at 410 West Main Street, Watonga, Oklahoma.*

**The City Council of the City of Watonga did meet at 6:00 PM on Wednesday, June 1, 2022
in the Large Meeting Room of Watonga City Hall, located at 410 W. Main Street, Watonga, Oklahoma
for a Special Called Meeting.**

Invocation & Pledge of Allegiance:

Council Present: Mayor Bill Seitter, Travis Bradt, Adam Tock and Ladina Willis. Also
Present, City Manager Karrie Beth Little and City Clerk Verlen Bills. Allen Cowan absent.

Declaration of a Quorum: at 6:03 PM

AGENDA

1. **Invitation for Public Comment** on a City of Watonga Financial Budget for the fiscal
year 2022 – 2023 per the Municipal Budget Act of Title 11 Sections 17-201 – 17-216 of
the Oklahoma Statutes. Please limit comments to 5 minutes.

Hearing no comments, Mayor Seitter moved on to Agenda Item 2.

2. **Consideration, Discussion and Action:** To approve a City of Watonga Financial
Budget for the fiscal year 2022 – 2023.

Mayor Seitter: There are three different proposals. Each proposal is on a separate page front and back. Our people have put together a good outline of where we are at with our capital outlay funds and the grant funds and with all the monies that are coming in.

The first proposal is for a 2 percent increase on our utility rates. On the back side of that proposal it shows that would generate an estimated net increase of \$19,618.

The second proposal is for a 3 percent increase on our utility rates. Again, on the back side of that page it shows an estimated \$81,771 increase in generated net income.

The third proposal is the same except for a 4 percent increase on utilities generating an estimated increase in net income of \$143,926.

I will add that all three of these proposals are calculated, based on 90 percent of the revenue of the previous fiscal year so anything over and above that 90 percent would be additional income.

Mayor Seitter asked, We have been paying back a Sales Tax over-payment of about \$14,000 a month and we will have this paid off before the start of the fiscal year? Does the estimated income show this additional income.

Ms. Little and Ms Phillips indicated, yes, we calculated that at approximately \$112,000 for the budget.

Mayor Seitter: As I see it, we could have about \$140,000 additional income this year because we are no longer paying that over-payment back.

Mayor Seitter asked of City Treasurer Rodney Jacks, looking back the last six months or so, would you say that revenues are increasing slightly or decreasing slightly?

Mr. Jacks: Sales Tax has been doing well and has surprised me. My only concern on Sales Taxes is will the economy slow down and stop because of the inflation factors? Or the flip side is that the people that have been going out of town to shop might stay home and shop because of the cost of travel? That could balance out. Roman Nose Park is very busy, is this because people are not traveling as far or as much?

Mr. Jacks added, I did get an email from the Tax Commission confirming that we have paid off the Sales Tax over-payment.

Mayor Seitter commented, with the cost of fuel, maybe more people will shop online, we could see a rise in Use Tax could come up also.

Mr. Bradt asked about the State dropping Sales Tax on groceries.

Several discussed that this could be devastating for some small towns including Watonga. Others noted this was just the State Sales Tax portion and would not include Municipal Sales Tax.

Mayor Seitter asked Ms. Phillips, we are only allowed to budget 90 percent of the previous year's revenue, but how much is that other 10 percent?

Ms. Phillips: This is not a simple answer because different revenues are looked at differently and we calculated this out line by line.

Chairman Seitter: We could look at the numbers for the additional revenue for utilities and add 20 percent to those numbers for an approximation?

Ms. Little: The trend is showing that we will meet expectations.

Mayor Seitter: And we are still able to budget for capital projects?

Ms. Phillips: We budgeted about \$5.7 million for Capital Outlay.

Mayor Seitter: We are getting projects done and we are still keeping most of our carryover.

We attended a "Meet the the Public Coffee" today and met with State Representative Mike Dobrinski. They talked about the State Legislators, in a Special Session, trying to help with current inflation and fuel prices by giving back to the people and they are still working on this, but in my mind, in that same spirit, I think we should try to do what we can and keep our increases to a minimum and not put a big burden on the people. Our cost of doing business is going to go up, and we have to adjust some, but with the numbers where they are at, I think, we should just do the 2 percent increase.

Ms. Little noted the expected increases in parts and supplies, fuel and labor: We have to go up some and we have to provide services to the public. The inflation number for this area is 9.8 percent and we could have increased utilities by that amount. I would not recommend that. We could also not raise rates at all, but that would also be a problem. I think the 2 percent is the most fair amount.

Mayor Seitter: We did a 3 percent increase last year.

Mr. Jacks noted the Oklahoma City just went up 6 percent effective today.

Ms. Little and Ms. Phillips added that we have also adjusted the Capital Improvement Fees. These had been inching up by the percentage of the rate increases over the years and we rounded those numbers to an even dollar amounts.

Ms. Little: Three dollars is easier to explain than two ninety nine. It was basically a wash, it just simplified things somewhat.

Mayor Seitter: This budget also reinstates Family Medical Coverage.

Ms. Little: And it is still a defined contribution. It is just different based off of what the employee's medical election is.

Ms. Little: The budget was corrected and what you see now has those corrections in it.

Mayor Seitter: Insurance will continue to go up. We may have to deal with this sometime in the future, we may have to cap this in some way.

Ms. Little: This would be part of the reasoning behind doing the defined contribution.

Mayor Seitter: This is a catch 22, we need to keep employees, but we can not continue to raise rates. How do our employee benefits compare to other communities in the area?

Ms. Phillips: Watonga's Employee Medical Benefits are better than most of the other communities that Meacham serves. I can recall two other Cities that provided Family Medical Coverage, but not to the extent that Watonga does.

Mr. Tock: And we still can not fill positions.

Mayor Seitter: Everyone is having trouble keeping employees, not just cities. 77 percent of our Budget is for salaries and benefits.

Ms. Phillips: That is typical for municipalities and governmental entities. Your Employees are your City.

Ms. Willis: We need to invest in our Employees.

Mayor Seitter: It is always a balancing act, we need to take care of our employees but those employees need tools, equipment and services to work with also.

Motion was made by Travis Bradt to approve the Financial Budget for the City of Watonga for the fiscal year 2022 – 2023 as presented with the 2 percent utility increases. Motion was seconded by Ladina Willis.

Mayor Seitter, hearing no further discussion, called for a vote;

T. Bradt aye A. Tock aye L. Willis aye B. Seitter aye.

Motion carried.

3. **Consideration, Discussion and Action:** To approve a Resolution adopting the City of Watonga Financial Budget for fiscal year 2022 – 2023.

Mayor Seitter: This is to meet the legal requirements for this year's budget. This will be Resolution No. 2022-7.

Ladina Willis made the motion to approve Resolution No. 2022-7 adopting the City of Watonga Financial Budget for the fiscal year 2022 -2023. Motion was seconded by Travis Bradt.

Mayor Seitter, hearing no further discussion, called for a vote;

T. Bradt aye A. Tock aye L. Willis aye B. Seitter aye.

Motion carried.

4. **Adjourn:**

Motion to adjourn was made by Ladina Willis and seconded by Travis Bradt.

Mayor Seitter, hearing no further discussion, called for a vote;

T. Bradt aye A. Tock aye L. Willis aye B. Seitter aye.

Motion carried at 6:25.

Mayor Bill Seitter

City Clerk, Verlen Bills