

RESOLUTION NO. 922

**A RESOLUTION OF THE CITY OF CLINTON, CLINTON
APPROVING THE FYE22 BUDGETS OF PUBLIC WORKS
AUTHORITY, CLINTON HOSPITAL AUTHORITY, CLINTON
RECREATIONAL AUTHORITY, CLINTON AIRPORT AUTHORITY,
CLINTON INDUSTRIAL AUTHORITY,
CLINTON SOLID WASTE AUTHORITY**

WHEREAS, the Oklahoma State Statutes, Title 11, Section 201 authorizes a municipality to prepare and approve an annual budget, and

WHEREAS, the City of Clinton has met all requirements for publications and public input on the FYE 22 budgets, and

WHEREAS, the Clinton City Council and Authorities of the City have reviewed the proposed budget, had the opportunities to ask questions of the staff, considered public input during a Budget Hearing and is sufficiently aware of the operations and projects planned for the FYE 22 budgets to approve these budgets.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Clinton, and the Board of Trustees of the Clinton Public Works Authority, Clinton Hospital Authority, Clinton Recreational Authority, Clinton Airport Authority, Clinton Industrial Authority, and Clinton Solid Waste Authority of Clinton, Oklahoma:

1. That the FYE22 budgets be approved for the funds and amounts as provided in the attached budget documents.
2. That the City Manager or the City Treasurer may make transfers between departments and line item accounts within a fund as needed. Supplemental appropriations must be approved by the City Council prior to implementation.
3. That the City Treasurer or designated deputy shall be given blanket authority and directed to invest and reinvest available funds on a continuing basis during the fiscal year ending June 30, 2022 in a manner described in the City of Clinton's Investment Policy.

PASSED by the City Council, Board of Trustees of the Clinton Public Works Authority, Clinton Hospital Authority, Clinton Recreational Authority, Clinton Airport Authority, Clinton Industrial Authority and Clinton Solid Waste Authority this 15th day of June, 2021.

David D. Berrong, Mayor/Chairman

ATTEST:

Amy E. Jones, City Clerk



David Berrong, Mayor
Chris Jones, Ward 1
Ernie Dowdell, Ward 2
Patch McComas, Ward 3
Art Lloyd, Ward 4

Office of the City Manager

Robert B. Johnston, City Manager
City of Clinton, Oklahoma

Final Budget Message FYE22

June 11, 2021

Honorable Mayor, City Council and Clinton Citizens:

Attached herewith you will find the final recommended FYE22 budgets for the City of Clinton - General Fund, Public Works Authority, Solid Waste Authority, Airport Authority, Recreation Authority, Hospital Authority, Industrial Authority, Economic Development Authority, the Capital Improvement Fund, and other special funds.

These budgets are the culmination of several weeks of detailed work by City Treasurer Blanchard and her financial staff, City Clerk Jones and me with significant input received from department heads. Preliminary budgets were submitted to the Council/Trustees on May 26, 2021, a verbal overview was presented by me at the June 1, 2021 Council meeting, and a Budget Workshop was conducted on June 3, 2021 in a Special Joint Council/Authorities Meeting during which more detailed explanations were given and discussion occurred regarding how certain budget recommendations were developed by staff.

Since that workshop, only two small corrections were made to the PWA and Economic Development Fund budgets. Therefore, these budgets are presented to you for adoption by Resolution after a Budget Hearing at the June 15, 2021 Regular City Council meeting. These budgets will be monitored by staff during the fiscal year with at least monthly financial reports being provided to the Council.

A high priority for this budget year was to commence the accumulation of the local cash match which will be paid in 2024 for the Gary Boulevard Extension project near the reconfigured Exit 65 off Interstate 40. These budgets provide for the earmarking of \$1.54mil towards the anticipated \$4mil total cash match. To achieve this, some cash, some cost-cutting measures, and the appropriation of ten percent of the fund balances from five funds were utilized.

It is anticipated that similar decisions will be required for the next two budget years to accumulate the total local cash match required. We will continue to pursue other cash funding opportunities to meet this need to open new commercial and residential properties for our community. In doing so, we will not forget the ongoing need to provide funding for needed and desired city services and capital improvements.

Final Budget Message

June 11, 2021

Page Two

These budgets have also been prepared to provide a financial plan which identifies as closely as possible most revenues and expenses while providing flexibility to address circumstances which could change. A broad overview of revenue and expenses as follows:

Income: Arising from the economic uncertainty of the global pandemic and other local circumstances that Clinton faced in 2020, sales tax provided much more stability than anticipated. The very reasonable and conservative decision to budget for a 20 percent decrease in sales tax revenue last year along with very close monitoring through the budget year preserved fund balances without any major and/or extended service reductions and assisted in making budget decisions for this and succeeding budget years relatively easier.

Other than the annual Consumer Price Index (CPI) - based adjustments (3.61%) to utility fees, no other revenue measures (increases) are included in these budgets. In the future, a rotating adjustment of user fees, *i.e.*, every third year would help fund increasing costs in smaller increments than might otherwise be imposed. The ongoing need for the identification, consideration and implementation of new and sustainable revenue sources remains an imperative. Although they are not usually sustainable our intent to aggressively pursue grant funding opportunities should prove beneficial.

The American Rescue Plan (ARP) Funding which has been allocated but not yet disbursed is not included as plans are to appropriate it when we receive it and know what its authorized uses are. We have used the same approach with the potential federal infrastructure funding and any other federal funding assistance

Expenses: You previously approved a cost-effective approach to our employee health care insurance program which gives employees more choices in selecting what is best for them. Although this approach reduced the cost of this valuable employee recruitment and retention tool substantially, the overall costs increased enough to remove the opportunity to fund cost-of-living pay adjustments this budget year.

These budgets provide for cost savings by centralizing facility maintenance services, moving away from contract mowing services and the restoration of some positions cut a few years back due to financial constraints. We will also very likely have a few retirements which will provide an opportunity to review how to best move forward from there. Several key positions will be filled as soon as possible in the new budget year with other filled as operationally necessary throughout the year.

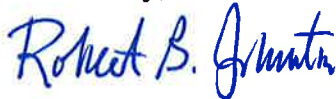
As always, there are more needs than means in capital improvements, the new Capital Improvement Plan will assist in identifying needs so that we can prioritize them and seek the funding needed to complete them.

Final Budget Message
June 11, 2021
Page Three

Our challenges are not unique in rural America these days. Fortunately, we are resolute Western Oklahoma people, not afraid of challenges and inclined to diligently work through issues that we have already identified and those that unexpectedly show up like the pandemic. My career has not been characterized by many "easy" budgets. Our team effort at the staff level, bolstered by your guidance, encouragement and support during the budget-making process made it about good as it gets.

Please feel free to contact me before Tuesday with any remaining questions.

Sincerely,



Robert B. Johnston
City Manager

Attachments