MINUTES

BOARD OF CITY COMMISSIONERS

SPECIAL MEETING

MAY 20, 2025

The Board of City Commissioners, in conjunction with The Sallisaw Municipal Authority, met in a special meeting on May 20, 2025, in the Council Chambers, 113 North Elm Street, Sallisaw. Notice of the meeting was given by e-mailing to Sequoyah County Times; by e-mailing KXMX; by posting at City Hall on May 14, 2025, at 11:30 A.M.; by posting on the city's website; and, by giving notice to the City Clerk.

Members Present:	Ernie Martens,	Mayor
	Kenny Moody,	Member, Ward 1
	Josh Bailey,	Member, Ward 2
	Julian Mendiola,	Member, Ward 3
	Brad Hamilton,	Member, Ward 4
Members Absent :	None	
Staff Present :	Brian Heverly,	City Manager
	Jordan Pace,	City Attorney
	Kim Jamison,	City Clerk
	Robin Haggard,	Finance Director
	Keith Miller,	Building Development Director
	Kayle Griffin,	Chief Accountant
	Kenny Shakingbush,	Superintendent – Street
	Terry Franklin,	Police Chief
	John Weber,	Captain
	Jamie Phillips,	Superintendent – Solid Waste
	Jessica Robertson,	Business Support Manager
	Bryan Hyler,	Crew Leader – Street
	Gene Martin,	Superintendent – Equipment Services
	Doug Martin,	Sr Network Technician
	Les Walters,	Superintendent – Parks
	Anthony Armstrong,	Fire Chief
	CJ Eppler,	Superintendent – WWTP
	Jarod Vinson,	Superintendent - WTP
	Amy Pace,	Prevention Services Director
	Micki Kimble,	Coalition Manager

Meeting Called to Order

Mayor Martens called the meeting to order. The meeting began at 9:00 A.M.

Declaration of a Quorum

A quorum was declared present.

Pledge of Allegiance

City Manager led everyone in the Pledge of Allegiance.

Presentation and Review of Proposed FY 2026 Budget

The City Manager opened with going over some housekeeping items. He reviewed the mission statement, which has not changed. He went over the schedule. He turned it over to Robin Haggard, Finance Director.

The Finance Director recapped FY 25 projects and purchases. She then presented an in-depth overview of the preliminary budget for FY 2026. The key elements that make up the FY 2026 budget include: anticipated revenues and planned appropriations; equipment purchases from capital improvement; building facility projects; Water Treatment Plant lagoon; AMI system; soccer fields; skateboard park; continued landfill expansion process; sewer lines; employee salary and benefits; animal shelter expansion, Brushy Lake pump repairs. The general fund revenue is made up of taxes; gross receipt taxes, permits and licenses; municipal court fines; interest; pool revenues; sale of property and equipment; property rental; refunds; transfers into GF from SMA; and balance forwards. General Fund Expenditures: salaries and benefits; insurances; operating supplies; maintenance- vehicle, facility and equipment; software license; sports complex and brushy park; transfers out of sales and use tax; and transfers for non-profit organizations. SMA type revenues: taxes from general fund; utility revenues; interest; penalties; bad debt recovery; utility connection revenues; and balance forward amounts. SMA expenses: transfers out of sales and use tax; transfers out to other funds for support; electric purchase power cost; telecommunication programming; land purchases related to utilities; engineering fees; other utility related expenditures; and debt service. Across all funds electric service provides 34.85% of revenue, sales tax 20.59%, use tax 2.52%; telecommunications 7.61%, water and sewer 10.41%, solid waste 9.92%, utility penalties 0.35%; other GF revenues 4.28%; grant revenue 9.47%. The expenses across all funds are SMA-Telecom 7.3%; capital projects/purchases 7.55%; salaried 23.55%, employee insurance 5.37%; retirement 2.59%; other employee benefits 5.58%, electric purchase power costs 20.26%; debt service 8.26% and GF daily dept operations 19.55% . She reviewed the sales tax breakdown. She then reviewed sales tax, use tax, and the hotel motel tax amounts showing positive overall growth of all.

The General Fund estimated revenue for FY 2026 is $30.9 million. An increase of 8%. The non-proprietary departments budget increased $850,000, most of that increase is for salaries and benefits. The proprietary departments budget increased 7% to an operating budget of $1.2 million. General Fund transfers and contributions include, $9.1 million transfers of sales and use tax, $147.5k to support groups. SIC was increased to $40,000.00 The total contingency, sundry, and transfer total $10.7 million. The appropriations by category were reviewed. Airport was discussed briefly; facilities, and the need for additional hangars. The City Manager advised that health insurance premiums increased. Also, there is an extra payroll this upcoming year, this occurs every 11 years. These were factors in the salary and benefit cost increase. There are 151 full-time positions budgeted for FY 26. This does not include restructuring and additional personnel requests. These are allowed for in contingency, if approved. WC premiums have not been received. Insurance increases were discussed. We had 8 new personnel requests, 2 were funded. Retirement was reviewed. There was a mandated increase for police pension. Insurance rates were discussed.

A break was taken.

Capital Improvement Fund. This fund is used for items with a cost greater than $5,000 and a useful life greater than 2 years. For the new Fiscal Year, the Capital Improvement Fund budget is $3,933,682, before any final adjustments. Expenses for the new year include ongoing lease purchase payments, capital improvement contingency, reserve for future PD construction. A total of $2.2 million in new requests were funded.

The Chief Accountant reviewed all special revenue funds and grant funds, how they operate and any goals.

The City Manger presented Proposed Restructuring and City Staffing. It would include reallocating current positions, move a position from the Street Department to the Water/Sewer Department. As well as moving a Finance position to Economic Development. Reclassify several positions. Create additional first line supervisor positions. Give Crew Leaders authority and move to pay grade 17. New job descriptions for all proposed positions. Additional personnel requests: transition from part-time to full-time in Customer Service; transition from temp to full-time in Humane; add one (1) water distribution position, and one fleet maintenance position. The restructure plan was presented. Approximate cost is $235,000.00

At 11:57 a break was taken for lunch. It was stated that the break would be 45 minutes. The meeting resumed at 12:44 p.m.

City Manager Heverly reviewed Capital Improvement Proposals and Projects. A list of the funded items was reviewed. Also included were those requests that were unfunded. Prior to detailed discussions, he asked that Council think over the requests tonight and bring back anything they felt anything needed to be changed. Brian presented, as well as Supervisors, the detailed requests.

A 10-minute break was taken at 1:40 p.m.

Discussion of requests continued.

Motion was made by Moody, seconded by Bailey, to recess the meeting and reconvene on May 21st at 9:00 a.m. Vote: Moody aye; Bailey aye; Mendiola aye; Hamilton aye; Martens aye. Motion carried 5-0. The meeting recessed at 2:37 p.m.

Wednesday, May 21, 2024

Board Present: Ernie Martens; Kenny Moody; Josh Bailey; Julian Mendiola; Brad Hamilton

Staff Present: Brian Heverly; Robin Haggard; Kayle Griffin; Jordan Pace; Kim Jamison; Doug Martin; John Weber; Jessica Robertson; Amy Pace: Micki Kimble; Jamie Phillips; Jarod Vinson; Anthony Armstrong; Ted Capps; Gene Martin; Kenny Shakingbush; Bryan Hyler.

Others Present: Lynn Adams; others unidentified.

The meeting began by the City Manager leading everyone in the Pledge of Allegiance.

Discussion of Capital Improvement Proposals resumed. Council advised that If funding allowed then the Office Building for the WWTP as well as the reel trailer for Telecommunication should be purchased since the costs were minimal. They also felt the digger truck for the electric department should be the next item considered for funding (being placed as the next item below the cut line).

Topics discussed in depth. Master Fee Schedule; Diamondnet Cable Service; Comprehensive Master Plan; Storm Drainage; Brushy Lake.

11:51 a break was taken for lunch. Return at 12:45 p.m.

Items discussed in depth: Landfill; WWTP; Debt maintenance/reduction; Fire Department; City Manager 10-year plan.

Motion was made by Moody, seconded by Bailey, to adjourn the meeting. Vote: Moody aye; Bailey aye; Mendiola aye; Hamilton aye; Martens aye. Motion carried 5-0. The meeting ended at 1:28 p.m.

Approved this 9th day of June 2025.

EMartens

Ernie Martens, Mayor

Attest:

Kim Jamison

Kim Jamison, City Clerk
[Seal]

CITY OF SALLISAW
SEAL
OKLAHOMA