



March 31, 2003, approximately 70.42% or \$23,715,439 has been expended. There is \$9,962,194 remaining for the fiscal year.

Steps taken to address the deficit:

General/Enterprise fund decreased expenditures: \$1,450,000

Capital Outlay Funds \$1,052,000

Budgeted Fund Balance for June 30, 2003: \$678,420

Total Funds Available: \$3,180,420

Projected Deficit: (\$2,643,896)

Projected Fund Balance as of June 30, 2003: \$536,534"

Discussion was held on whether the private trash collection company had been contacted about using Lawton's landfill. The company has its own landfill in Texas, picks up trash in several smaller cities and uses transfer stations to make it more cost effective. The cost for the company to haul trash to their landfill is \$17 per ton, which is \$10 per ton less than Lawton charges, and the life of their landfill is 80 years. Attempting to negotiate a large volume discount with the company was suggested to increase revenue to Lawton; the per ton cost of operation at Lawton's landfill is about \$7 to \$8.

Additional information was distributed concerning projections for the FY 03-04 budget. Endicott said the numbers were very rough and were intended to show what the City will be facing next year. The starting point will be the \$536,000 that was shown as the fund balance. The general fund projection for FY 03-04 is \$23.5 million in revenue, enterprise fund projection is \$21,006,070, for a total revenue projection of \$45,078,507. The expenses estimate is \$49,345,027 which includes basic personnel costs, supplies and materials costs submitted by each department and this year's budget was used as a base. There are built in personnel cost increases, and chemical have gone up about \$500,000. Endicott emphasized the numbers were very preliminary and they were being reviewed for reductions.

Mayor Powell asked if that includes vehicles on wheels and tracks. Endicott said it includes the \$3 capital outlay fund. Mitchell said capital outlay was being budgeted as such from that \$3 charge.

Endicott said the general fund and the enterprise fund are used in developing carryover projections. The amount received in hotel/motel tax is sent out in the same amount so it is a "wash". The enterprise fund is made up of funds collected from water, sewer, refuse, drainage and so forth, and those funds pay to operate those services, with the rest being transferred to support the general fund. There will be a need to subsidize \$400,000 to the health plan next year. Endicott strongly advised working toward building the reserve carryover balance.

Endicott said this past week he was on the phone with Standard and Poor's; they are very interested in Lawton's financial condition and asked some tough questions because they were re-rating us. Lawton received an A+ rating, which is real good, but if our position continues to decline in carryover and reserve balances, it will affect future ratings and the interest rate we will be charged in borrowing money.

Mitchell said work is starting on the preliminary budget and a recommendation and balanced budget will be presented, although much will change before a final budget is completed.

Mayor Powell asked what process was being used. Mitchell said he and Endicott are going through the accounts daily and will have a preliminary budget addressing revenue and expenditures.

Hanna asked if private health insurance companies had been contacted on the price to provide coverage. Mitchell said a package is being developed to solicit proposals. Moeller asked the amount of time that would be needed to change to a private carrier. Tim Golden, Human Resources Director, said 90 days notice to the current third party administrator would be required, and talking to the employee groups is advisable although their approval is not needed.

Mitchell asked that Council provide input as to any priorities or directions for the preliminary budget. Hanna suggested the employees be asked to provide suggestions and that they be considered by management. Endicott said the EAC has provided suggestions. Mitchell said some of them had already been implemented.

1. Conduct a consolidated planning workshop, receive a briefing on the Consolidated One-Year Action Plan for FFY 2003 (Draft), consider requests for Community Development Block Grant (CDBG) and Home Investment Partnership program (HOME) funding and provide guidance for development of the plan.

Mayor Powell asked that representatives come to the podium in the order listed on the screen and speak no longer than five minutes, following the staff presentation. Written information had been presented to the City Council previously.

Tom Aplin, Housing and Community Development Director, said the Consolidated Plan makes up the funding

application that HUD will consider for FFY 03-04, and the workshop process is part of development of the Consolidated Plan. Staff tried to follow the suggestions and ideas presented in the last couple of years by the CPC and City Council for the process to be improved. Ratings were provided on each public service funding application, although Council may take action on them as it sees fit. A copy of the Lawton View Neighborhood Revitalization Strategy was provided, as well as a memorandum and minutes of CPC discussions and hearings on the Consolidated Plan.

Aplin said federal funding was reduced for the CDBG and HOME programs. CDBG decreased by \$69,000 or 6%. Administration costs can be \$119,000, which is \$20,000 less than last year. Public Service activities can be \$164,000, which is 10% less than last year. The reduction impacts all projects. HOME decreased \$11,500, which impacts administration by \$1,300.

Aplin distributed a map showing low and moderate income areas based on the 2000 census data. The proposed plan is not based on the updated map because it was not received in time to use. Aplin said the plan was developed considering the funding reductions and the priorities and strategies in the five year plan. Aplin introduced Tim Libby, Grants and Fiscal Officer; Ed Alexander, Housing Programs Coordinator; and Colette Hawkins, Housing Development Specialist. He said each applicant for funding had been invited to attend.

\*Ewing-Holmstrom entered at this point.

Tim Libby reviewed information summarized as follows:

Total entitlement was \$1,094,000. The public service cap is \$164,000. There was very little program income. Requests have been received from agencies for public service funds and from Public Works for construction projects and requests exceeded funds available. Proposal A reflects the status quo as much as possible given funding reductions; Proposal B reflects the priorities shown in the five-year plan. A large request was received for economic development funding from the Lawton Industrial Foundation for the Haggar building, and some others that had previously requested public service category funding did not submit a request this year. The listing for transportation vouchers may be an alternative method of providing transportation instead of trying to operate a program such as MedTrans. The vouchers could be issued based on need, income, disability and pertinent criteria to use the LATS local bus service.

Libby briefly reviewed requests for public service funding and said a panel of four persons had rated the applications based on standard criteria and provided that information for Council's consideration. He said funding was recommended for an interim executive committee in Lawton View, which is composed of community leaders, to assist them in finishing the Lawton View Neighborhood Revitalization Proposal.

Libby said prior year's contingency funds are being added to the coming year's total and it will allow for funding of more projects. A slide was reviewed showing the number of people helped by each public service agency. Copies of slides are on file in the City Clerk's Office. Hanna said the slide shows Meet the Needs assisted 2,000 people but some agencies are shown as assisting no one, yet Meet the Needs was not recommended for funding. Libby said they tried to recommend apportioning funds based on the priorities shown in the five-year plan; Meet the Needs is a good organization but most of their efforts are not shown as priorities in the five-year plan. Libby said Meet the Needs has proposed starting a crime prevention program which would meet the priority but it has not yet started. He said the five-year plan priorities were developed from a survey conducted by Cameron University and that will need to be updated soon.

Libby presented a slide on 2002 housing expenditures and accomplishments. Only one request for funding was received from a CHDO, that being Great Plains Improvement Foundation. The other CHDO's, Zoe and Habitat for Humanity, have asked that funds be set aside to assist with down payments and closing costs, which would be run by the CDBG office so it is not listed.

Ed Alexander presented a slide on the HOME program showing a total of \$570,646 in available grant funding, which includes \$13,185 in program income. This program funds projects for the entire house, rather than the CDBG housing projects which provide for emergency repairs or partial repairs. A slide was presented showing new construction, homebuyer assistance, Tenant Based Rental Assistance which is run by the Lawton Housing Authority, and CHDO (Community Housing Development Organizations).

HOME requires set asides of 15% for use by CHDO's and Lawton has three; the set aside must be \$83,620 for one or more of them. 10% can be used to administer the program and this year's cap was \$57,064.

Lawton must match each dollar spent, minus administration, by twenty-five cents on the dollar. A match reduction of 50% was allowed requiring a match of only 12.5 cents, but this year there is a 100% match reduction so there will be no match requirement for the next two years. Lawton has \$794,898 as a bank match to meet the requirement if it changes.

The LUHA (Lawton Urban Homesteading Agency) request of \$78,000 should be the last one for this public trust and the project should be closed. A private individual requested \$50,000 for rental rehabilitation of 28 apartments at 1316 Irwin, called the Northside Apartments, but it was not recommended for funding because the application was not written to comply with the policy and they did not document a capacity to administer the project in accordance with the regulations. Great Plains Improvement Foundation requested \$75,000 to do one house and it was negotiated for them to do two houses for that amount. \$10,000 was cut from Zoe because an agreement was approved by the City Council with them recently for the same thing.

A slide was presented on Housing CDBG showing four programs at \$392,519 total. The housing improvement project is to make exterior repairs only, it is limited to \$5,000 per household and is designated for low income, elderly and disabled because they had the most need.

Organization representatives spoke as follows:

Dr. Charlie Baer, 7621 NW Lancet Lane, Lawton Christian Family Counseling Center, pointed out the need for funding to assist low and moderate income persons in receiving counseling services. He said their patient load had increased due to the State providing a lower level of fund to Taliaferro Center. Dr. Baer gave statistics on clients and how they had improved due to counseling being provided.

Ewing-Holmstrom asked about salaries and personnel. Dr. Baer said the CDBG funds were leveraged with funds from United Way and private donations; the cost of a session is \$67.60, CDBG pays \$43 and the counselor gets 60% of the fee. Dr. Baer said the figures on the number of persons helped did not take into account that two persons receive marriage counseling but it is shown as one person being served. Dr. Baer said his salary is \$47,400, the director receives \$42,000, and there are eight counselors and one physician.

Patty Thomas, Community Relations Director for Hospice, pointed out the need to assist Hospice with funding to allow them to continue to provide end of life care regardless of a person's ability to pay for those services. Information was distributed further explaining the program. Ewing-Holmstrom said information shows \$678,000 for salaries and asked the number of employees. Jeff Henderson said Hospice has 29 employees, 22 of whom are nurses or home health aides. A nurse is paid \$17.50 per hour. The executive director receives a little over \$50,000 in annual salary.

Mayor Powell asked Dr. Baer if his organization provided pre-marital counseling. Dr. Baer said that service is provided. Mayor Powell encouraged those in need of such a service to contact that organization.

R.L. and Billie Smith, 1201 NW Maple, Meet the Needs Organization, requested funding for their non-profit Christian organization's efforts to assist poor working class persons with food, transportation, school supplies, seasonal supplies and so forth, and to assist the elderly and disabled. The organization has only one paid employee and a number of volunteers. Mayor Powell asked that his office be provided a contact telephone number as they receive many calls from those in need. Devine said they got \$29,000 last year and are recommended for nothing this year. Smith said they have a small organization and are desperately in need of the funds.

O'Dell Gunter, Great Plains Improvement Foundation, representing Betty Caldwell for C. Carter Crane Homeless Shelter, said that 364 persons were served last year. Funding is provided from United Way, the Department of Commerce, FEMA, and CDBG funds. There are 115 employees and the salary of the executive director is \$54,000. He requested funding be approved for the organization.

Lisa Stein, Wichita Mountain Prevention Network Not YET Program, requested funding to operate programs aimed at preventing teen pregnancy. She pointed out the cost to society for babies born to teenage mothers, especially low birth weight babies. The program provides for 23 teens to be trained and then provide volunteer service to other teens. There are eight employees, all are part time and four are certified. The salary of the executive director is \$49,000, although it was higher before the program was taken independent.

Ewing-Holmstrom asked how Lawton's program compares to others in the state. Stein said federal funds are received by the Health Department, which sends money to cities to study it to see what works. Stein said many communities are not investing in this, but those with the highest rates are doing something about it, like Comanche County.

The next speaker was to be Court Newkirk, Lawton Chamber of Commerce and Industry, but he was asked to hold his comments until the next meeting.

There being no further business to consider, the meeting adjourned at 7:30 p.m. upon motion, second and roll call vote.

