

FINANCE COMMITTEE MINUTES

August 17, 2011

The City Council Finance Committee of the City of Norman, Cleveland County, State of Oklahoma, met immediately after the Council Study Session scheduled at 5:30 p.m. in the Municipal Building Study Session Room on the 17th day of August, 2011, and notice and agenda of the meeting were posted in the Municipal Building at 201 West Gray and the Norman Public Library at 225 North Webster 48 hours prior to the beginning of the meeting.

PRESENT: Members Dillingham, Ezzell, Gallagher, Griffith, and Chair Quinn

ABSENT: None

OTHERS PRESENT: Cindy Rosenthal, Mayor
Steve Lewis, City Manager
Tom Kovach, Council Member
Anthony Francisco, Finance Director
Suzanne Krohmer, Budget Manager
Jeff Bryant, City Attorney
Major Jim Maisano, NPD
Major J. D. Younger, NPD
Linda Price, Revitalization Manager, Planning
Chris Mattingly, Utilities Superintendent, WTP
Greg Hall, Street Superintendent, PW
Angelo Lombardo, Traffic Engineer, PW
Rick Hoffstatter, GIS Analyst
Stephen Tyler Holman, Citizen
Joy Hampton, Norman Transcript

Others in attendance are citizens of Norman interested in the Animal Welfare program: Jennifer Golden, Kim Fairbanks, Glenn Lane, Barbara Schindler, Jayne Crumpley, Larry Allin, Roswitha Allin, Denise Swarowsky, Keith Dodgion, Barbara Schrage, Ginger Noble, DVM, Andrew Golden, and Joe Carter, DVM.

DISCUSSION REGARDING 2011 GENERAL OBLIGATION (G.O.) BOND PROPOSAL FOR THE EXPANSION AND REMODEL OF THE ANIMAL WELFARE CENTER

Major Jim Maisano led the discussion and reviewed in detail the information presented to the group.

- \$3.2 million estimated construction costs for FYE 13
- Approximately 18 months for construction from start to completion
- RFP to be submitted
- Anthony Francisco discussed draft Ordinance O-1112- to hold a special election for the purpose of issuing bond funds for construction of the Animal Welfare Center

- Estimated amount necessary is \$3,035,000 for construction
- Issuance cost is approximately \$35,000; – 3½% interest rate assumed for 5 to 20 year bond
- 20-year bond would cost a taxpayer with a \$150,000 home \$.22 a month
- Staff is recommending 20-year bond
- Committee asked about a 5-year bond
- Committee asked if the animal facility project could be packaged with other projects such as street projects or other CIP projects to help lower unit cost of issuance; answer was that it could be
- Dillingham – more public meetings with Oversight Committee
- Ezzell – wants 1st reading of ordinance for Council meeting on August 23rd to reduce election costs – could have a special meeting on September 6th for 2nd reading
- Dillingham – also need to consider “quality of life” projects – could put water and storm water vote at the same time – want to be successful for all critically important projects/issues
- Ezzell – animal facility too important to delay further and tie together
- Kovach – citizens, employees and animals are not in safe conditions – public safety issue
- Dillingham – glad for support of others – make sure other critical issues are not forgotten
- Rosenthal – PSST fund balance estimated at \$16 million by FYE 15 – will have money available at end of sales tax – Council will look at in January of 2012 – can declare excess at that time
- Ezzell – go ahead and seek debt authorization. What specifically will be available surplus in FYE 13?
- Francisco – gave approximate figures to be looked for in Fund 15
- Bids will be taken on new Fire Station #9 in January; that is the reason Council could consider declaration of surplus at that time
- Rosenthal – wants shorter term bond of 5 years - \$.71 per month on a \$100,000 home
- Kovach- wants 5 year bond also
- Dillingham – wants 5 year bond also
- Committee recommends a 5-year bond and have 1st reading August 23 and 2nd reading on September 6th.

Items submitted for the record

1. Draft – Proposed Ordinance 0-1112- prepared by Anthony Francisco, Finance Director, pertaining to the Animal Welfare Center
2. Animal Welfare Center Informational Presentation prepared by Major Jim Maisano
3. Animal Shelter Feasibility Study prepared by tevis architects, p.a., originally presented to City Council in 2008
4. Memo to Steve Lewis prepared by Major Jim Maisano dated August 17, 2011, Responses to Questions by Councilmember Gallagher

DISCUSSION REGARDING FYE 2013 BUDGET CALENDAR AND PROCESS

Anthony Francisco presented for discussion the FYE 13 Budget Calendar. Budget Retreat will be held on September 17th. No other comments or suggestions from Committee.

Items submitted for the record

1. Proposed Budget Calendar for fiscal year ending June 30, 2013 prepared by Suzanne Krohmer, Budget Manager

GENERAL DISCUSSION AND PRIORIZATION OF THE 2011-2012 FINANCE COMMITTEE WORK PLAN

Committee discussed the Work Plan submitted by the City Manager.

- Gallagher – wants 2% increase in room tax and direct to Parks or increase portion to Parks
- Dillingham – has to go to a vote of the citizens
- Rosenthal – Council priorities: PSST, storm water and GO Bonds
- Dillingham – transportation projects priority – discussion with Council
- Rosenthal – Finance Committee needs to look at all utilities for rate adjustments
 - sanitation – end of recycling contract
- Kovach – City’s bid should include cardboard pickup for recycling
- future – GO Bonds for transportation
- phase 2 wastewater expansion – put on Finance Committee list
- if chromium 6 regulations change (possibility in September or October) – what are implications of this to City of Norman

Items submitted for the record

1. 2011/2012 Finance Committee – Work Plan Items prepared by Steve Lewis, City Manager

DISCUSSION REGARDING REVENUE/EXPENDITURE REPORT

Sales tax collections right on budget.

Items submitted for the record

1. Summary of Major Funds-General; Capital; Westwood; Water; Wastewater; Sewer Maintenance; New Development Excise; Sewer Sales Tax; and Sanitation Fund Revenue Sources vs. Budget, Financial Report dated July 31, 2011

DISCUSSION REGARDING REPORT ON OPEN POSITIONS

Many open positions are still on hold. Kovach asked about Planning service positions – “ombudsman position” feasibility – compare to other cities such as Tulsa. Steve Lewis said that he and Susan Connors had talked with the City of Tulsa about the positions they have.

Items submitted for the record

1. City of Norman/Human Resources Department Recruitment and Selection Report dated August 9, 2011

The meeting adjourned at 7:03 p.m.

ATTEST:

City Clerk

Mayor