

FINANCE COMMITTEE MINUTES

November 16, 2011

The City Council Finance Committee of the City of Norman, Cleveland County, State of Oklahoma, met at 5:30 p.m. in the Municipal Building Study Session Room on the 16th day of November, 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, Gallagher, Griffith, and Chair Quinn

ABSENT: Member Ezzell

OTHERS PRESENT: Cindy Rosenthal, Mayor
Tom Kovach, Council Member
Linda Lockett, Council Member
Steve Lewis, City Manager
Anthony Francisco, Finance Director
Suzanne Krohmer, Budget Manager
Kathryn Walker, City Attorney II
Ken Komiske, Utilities Director
Mark Daniels, Utilities Engineer
Steve Hardeman, Utilities Superintendent
Susan Connors, Planning & Development Director
Chad Mitchell, Citizen

DISCUSSION REGARDING WASTEWATER UTILITY RATES

Ken Komiske made presentation.

- Received a Notice of Violation at the plant – have to begin disinfecting treatment of effluent by July 13, 2011
- Approximately \$51,781,000 current improvements needed
- Project development timeline – approximately \$103,588,000 total improvements needed; future phase addresses effluent quality improvements to meet new EPA standards
- Source of funds –
 - Sewer sales tax - \$7 million available
 - New Development fee (Excise Tax) - \$29 million, including proposed \$26 million revenue bond
 - Wastewater Fund – proposed rate increase of approximately 20 percent (about \$2 per month for average customer) to fund proposed \$16 million bond issuance
 - Last basic wastewater rate increase was over 15 years ago
- 2001 Sewer Sales tax will be fully spent
- Excise Tax Fund balance is stable

- Maintenance Fee Fund balance unaffected
 - May require additional increase in 2018
- Ranges from \$15.80 to \$17.80 estimated monthly average rate charge
- What is new capacity versus old replacement portions?
- Total \$42 million bond (\$29 and \$16 million)
- Comparative rates with other cities – Norman one of the lowest
- Committee recommends to proceed with design for current needs (\$52 million)

Items submitted for the record

1. PowerPoint presentation prepared by Ken Komiske, Utilities Director dated November 8, 2011
2. Un-audited FYE 11 financial summaries for Wastewater Fund 32 prepared by Finance Department
3. Un-audited FYE 11 financial summaries for New Development Fund 322 prepared by Finance Department

DISCUSSION REGARDING REVENUE/EXPENDITURE REPORT

On adopted FYE 12 Budget overall.

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 October 31, 2011.

DISCUSSION REGARDING REPORT ON OPEN POSITIONS

- Ombudsman “Development Coordinator” position housed in City Manager’s office and reports to City Manager.
- Chamber funding possibility – Chamber concerned City not budgeting anything for this position in the near future
- Quinn does not want to split funding of duties between City and Chamber
- Mayor – look at other items wanting/needing budget increases
 - Potential settlements with Labor unions
 - Norman Economic Development Coalition
 - Social/Voluntary Services
 - Deposit to “Rainy Day” Fund
 - Other positions
- OK if we can do it mid-year with other adjustments

Items submitted for the record

1. City of Norman/Human Resources Department Recruitment and Selection Report dated November 7, 2011
2. Class Specification for Development Coordinator dated October 4, 2011 prepared by Staff

DISCUSSION REGARDING PROPOSED FUNDING FOR SUNGARD SOFTWARE UPGRADE FOR THE INSPECTION PORTION OF THE DEVELOPMENT DIVISION

Susan Connors made presentation, Director of Planning and Community Development, made presentation.

- Improvements in technology will improve effectiveness and efficiency
- Online submittals of inspections
- Payment on line
- Schedule inspections online
- Get reports on line
- Inspections needed during building process
- Inspection module to put pc's in all inspection vehicles to improve efficiency. \$12,000 and annual maintenance cost – cost will be \$14,000 per year
- Will be able to add pictures and cite code book
- IVR versus internet based system
- Capital Fund appropriation – balance available

Items submitted for the record

1. Memo from Susan Connors Regarding Cost to Improve the SunGard Software System for the Building Permit and Inspection Processes

MISCELLANEOUS DISCUSSION

No discussion.

The meeting adjourned at 6:35 p.m.

ATTEST:

City Clerk

Mayor