

## FINANCE COMMITTEE MINUTES

December 1, 2010

The City Council Finance Committee of the City of Norman, Cleveland County, State of Oklahoma, met in Special Called meeting at 5:30 p.m. in the Municipal Building Study Session Room on the 1st day of December 2010, 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, Quinn, and Chair Cubberley

ABSENT: None

OTHERS PRESENT: Cindy Rosenthal, Mayor  
Al Atkins, Council Member  
Jim Griffith, Council Member  
Steve Lewis, City Manager  
Anthony Francisco, Finance Director  
Suzanne Krohmer, Budget Manager  
Clint Mercer, Chief Accountant  
Ken Komiske, Utilities Director  
Mark Daniels, Utilities Engineer  
Scottie Williams, Utilities Superintendent  
Roger Gallagher, Citizen  
Andrew Knittle, Norman Transcript

### DISCUSSION REGARDING SANITATION FUND

- Possible March 2011 election
- Update, rate possibilities to sustain services and what we have to cut out if we don't pursue rate increase or if rate increase fails again
- 1<sup>st</sup> reading would have to be December 14 to have a March election – with 2<sup>nd</sup> reading December 28
- Sanitation received phone calls as result of change in yard waste pickup schedule
- 1 - Current scenario of sanitation services
- 2 - Revised scenario (more realistic" view) - increase in salaries and benefits, increase internal services and increase cost allocations - \$454,224 fund balance – FYE 11 estimate
- 3 - Scenario with cuts (reduced yard waste, and spring cleanup eliminated, eliminates replacement of 2 trucks, and postpones container yard repair project (\$400,000). Increase fund balance to \$1,078,545
- 4 - Rate scenario: Puts \$400,000 container maintenance facility back in year 2012
  - 2012 - \$1.00 increase
  - 2013 - \$.75 increase

- 2014 - \$.75 increase
- Add personnel in 2012 and 2013 (\$60,000)
- With some cuts in Scenario 3
- 5 – Rate increase of \$2 in 2012 (1 year increase) as opposed to graduated increases
- 6 – 2012 - \$.95 increase; 2013 - \$.75 increase; 2014 - \$.80 increase
- Rosenthal – Reduce/eliminate alleyway pickups and keep yard waste cuts – only restore spring cleanup – keep efficiencies
- Cubberley – address negative reserves in rate structure
- Ezzell – ask for a rate that is adequate
- Alternative to fall/spring cleanups – buy 1 grating loader/boom truck (approximately \$140,000) and schedule 2 free cleanups each year
- Eliminate bulk pickup every other Saturday
- Council likes year round service instead of fall/spring cleanups – have during week rather than weekends - boom truck with 2 operators for year round pickup
- Look at year round pickup instead of spring/fall cleanup – hire 2 people and include capital costs
- Ezzell – dislikes graduated rate, wants one-time increase
- Cubberley – concerned about recycling contract ending (rates will go up)
- Rosenthal – inequities – volume based concerns (complaints – 1 coupon for cleanup, and charge for second one)
- Cubberley – go to more “on demand service”
- Cubberley – does not want a “rate promise” past recycling contract deadline
- Look at 2 year rate only – graduated rate
- Build in boom truck and 2 employees
- Want sufficient fund balance – shrink deficit to \$300,000
- Make it possible we could purchase a replacement truck
- Restore maintenance repair project – OSHA requirements
- Advantages/disadvantages of maintenance repair contracted out vs. in-house costs
- Discuss in Study Session next week – alleyway collection and rate recommendation

Items submitted for the record

1. Fund Summary – Sanitation Fund 33, prepared by Ken Komiske, Utilities Department

The meeting adjourned at 7:26 p.m.

ATTEST:

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City Clerk

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Mayor