

FINANCE COMMITTEE MINUTES
October 8, 2015

The City Council Finance Committee of the City of Norman, Cleveland County, State of Oklahoma, met at 5:00 p.m. in the Municipal Building Study Session Room on the 8th day of October, 2015, 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 24 hours prior to the beginning of the meeting.

PRESENT: Members Castleberry and Lang

ABSENT: Members Heiple and Rosenthal

OTHERS PRESENT: Steve Lewis, City Manager
 Suzanne Krohmer, Budget Manager
 Clint Mercer, Chief Accountant
 Sara Kaplan, Retail Marketing Coordinator
 Gala Hicks, Human Resources Director
 Joy Hampton, Norman Transcript

Member Castleberry served as Chairperson in the absence of Mayor Rosenthal and called the meeting to order. There was not a quorum.

Item 1, being

DISCUSSION REGARDING FYE 2017 BUDGET CALENDAR

Clint Mercer led the discussion on the FYE 17 Budget Calendar. He pointed out the major changes were the addition of January 14, 2016, for mid-year budget adjustments and an April 11, 2016, meeting with the Norman Public School District regarding the School Resource Officers program that begins in FYE 17. Member Lang asked if City would have significant increase in the FYE 17 budget for the SRO program. He had been told that the Norman Schools currently had security officers rather than police officers. Cost of police officers will be greater than security officers and he wondered about the cost to the City budget. SRO costs will be paid from PSST Fund and not from the General Fund. School District will continue to contract with the City for police officers for the program and they pay for part of the cost.

Steve Lewis asked if the Council Members had any suggestions for additions or changes for the budget process. One of the changes in the process is we no longer ask the outside agencies to come to a Finance Committee meeting before determining the amount to be given by the Council. We now just ask them to submit their request and the Finance Committee discusses and determines what they will recommend to the full Council. Member Castleberry said it was fine but if there was an outside agency new to the process, then the Committee would want to talk with them.

* * * * *

Item 2, being

SUBMISSION OF THE REVENUE/EXPENDITURE REPORTS AS OF SEPTEMBER 30, 2015

Committee reviewed Sara Kaplan's chart showing sales tax collections for August 2013, August 2014, and August 2015. This report is being published monthly showing sales tax collections for retail industry and leisure and hospitality industry. The figures do not represent 100% of our sales tax collections but represent a large portion. It shows retail trends and the building trades show an increase from the July report. Member Lang said he would like to have segment lines in between the categories to show differences in the sections, if possible.

Clint Mercer reviewed the First Quarter Financial Report which summarizes the General Fund revenues and expenditures for July through September 2015. He reviewed revenue sources and discussed reasons for increases and/or decreases. There was a large increase in licenses and permits due to a large permit fee for construction of the Ave at Norman located on 24th Avenue. Committee asked about fines and forfeitures category and wanted to know if the change in parking fees now being charged for after 5:00 pm parking and weekend parking was adding to the amount collected. They would like to have parking meter charges for Downtown and Campus Corner be shown separately. They also wanted to know if the amount collected is worth the public angst that's been expressed.

General Fund Sales Tax collections were up in August and September over the same time as last year. Salaries & Benefits expenditures are higher due primarily to settlement of FOP contract who have received their retro checks recently. On Supplies & Materials, low gasoline prices have contributed to the decrease in spending. On Capital Equipment, timing of orders placed probably accounts for the difference. Question was asked about Fines & Forfeitures decreased collections and part of the reason is the new ticket-writing system the Police Department is using. Committee would like for reports to be shown with monthly figures rather than quarterly information. General Fund revenues and expenditures chart shows increase in both in each month. Hotel/Motel Room Tax collections are up due primarily to a 5% franchise fee increase from 4% to 5% last year. Residential Water Revenue shows an increase due to new water rates that went into effect in January 2015.

Items submitted for the record:

1. Summary of Major Funds-General; Capital; Westwood; Water; Water Reclamation; Sewer Maintenance; New Development Excise; Sewer Sales Tax; and Sanitation Fund Revenue Sources vs. Budget, Financial Reports as of September 30, 2015
2. City of Norman Retail Report, August 2015, Sales Tax Collections Retail Trade (NAICS 44-45) and Leisure & Hospitality Report, August 2015, Sales Tax Collections (NAICS 71-72) prepared by Sara Kaplan
3. City of Norman First Quarter Financial Report (July 2015 – September 2015) FYE 16 prepared by Suzanne Krohmer, Budget Manager

* * * * *

Item 3, being:

SUBMISSION OF THE REPORT ON OPEN POSITIONS

Member Castleberry said Council had talked about the Communications Officer position at the Council Retreat. Steve Lewis said Human Resources Department is researching, looking at other cities for comparison on duties, salary, etc. We will talk about this position more at mid-year budget review. Gala Hicks said Communication Officer's position is hard to fill. City will have to advertise for a longer period of time and it could take 6 to 8 weeks to fill position. Member Castleberry said one central person would be better than having several different people make statements and answer questions on City activities. Member Lang said there were a lot of good stories that came out of National Night Out and someone needs to tell these great stories. Member Castleberry said he had recently visited with people from Shawnee and we have a higher standard in Norman. We need to tell what makes our City special.

Items submitted for the record:

1. Position Vacancy Report, dated September 3, 2015

* * * * *

Item 4, being:

MISCELLANEOUS COMMENTS

No discussion.

* * * * *

The meeting adjourned at 5:43 p.m.