

FINANCE COMMITTEE MINUTES

February 19, 2014

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 Multi-Purpose Room on the 19th day of February, 2014, 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, Griffith, Heiple, and Chair Kovach

ABSENT: None

OTHERS PRESENT: Cindy Rosenthal, Mayor
Greg Jungman, Councilmember
Lynne Miller, Councilmember
Steve Lewis, City Manager
Anthony Francisco, Finance Director
Suzanne Krohmer, Budget Manager
Jud Foster, Parks & Recreation Director
Terry Floyd, Development Coordinator
Jim Maisano, Deputy Chief, Police Department
Jim Bailey, Deputy Chief, Fire Department
Leah Messner, Assistant City Attorney II
April Doshier, Executive Director, Food & Shelter for Friends
Roger Gallagher, citizen

SUBMISSION OF THE REVENUE/EXPENDITURE REPORTS FOR OCTOBER 2013

- Castleberry – General Fund Revenue/Expenditure report
 - 4% above on General Fund revenue side
 - 4% below on Expenditure side
- Sales tax revenue collections reporting anomaly last year – major retailers didn't submit reports and funds on time
 - 5.4% above previous fiscal year and above 4.2% budget
- Castleberry – adjusted budget annual?
 - Fund balance - \$553,169 ending fund balance if all other budget activities go as planned
 - End of fiscal year prediction
 - \$1 million better than we thought we would be
 - Approximately \$1.5 million ending fund balance
- Rainy Day Fund has met level – but short of target level
- Rainy Day Fund uses:
 - Federal declared disaster
 - Disaster, City operations
 - General Fund balance less than 1% of expenditures
 - Rainy Day Fund is a backup for General Fund – never been used to date

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 Report as of January 31, 2014.

DISCUSSION AND REVIEW OF OUTSIDE AGENCY REPORTS AND/OR REQUESTS FROM THE FOLLOWING:

Cleveland County Historic Museum – asked NAC for funding to use from Room Tax Fund. NAC denied due to deadline not met. They are requesting \$35,000 for FYE 15 which is \$4,130 more than current funding of \$30,870.

Social & Voluntary Services Commission - \$150,000, 89er Day Parade Committee - \$5,000, Center for Children and Families - \$100,000, Sooner Theatre - \$63,964, NEDC - \$125,000, and Aging Services, Inc. - \$13,000 are not requesting any changes to their current funding.

Committee recommends that the Historical Museum Society do more fund raising to meet the funding needs.

Firehouse Art Center – requested \$1,200 increase in funds for a total of \$60,000 – all support.

Performing Arts Studio – would like to do either day or evening depot services. All agree with \$500 increase for day service for a total of \$3,500.

Kovach – SVS did not ask for an increase in funding. He recommends an increase of \$5,000 from \$150,000 to \$155,000.

CART - Mayor would rather put more money in CART than SVS.

- Griffith would like to add a route to CART.

Finance Committee's recommendations will be put in City Manager's budget.

- Kovach supports increase for CART
- Griffith would rather CART have \$55,000 more and then increase SVS to \$155,000
- Kovach supports additional \$5,000 for SVS

Veteran's Day Parade Committee – less than \$500 to cover insurance. Put in \$500 increase – actual cost is \$318.

Items submitted for the record:

Outside Agency Reports and/or Requests from the following:

1. Aging Services, Inc.
2. Center for Children and Families, Inc.
3. Cleveland County Historical Society
4. '89er Day Parade Committee
5. Firehouse Art Center
6. Performing Arts Studio
7. Social and Voluntary Services Commission

8. The Sooner Theatre of Norman, Inc.
9. Veterans Day Parade Committee
10. CART

DISCUSSION OF CITY POLICY REGARDING OUTSIDE AGENCIES LEASING CITY FACILITIES TO COST SHARE IN UTILITY CHARGES

- Sooner Theatre wants to raise \$1.6 million for a new building.
- Kovach – increasing pro-rata share will cause burden for some of these agencies. He proposes a freeze at cost share current level of 40% and stop stepping up above this level.
- Mayor – it's important to cost share utilities, makes agencies more responsible and accountable for expenses. She recommends cap of 50%. Increase at 5% in steps to 50% total; 45% in FYE 15 and to 50% in FYE 16.
- Kovach – still recommends freezing at 40%.
- Griffith – will reevaluate increase share on an annual basis.
- Mayor – would support 40% cap.
- Miller – likes the 50% cap and 50% share – it encourages responsibility.
- Kovach – 20% to 40% jump burdened the agencies more.
- Mayor, Miller, Heiple, Griffith all agree with increase of 5% each year to 50% cost share.
- Direction is to keep utility cost share at 40% and look at again next year – potential 50/50 cap.

Items submitted for the record:

1. Memo from Suzanne Krohmer, Budget Manager, to Finance Committee dated February 13, 2104, Outside Agency Funding

DISCUSSION REGARDING A DRAFT RESOLUTION EXPRESSING COUNCIL INTENT TO USE THOSE REVENUES GENERATED FROM THE TEMPORARY PUBLIC SAFETY SALES TAX REFERENDUM THAT ARE UNENCOMBERED WHEN THE TAX EXPIRES ON SEPTEMBER 30, 2015, FOR PUBLIC SAFETY SALES LEVY ON April 1, 2014.

At the Council meeting next Tuesday we will formalize what we spend the extra funds on at the end of the temporary PSST on September 30, 2015.

- Heiple – suggested making a video to explain PSST language.
- Kovach – put on channel 20 and have ward meetings to answer PSST tax election questions.
- Lewis - flyer will be mailed out to all persons with a mailing address in the City limits of Norman, put on web, and on channel 20.

Items submitted for the record:

1. Resolution 1314-111, Resolution of the Council of the City of Norman, Oklahoma, Expressing the Intent of the City Council to use those Revenues generated from the Temporary Public Safety Sales Tax Referendum that are Unencumbered when the Tax expires on September 30, 2015 for Public Safety Capital Improvements, provided Voters approve the Public Safety Sales Levy under Ordinance O-1314-33.

CONTINUED DISCUSSION ON EXPANSION OF THE SPAY-NEUTER PROGRAM FOR ANIMAL WELFARE

- Discussed subsidizing low-cost spay-neuter program
- Currently there are 3 programs that provide this service (see memo)
- All centers ask for co-pay (\$10 to \$40 range)
- Spay-neuter and vaccination provided
- \$100 cost per animal
- If we subsidize \$20 per animal this will lead to additional 100 more procedures in the City of Norman
- Subsidy to each vendor or deal with a vendor 0 bid-like process
- Distribution of funds (upfront or invoice Animal Welfare Center)
- Good existing application process
- Funded out of pet license revenue account
- Kovach recommends getting proposals from vendors and likes invoicing procedure.
- Griffith agrees with Kovach.
- Would co-pays stay the same?
- Maisano – it's up to Council to charge the co-pay.
- Miller – keep co-pay the same, don't increase
- Griffith – money would be appropriated to Animal Welfare to pay the vendors
- Francisco – appropriate a fixed amount – use \$20,000 for now.
- Miller wants to advertise pet licenses.
- Kovach wants driver's license scanned with contact information.
- Vets think scanning a driver's license is a requirement, but it is not.
- Castleberry – scan for warrants at the same time.
- Advertise and promote that pet license revenues are being used to subsidize spay-neuter program.

Items submitted for the record:

1. Memo from Jim Maisano, Deputy Police Chief, dated February 12, 2014 to the Finance Committee, Response on Low Cost Spay/Neuter Programs

DISCUSSION OF THE USE OF APPROPRIATED EMERGENCY RESERVE FUNDS TO SUPPORT URGENT WINTER WEATHER HOMELESS SHELTER NEEDS

- Kovach wants an emergency mechanism for Food & Shelter for Friends don't have to turn anyone away. Policy to appropriate or authorize staff to pay up to a certain amount.
- Lewis – allow City to spend portion of 2% reserve, general authorization by Resolution.
- April Doshier – discussed policy on temperature change, give authorization to open up facility through drop in winter temperatures.
- Policy - if temperature drops below 32 degrees, will seek out homeless adults and put them in hotels.
- Cost of \$7,800 for one week
- Castleberry agrees to adopt current Friends & Shelter policy.

- Kovach – bring to Council conference. Do we want to make an appropriation for what has already been spent?
- April Doshier will bring in unreimbursed extra costs.

Items submitted for the record:

1. Food & Shelter for Friends funding for FYE 12, FYE 13, and FYE 14 prepared by the Finance Department

SUBMISSION OF THE REPORT ON OPEN POSITIONS

City is accepting applications for Retail Marketing Coordinator position.

Items submitted for the record:

1. City of Norman/Human Resources Department Recruitment and Selection Report dated January 6, 2014

MISCELLANEOUS DISCUSSION

No discussion.

The meeting adjourned at 6:37 pm.

ATTEST:

City Clerk

Mayor