



CITY OF NORMAN, OK
CITY COUNCIL FINANCE COMMITTEE MEETING
Municipal Building, Executive Conference Room, 201 West Gray, Norman,
OK 73069
Thursday, April 20, 2023 at 4:00 PM

MINUTES

The City Council Finance Committee of the City of Norman, Cleveland County, State of Oklahoma, met at 4:00 pm in the Municipal Building Executive Conference Room on the 20th day of April, 2023, and notice of agenda of the meeting were posted in the Municipal Building at 201 West Gray, 24 hours prior to the beginning of the meeting.

ROLL

PRESENT

Councilmember Ward 3 Kelly Lynn

ABSENT

Mayor Larry Heikkila

Councilmember Ward 6 Elizabeth Foreman

OTHERS

Councilmember Ward 4 Helen Grant

Councilmember Ward 7 Stephen Holman

Councilmember Ward 2 Lauren Schueler

Darrel Pyle, City Manager

Anthony Francisco, Director of Finance

Kathryn Walker, City Attorney

Heather Poole, Assistant City Attorney

Kim Coffman, Budget Manager

Jacob Huckabaa, Budget Technician

Dannielle Risenhoover, Administrative Tech IV

Taylor Johnson, Transit and Parking Program Manager

Joseph Hill, Streets Program Manager

Scott Sturtz, City Engineer

Lora Hoggatt, Planning Services Manager

CALL TO ORDER

At Mayor Heikkila's request, Councilmember Holman chaired the meeting due to the Mayor's absence. Councilmember Holman called the meeting to order at approximately 4:00 pm.

AGENDA ITEMS

1. DISCUSSION REGARDING THE CREATING OF A TRANSIT AND PARKING AUTHORITY.

Ms. Kathryn Walker, City Attorney, led the discussion. She stated that the proposal for creating a transit and parking authority would have a “broad purpose and include both parking and transit”. She explained that a City trust developed as a part of the transit and parking authority, could function similar to most other Norman trusts where: Council is the trustee, City Manager is the general manager of the trust, and the City would be the sole beneficiary. Walker explained and defined public trusts, highlighting that “public trusts exist as separate, legal entities” and function in a way that “the City is not liable for parking or transit.”

The Public Transit Sales Tax revenues are funds dedicated to transit. These funds cannot be used to cover parking costs. In Walker’s proposal, she states, “The trust authority would be able to expend those dedicated Sales Tax revenues because it is a City dedicated Sales Tax.” Article IV, Section V, of the proposed trust document commits the trust to spend transit revenues in accordance with the sales tax ordinance. Walker noted that other revenue streams for transit operations are Federal Transit Administration grants, parking meter revenue, and parking enforcement revenue.

Taylor Johnson, Transit and Parking Program Manager stated, “While the revenues for parking right now don’t necessarily cover the expenses; if we do get to a place and want to look at improvements, like parking garages, this authority could handle that, separate from the City, obviously under City Council guidance as well.”

Walker will bring forward the creation of a transit and parking authority proposal to the full Council.

Items submitted for the record:

1. Trust Indenture Creating the Norman Transit and Parking Authority

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2. DISCUSSION REGARDING THE FYE 2024 CITY OF NORMAN BUDGET.

Anthony Francisco led the discussion. Francisco brought the Fleet Department’s critical vehicle replacement list to the Committee’s attention. The vehicles on this list have been deemed by the Fleet Division as more efficient to replace than to maintain. The most recent City of Norman Fleet Study indicates that the City should be spending \$6 million annually on fleet replacement. The replacement cost for the vehicles on the Fleet Division’s critical vehicle replacement list totals approximately \$10 million. Francisco states, “We don’t get very far down the critical list by the way we have historically done things.” Francisco then presented the City Manager’s proposed list of critical vehicles to replace. Francisco, referring to the City Manager’s proposed replacement list, states, “We’re not getting that far down the list, but we’re doing a whole lot better.” The City Manager’s Fiscal Year 2023-2024 proposal for fleet replacement utilizes about \$1.4 million from the Seizure Fund, about \$2.2 million of Capital Sales Tax funds, and about \$3.2 million in supplemental funds out of the General Fund. Francisco stated the following about the proposal, “This is benefitting every department and every function of the City because we are getting farther down the list.”

Item 2, continued:

Francisco addressed the prioritized employment positions requested by departments and those recommended to be funded in FYE 24. These positions are 2 Communication Officer II positions funded out of the Public Safety Sales Tax Fund and 3 Sanitation Worker II positions funded out of the Sanitation Fund. Francisco pointed out that 15 firefighters would be needed upon the completion of a 10th fire station. The additional firefighter staffing would cost the City approximately \$1.3 million per year.

Francisco briefed the Committee on current and potential amendments to the FYE 24 proposed budget. This included filling in the amortization schedules for the General Obligation Bonds that were recently approved by Council; an amendment for revenues and additional programming for the Arts Council and Visit Norman *if* the Room Tax rate increase is approved; an amendment to allocate funds for the \$50,000 annual administration fee associated with the solar panel electricity program; and an amendment to allocate \$145,000 in funds for the capital project/installation of curb and gutters along Reed Avenue.

Councilmember Grant questioned the funding for the curb and gutter project along Reed Avenue. After Committee discussion, it was determined that the City would advance the curb and gutter design and bring the design back to Council when it is ready for further discussion.

Responding to Councilmember Holman's question regarding the City's General Fund balance, Francisco stated that in FYE 23, the City is projecting "about \$17.9 million in the General Fund and about \$15 million in surplus above the reserve mandate".

Items submitted for the record:

1. FYE 24 Proposed Budget

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3. DISCUSSION REGARDING MONTHLY REVENUE AND EXPENDITURE REPORTS.

Francisco led the discussion. He said, "We had a pretty good April; hopefully the trends will hold and we won't have anything (any funds) negative. If we don't have anything (any funds) negative, then we're closing (FYE 23) in a fairly healthy state."

Darrel Pyle, City Manager, stated that very little damage was reported in Norman due to the recent storm cells that went through the area. He is hopeful that Norman will continue to avoid severe weather damage this spring and that with all of Norman's special events during April, there will be a rise in sales tax revenue. Sara Kaplan will be using new cell phone technology to analyze the level of out-of-town visitation during some of these events.

Items submitted for the record:

1. Financial Reports

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ADJOURNMENT

Councilmember Holman adjourned the meeting at 4:50 pm.

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