



CITY OF NORMAN, OK
CITY COUNCIL FINANCE COMMITTEE MEETING
Development Center, Conference Room A, 225 North Webster, Norman,
OK 73069
Thursday, December 19, 2024 at 4:00 PM

MINUTES

The City Council Finance Committee of the City of Norman, Cleveland County, State of Oklahoma, met in Regular Session in Conference Room A at the City of Norman Development Center, on Thursday, December 19, 2024 at 4:00 PM, and notice of the agenda of the meeting was posted at the Norman Municipal Building at 201 West Gray, at the Development Center and on the City website at least 24 hours prior to the beginning of the meeting.

CALL TO ORDER

PRESENT

Mayor Larry Heikkila
Councilmember Ward 3 Bree Montoya
Councilmember Ward 4 Helen Grant
Councilmember Ward 6 Josh Hinkle

ABSENT

None.

OTHERS

Councilmember Ward 7 Stephen Holman
Anthony Francisco, Director of Finance
Dannielle Risenhoover, Admin. Tech IV
Jacob Huckabaa, Budget Technician
Kim Coffman, Budget Manager
Rick Knighton, Interim City Attorney
Shaakira Calnick, City Auditor
Mindy Aynes, Municipal Accountant
Clint Mercer, Chief Accountant
Chris Mattingly, Director of Utilities
Scott Sturtz, Director of Public Works
Shannon Stevenson, Asst. City Manager
Tim Miles, Capital Projects Manager/Acting City Engineer
Joseph Hill, Streets Program Manager

Mayor Heikkila called the meeting to order at approximately 4:00 PM.

AGENDA ITEMS

1. DISCUSSION REGARDING THE USE OF CENTER CITY TAX INCREMENT FINANCE DISTRICT FUNDS FOR ALLEYWAYS INFRASTRUCTURE REPAIR.

Director of Public Works, Scott Sturtz, led the discussion and presented an Urban Design and Implementation Plan. The plan included four examples of potential alley way improvements with Sturtz highlighting staff preferences for the design. This included the preference for two-way traffic and water collection in the alley ways.

An Urban Design and Implementation Plan Committee (UDIP) has been formed. Members include: Lee Hall, Keith McCabe, Richard McCown, Autumn McMahon, Jim Adair, Councilmember Holman and Councilmember Peacock. The Committee has held three meetings. Their next scheduled meeting is January 10, 2025.

There are roughly 2.5 miles of alley located within the Center City area of Norman, with five alley sections being unpaved. The estimated cost to improve the five unpaved alley sections and provide for the alley maintenance needs within the Center City area is \$500,000. The maintenance needs of the paved alley ways will be discussed by the UDIP Committee and guide the City's maintenance and improvement activities.

On December 19, 2017 a Center City Tax Increment Finance (CCTIF) Fund was established and included a Project Plan (Ordinance 1718-27) with a term of up to 25 years. The CCTIF was established to provide infrastructure improvements within the area by increasing Ad Valorem Taxes. The CCTIF improvements can include the following: street and alley improvements, water and wastewater infrastructure improvements, and storm water infrastructure improvements. There are approximately \$5.3 million in the CCTIF Fund.

"Certainly, we think it is appropriate, if Council gave us the direction, to move forward with these repairs at this time," Sturtz said.

Mayor Heikkila asked if anyone disagreed with moving forward with they alley way project. There were no objections.

Since there were no objections Sturtz replied, "We will proceed. We will put together a bid packet, get that out, and start looking at the utilities we need to relocate. That will help us set the order in which we will proceed and we will bring an item back to Council for award of the project."

2. INTERNAL AUDITOR UPDATE.

Shaakira Calnick gave the update. She stated that there is an update to the 2024 Global Internal Audit Standards that will take effect January 9, 2025. She highlighted and expanded on the following audit standards that have been updated, calling them "significant as they relate to City Council Finance/Audit Committee's role":

- Applying the Global Internal Audit Standards in the Public Sector (2024 Update)
- Standard 1.2 – Organization's Ethical Expectations
- Standard 4.1 – Conformance with the Global Internal Audit Standards
- Standard 5.2 – Protection of Information
- Domain III – Governing the Internal Audit Function (Introduction)
- Standard 6.4 – Board and Senior Management Support
- Standard 8.3 – Quality

- Standard 9.2 – Internal Audit Strategy
- Standard 9.5 – Coordination and Reliance
- Standard 10.1 – Financial Resource Management
- Standard 11.3 – Communicating Results
- Standard 13.3 – Engagement Objectives and Scope

Councilmember Montoya asked how these updates are going to affect the current draft of the Charter that Calnick has been working on. Calnick replied, "We were talking about scope and we were also speaking of access and meetings with Council without management present; so, there are ways that we can conform and do that within standard because they have now given us room to. Before it was, 'You've gotta do this, if we don't do it we can't be in conformance.' Now it gives us room of, 'How will we now deal with the inability to meet privately?' Can we do that as single members of Council coming to my office meeting with me, getting updates, making inquiries? That's a way around it." Calnick continued, "For scope, there was a line in the Internal Audit Charter draft where Mayor Heikkila scratched out "inappropriate" and made it "appropriate" which lended the idea that senior management could essentially limit my scope; so, in the new standards it says that it should be a conversation and that is how we should treat it. 'Why do you think my scope should be limited or expanded and is that criteria feasible?'"

Interim City Attorney Rick Knighton confirmed that Councilmembers can meet privately with Calnick as long as the meeting does not consist of a quorum.

3. DISCUSSION REGARDING MONTHLY REVENUE AND EXPENDITURE REPORTS.

Anthony Francisco gave the report. Last month's sales tax revenue was significantly lower than the previous year's; however, this month's sales tax is higher compared to the previous year's. Francisco stated the reason being, was that a large retailer who improperly reported their sales tax collections last month corrected the issue and it is reflected in this month's reporting.

"The trend of the current fiscal year is the important thing to look at," Francisco said. "We're about 0.62% down for the year as a whole."

Francisco confirmed that if retailers are contacted by the State Tax Commission or by the City of Norman regarding a tax violation, they have the responsibility to make the correction and properly report. He also stated that cities are diligently working with the State to make accurate reporting a priority among retailers.

Francisco drew the Committee's attention to the Westwood Fund, reminding them that Norman had an unseasonably wet summer. "This has affected their revenues both at the pool and the golf course," Francisco said. "We hope that they will recover from that in the spring; but, right now, the Westwood Fund is quite a bit below budget."

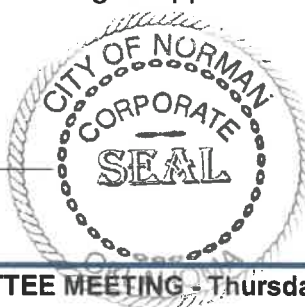
ADJOURNMENT

Mayor Heikkila adjourned the meeting at approximately 4:45 PM.

ATTEST:



City Clerk





Mayor