



City of Norman, OK

Municipal Building
Council Chambers
201 West Gray
Norman, OK 73069

Master

File Number: R-1920-54

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| File ID: R-1920-54 | Type: Resolution | Status: Consent Item |
| Version: 1 | Reference: Item 34 | In Control: City Council |
| Department: Finance Department | Cost: | File Created: 10/23/2019 |
| File Name: Annual Close-Out Appropriations | Final Action: | |

Title: RESOLUTION R-1920-54: A RESOLUTION OF THE COUNCIL OF THE CITY OF NORMAN, OKLAHOMA, APPROPRIATING \$457,957 FROM THE PUBLIC SAFETY SALES TAX FUND BALANCE; \$669,702 FROM THE COMMUNITY DEVELOPMENT BLOCK GRANT FUND DISASTER RECOVERY GRANT REVENUE; \$1,433 FROM THE ROOM TAX FUND BALANCE; \$3,440 FROM THE CAPITAL FUND BALANCE; AND \$13,249 FROM THE SEWER LINE MAINTENANCE FUND BALANCE TO CLOSE OUT YEAR END ACCOUNTING ENTRIES FOR FYE 2019.

Notes: ACTION NEEDED: Acting as the City Council and Norman Utilities Authority, motion to adopt or reject Resolution R-1920-54.

ACTION TAKEN: _____

Agenda Date: 11/12/2019

Agenda Number: 34

Attachments: R-1920-54

Project Manager: Kim Coffman, Budget Manager

Entered by: kimberly.coffman@normanok.gov

Effective Date:

History of Legislative File

| Ver- sion: | Acting Body: | Date: | Action: | Sent To: | Due Date: | Return Date: | Result: |
|---------------|--------------|-------|---------|----------|-----------|-----------------|---------|
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Text of Legislative File R-1920-54

Body

BACKGROUND: At the end of each fiscal year (June 30th), the Finance Department posts all year-end accounting entries. In order to help with this process, some division's categories of expenses require a transfer to cover negative balances in line-item accounts. Oklahoma statutes require that each fund be balanced at the object category of expenditures, which include: salaries and benefits; materials and supplies; services and maintenance; and capital equipment ("capital outlay"). City of Norman policy requires the City Manager's approval for transfers within a City fund, or of funds between departments; from salary and benefit category

accounts; and transfers from operating accounts to capital equipment accounts. The City Manager has already approved needed year-end transfers under his authority on recommendation from Finance Department staff (see attached memorandum). In some cases, however, some expenses cannot be covered from available allocations within the same fund and require an appropriation of fund balance. Oklahoma Statutes require that all appropriations of fund balance be approved by the City Council (governing body).

DISCUSSION: At fiscal year-end (FYE) 2019 several funds lacked the needed funds within existing appropriations to cover expenses made during the year, for varying reasons. These include the Public Safety Sales Tax Fund, Community Development Block Grant Fund, Room Tax Fund, Capital Fund, and the Sewer Line Maintenance Fund. Adequate fund balance exists in each fund to cover the recommended appropriations.

In the Public Safety Sales Tax (PSST) Fund, an additional \$457,957 needs to be appropriated due to an unbudgeted salary and benefit increase resulting from overtime expenditures in excess of available allocations during FYE 2019.

In the Community Development Block Grant Fund, an additional \$669,702 needs to be appropriated due to the timing of deposits related to Disaster Recovery capital projects.

In the Room Tax Fund, an additional \$1,433 needs to be appropriated to cover higher than anticipated Management Cost Allocation charges.

In the Capital Fund, an additional \$3,440 needs to be appropriated for a project expense that was appropriated in the wrong fiscal year.

In the Sewer Maintenance Fund, an additional \$13,249 needs to be appropriated related to bad debt expense.

STAFF RECOMMENDATION: Staff recommends the following appropriations and transfers be approved:

\$457,957 from Public Safety Sales Tax Fund Balance (account number 015-0000-253.20-00) with \$295,989 to be allocated to Police Patrol Overtime (account number 015-6122-421.21-10); and \$161,968 to Fire Suppression Overtime (account number 015-6543-422.21-10).

\$669,702 from CDBG-DR Grant Revenue (account number 021-0000-331.13-77) to Capital Project Fund Inter-fund Transfer (account 021-3090-491.80-50), for deposit to the Capital Fund balance (account number 050-0000-253.20-00).

\$1,433 from Room Tax Fund Balance (account number 023-0000-253.20-00) to Management Cost Allocation Charges (account number 023-3040-415.49-01).

\$3,440 from Capital Fund Balance (account number 050-0000-253.20-00) to Drainage Project with Bridge Construction (account number 050-9717-431.61-01).

\$13,249 from Sewer Maintenance Fund Balance (account number 321-0000-253.00-00) to
Bad Debt Expense (account number 321-3099-415.90-05).