

FINANCE COMMITTEE MINUTES
September 19, 2019

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 19th day of September, 2019, 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 Bierman, Scanlon, Wilson, and Mayor Clark

ABSENT:

OTHERS PRESENT: City Council Member Petrone
 City Council Member Hall
 Gala Hicks, Director of Human Resources
 Kim Coffman, Budget Manager
 Ken Komiske, Director of Utilities
 Shawn O’Leary, Director of Public Works
 Sara Kaplan, Retail Marketing Coordinator
 Brenda Hall, City Clerk
 Jane Hudson, Interim Director of Planning
 Kathryn Walker, Interim City Attorney
 Hannah Bigbee, Intern for the Mayor
 Scott Martin, Chamber of Commerce
 Robert Castleberry, citizen
 Christina Owen, citizen

Item 1, being:

EVALUATION OF THE CITY FEE STRUCTURE AND REVENUE MANUAL

Anthony Francisco stated that City Council wanted to examine the City’s fee structures. We need some direction as to the method and how thorough we need to be on this examination.

Mayor Clark asked if the Committee would like to look over the City Revenue Manual and make a recommendation at next month’s meeting.

Member Wilson stated that she wants to know if we are charging appropriate fees to cover the City’s expenses and appropriate fees for the area. She believes it can be a combination of analysis of other nearby cities and our needs as a City.

Member Bierman stated that some smaller licenses do not need to be reviewed, especially if they are not fees that attempt to recoup the cost of a service for the City.

Item 1, continued:

Member Scanlon stated that it might be a good idea to “pick on” one type of license to study in order to get a better idea of what our methodology should be for this type of study.

Council Member Petrone stated that she would like to understand what criteria are being used in order to fairly charge similar but different businesses. She also believes that businesses associated with some kind of public safety that would require more staff hours should be looked at to make sure we are recouping our costs.

Mayor Clark stated that the Committee would put together their top 5 candidates for the study and send them to staff to begin researching.

Council Member Petrone stated that maybe we need to just look into the areas that cost the most staff time.

Francisco stated that he understands that this choice needs to go to the full Council, who will then give their top choices to staff to research.

Mayor Miller stated that she is very interested in staff’s recommendations as well.

Brenda Hall stated that all fees that are development-related should wait, as they are currently already being reviewed.

Items submitted for the record:

1. City of Norman Revenue Manual

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Item 2, being:

DISCUSSION REGARDING THE FYE 2021 BUDGET CALENDAR

Francisco stated that the proposed calendar is the start of the fiscal year 2020-2021 budget process.

Mayor Miller stated that the Council Members should schedule time during this budget process to get input from their ward members as to what should be a priority for their respective wards.

Francisco stated that there is no real deadline, and input can be given to the directors or City Manager anytime during the process.

Member Wilson stated that she would like to see an entrance to Saxon Park from State Highway 9 and 36th Avenue S.E.

Item 2, continued:

Items submitted for the record:

1. Budget Calendar Fiscal Year Ending 2021

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Item 3, being:

SUBMISSION OF THE REVENUE/EXPENDITURE REPORTS

Francisco stated that we ended last fiscal year and have handed our numbers to the auditors. Based on those numbers, we actually brought in \$40,230,000 of sales tax revenue in fiscal year 2018-2019 but we budgeted \$44.8 million in sales tax revenue in fiscal year 2019-2020. \$3.5 million of this projected General Fund revenue increase is the estimation that we would not be apportioning money to the UNP TIF Fund any longer. This becomes a larger problem the longer we continue to apportion money that we did not budget to apportion. We closed the 2019 fiscal year with use tax collection at \$5.3 million and we only budgeted \$4.7 million. He is concerned about the franchise fee collection projections due to our mild summer. Revenue for parking meter sales are way down. We did not have to spend any of the emergency reserve in fiscal year 2019. All of this taken together, we had total net expenditures of \$74,800,000 and total revenue of \$75,522,000. We actually ended fiscal year 2019 with a positive net difference of \$722,824. We ended fiscal year 2019 with a General Fund balance of \$8,635,000, which is \$3.8 million above our minimum required General Fund balance. This would normally mean we could request that \$3.8 million for any one-time purchases that we need, but the General Fund instead had to front \$5.2 million to the new Transit Fund. We will receive a little over \$2 million back from the Federal Transit Administration, but this still would project to draw down \$3.25 million from the General Fund balance that was not budgeted.

Francisco stated that the Pre-Audit report has been provided, which states the process of the external audit. They will provide their findings at November meeting.

Items submitted for the record:

1. Summary of Major Fund Revenue Sources vs. Budget FYE 2020 as of August 31, 2019
2. Summary of Major Fund Expenditures vs. Budget FYE 2020 as of August 31, 2019
3. Appropriations from Fund Balance FYE 20
4. General Fund Transfers over \$50,000 between Expenditure Categories FYE 20 August 2019
5. Norman Forward Sales Tax Financial Reports
6. Pre-Audit Report from BKD

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Item 4, being:

SUBMISSION OF THE REPORT ON OPEN POSITIONS

Gala Hicks stated that we have 2 vacant positions for Animal Welfare Technician. We have also been given the okay to hire the Sustainability Coordinator and the Forester.

Items submitted for the record:

1. City of Norman Position Vacancy Report dated 9/11/19

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Item 5, being:

MISCELLANEOUS COMMENTS

None at this time.

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ATTEST:

City Clerk

Mayor