



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 10/28/2025

REQUESTER: Kimberly Coffman, Budget Manager

PRESENTER: Anthony Francisco, Director of Finance

ITEM TITLE: CONSIDERATION OF ADOPTION, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF RESOLUTION R-2526-67: A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NORMAN, OKLAHOMA AND THE NORMAN MUNICIPAL AUTHORITY, APPROPRIATING \$317,738 FROM THE SPECIAL REVENUE FUND BALANCE, \$12,975 FROM THE ROOM TAX FUND BALANCE, \$856 FROM THE SEIZURES AND RESTITUTION FUND BALANCE, \$70,764 FROM THE WESTWOOD FUND BALANCE, \$6,815,804 FROM THE RISK MANAGEMENT FUND BALANCE, \$1,880 FROM THE NORMAN FORWARD FUND BALANCE, AND \$220,618 FROM THE DEBT SERVICE FUND BALANCE, TO CLOSE OUT YEAR END ACCOUNTING ENTRIES FOR FYE 2025.

BACKGROUND:

At the end of each fiscal year (June 30), the Finance Department records all year-end accounting entries. To facilitate this process, certain expense categories within divisions occasionally require transfers to cover negative balances in specific line-item accounts.

Oklahoma Statutes require that each fund be balanced at the *object category* level of expenditures, which include:

- Salaries and Benefits
- Materials and Supplies
- Services and Maintenance
- Capital Equipment ("Capital Outlay")

Per City of Norman policy, the City Manager's approval is required for any transfers:

- Within a City fund or between departments;
- From salary and benefit category accounts; and
- From operating accounts to capital equipment accounts.

The City Manager has approved all year-end transfers under his authority, based on recommendations from Finance Department staff (see attached memorandum). However, in some cases, expenses could not be covered from available appropriations within the same fund. In these instances, an appropriation of fund balance is required. Oklahoma Statutes specify that

all fund balance appropriations must be approved by the City Council (governing body).

DISCUSSION:

At fiscal year-end (FYE) 2025, seven funds required additional appropriations from fund balance to fully cover expenditures incurred during the year. Adequate fund balance exists in each of these funds to support the recommended appropriations.

In the Special Revenue Fund, an additional \$317,738 needs to be appropriated from fund balance to cover interfund-transfers to the Capital Fund for grant-funded capital projects and Victims of Crime Act grant expenses.

In the Room Tax Fund, an additional \$12,975 needs to be appropriated from fund balance to cover higher administrative fees.

In the Seizures and Restitution Fund, an additional \$856 needs to be appropriated from fund balance to cover bank service fees.

In the Westwood Fund, an additional \$70,764 needs to be appropriated from fund balance to cover higher than anticipated salary and facility repair costs.

In the Risk Management Fund, an additional \$6,815,804 needs to be appropriated from fund balance to cover higher than anticipated health claim payments. Total claim payments for medical, dental, pharmaceutical and administrative charges in fiscal year 2024-2025 were \$17,372,498.

In the Norman Forward Fund, an additional \$1,880 needs to be appropriated from fund balance to cover additional debt service fees.

In the Debt Service Fund, an additional \$220,618 needs to be appropriated from fund balance to cover higher than anticipated interest payments and transfers to the Risk Management Fund.

RECOMMENDATION:

Staff recommends the following appropriations and transfers be approved:

\$301,981 from Special Revenue Fund Balance (account number 22-29000) to Interfund Transfer – Capital Fund (account number 22930194-48050).

\$15,757 from Special Revenue Fund Balance (account number 22-29000) to VOCA Grant Salaries (account number 22660043-42001).

\$12,975 from Room Tax Fund Balance (account number 23-29000) to Management Fees (account number 23330340-44901).

\$856 from Seizures and Restitution Fund Balance (account number 25-29000) to Bank Service Fees (account number 25660138-44750).

\$70,764 from Westwood Fund Balance (account number 29-29000) to Salaries – Part Time (account number 29970133-42002).

\$6,815,804 from Risk Management Fund Balance (account number 43-29000) to Self Insurance – Health Claim Payments (account number 43330105-44420).

\$1,880 from Norman Forward Fund Balance (account number 51-29000) to Debt Service Charges (account number 51930149-47202).

\$32,260 from Debt Service Fund Balance (account number 60-29000) to Debt Service Charges – Interest (account number 60930149-47101).

\$188,358 from Debt Service Fund Balance (account number 60-29000) to Interfund Transfer – Risk Management Fund (account number 60930149-48043).