



CITY OF NORMAN

Fiscal Year 2026-2027 Budget

Overview – General Fund and Special Revenue Funds

Clint Mercer, Finance Director

Kim Coffman, Assistant Finance Director / Chief Accountant

Jacob Huckabaa, Budget Technician

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Building an Inclusive Community



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THE BUDGET IS:

- A Policy Document
- A Financial Plan
- An Operations Guide
- A Public Communication Device



Fiscal Year 2026-2027 Summarized Budget Calendar

- Council Finance Committee Budget Discussions
- Council Capital Budget Study Session (11/18/2025)
- Finance Committee Mid-Year Budget Review (1/15/2026)
- Council Capital Budget Study Session (3/3/2026)
- **Council Budget Study Session – General & Special Revenue (4/28/2026)**
- Public Budget Hearing (4/28/2026)
- Council Budget Study Session – Capital Funds (5/5/2026)
- Council Budget Study Session – Enterprise Funds (5/19/2026)
- Public Budget Hearing (5/26/2026)
- Council Budget Study Session – Optional Follow-up (6/2/2026)
- Council Considers Budget for Adoption (6/9/2026)
- Beginning of Fiscal Year 2026-2027 (7/1/2026)





Format of Budget Documents

Summary → Detail

- City Manager's Letter (Pages i-xii)
- Community Profile Section (Pages 1-9)
 - Demographic/Socioeconomic Information
 - Benchmark Comparisons
 - Ward Map
- Overview/Statistical Section (Pages 11-35)
- Financial Policies (Pages 36-55)
- Financial Summaries (Pages 56-120)
- Fund/Department Detail (Pages 122-471)
 - Mission Statements
 - Organization Charts
 - Goals/Objectives
 - CIP Summaries
 - Outstanding Debt
- Appendices (Pages 472-485)





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FUNDING SOURCES FOR EACH DEPARTMENT						
Divisions	Governmental Funds				Proprietary Funds	
	General Fund	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Enterprise Funds	Internal Service Fund
City Clerk	GF					
City Council	GF					
City Manager	GF					
Finance	GF					
Fire	GF					
Human Resources	GF					
Information Technology	GF					
Legal	GF					
Municipal Court	GF					
Parks & Recreation	GF					
Planning & Development	GF					
Police & Emergency Communications	GF					
Public Works	GF					
Non-Departmental	GF					
Net Revenue Stabilization (Rainy Day)	GF					
CLEET		SR				
Community Development		SR				
Fire - Public Safety Sales Tax		SR				
Police - Public Safety Sales Tax		SR				
Room Tax		SR				
YFAC Fund		SR				
Seizures & Restitution		SR				
Special Grants		SR				
Art in Public Places		SR				
Westwood Park		SR				
Public Transportation		SR				
Sanitation					EN	
Water Reclamation					EN	
Sewer Maintenance					EN	
New Development Excise					EN	
Water					EN	
Risk Management						IS
Capital Projects				CA		
Norman Forward Sales Tax				CA		
Park Land & Development				CA		
University North Park TIF District				CA		
Center City TIF District				CA		
Arterial Roads Recoupment				CA		
General Debt Service			DS			
General Obligation Bond			DS			





Financial Policies

- Budget Adoption required by City Charter
- The Municipal Budget Act (State Statute) was adopted by the City of Norman in January 22, 1980
 - At least 30 days prior to the beginning of each fiscal year, the Chief Executive Officer (City Manager) shall present a proposed budget to the governing body for consideration
 - A Public Budget Hearing must be held at least 15 days prior to the start of the fiscal year (Council opted to add a 2nd public hearing in FYE 2020) with notice and a budget summary published in a local newspaper at least 5 days prior
 - “Balanced” budget adoption required by State Law at least 7 days before the start of the fiscal year
 - The Adopted Budget must be transmitted to the State Auditor and Inspector within 30 days after the beginning of the fiscal year
 - The Adopted Budget must be available to the public in print and electronically





Financial Policies

- Council re-adopts our financial policies with adoption of the budget
- Council appropriates the projected revenues and allocated expenditures with adoption of the budget
- Balanced Budget Requirement = Positive Fund Balance in each fund
- Fund Summaries depict Five-Year Forecasts that are formula-based
- Operating, Capital, and Debt Reserve Policies
- Levelized Utility Rates (5-Year)
- Utility / Room Tax Transfers to the General Fund
- Compliance with Oklahoma Municipal Budget Act





Net Revenue Stabilization Fund – *Reserve Policies*

- Adopted by Ordinance O-1011-58; Amended by Ordinance O-1819-10
- **Minimum** 3% General Fund Operational Reserve in General Fund
- **Mandated** 1% General Fund Emergency Reserve Budget Allocation in the General Fund
- **Minimum** 4% “Rainy Day Fund” Reserve
- **Target** 5% “Rainy Day Fund” Reserve
- **Maximum** 7% “Rainy Day Fund” Reserve
- TOTAL Reserve Levels = 8%-10% of General Fund Budgeted Expenditures





Net Revenue Stabilization Fund – *Reserve Policies*

- Rainy Day Fund Balance appropriation ONLY IF:
 - General Fund 1% Emergency Reserve Allocation has been spent; AND
 - Projected General Fund Balance falls below 1%; AND
 - Federally or State-declared disaster in Cleveland County, after emergency reserve is spent; OR
 - One-time major repair / replacement is required
- For FYE 2027 – Rainy Day Fund is projected to be above **Minimum** Level and \$226,764 below the **Targeted** Level





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Fiscal Year 2026-2027 Budget and Five-Year Projections

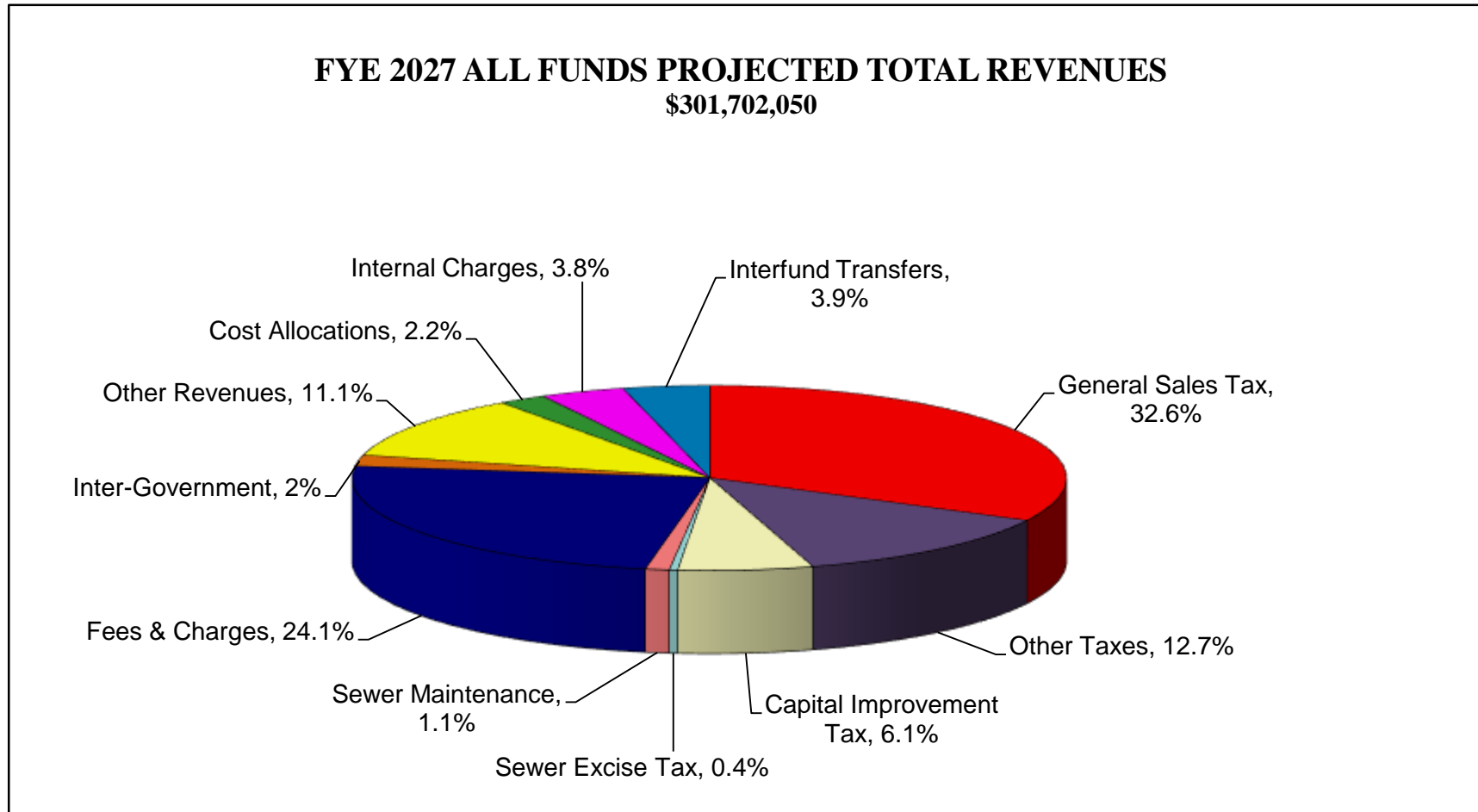
Overriding Theme:

Preserve Fund Balance



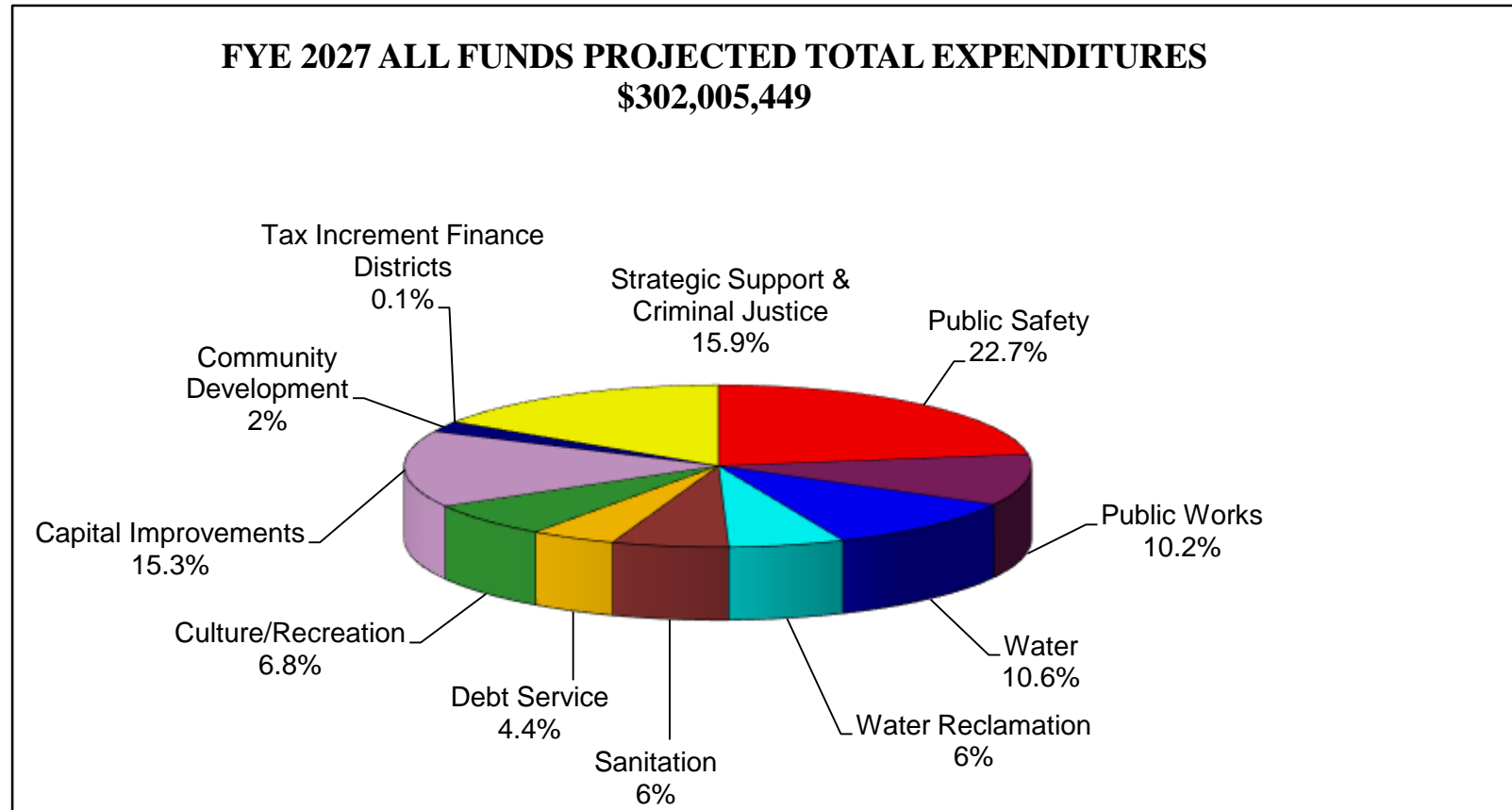


Fiscal Year 2026-2027





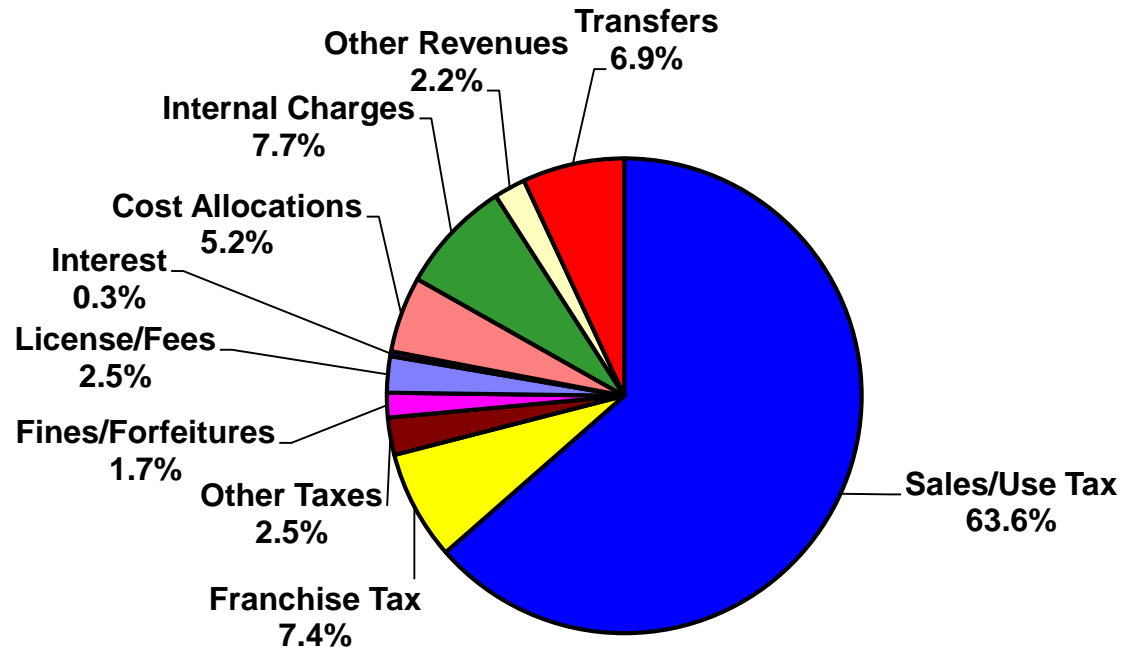
Fiscal Year 2026-2027





Fiscal Year 2026-2027

FYE 2027 GENERAL FUND REVENUES BY SOURCE \$113,492,495

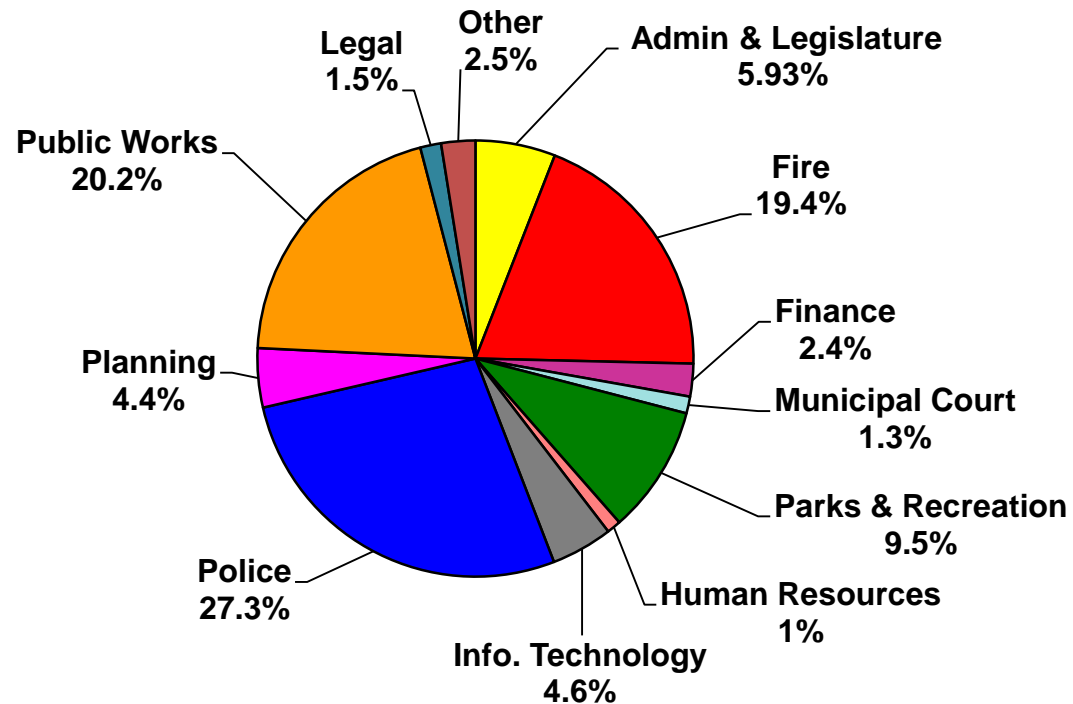




Fiscal Year 2026-2027

FYE 2027 GENERAL FUND EXPENDITURES BY DEPARTMENT

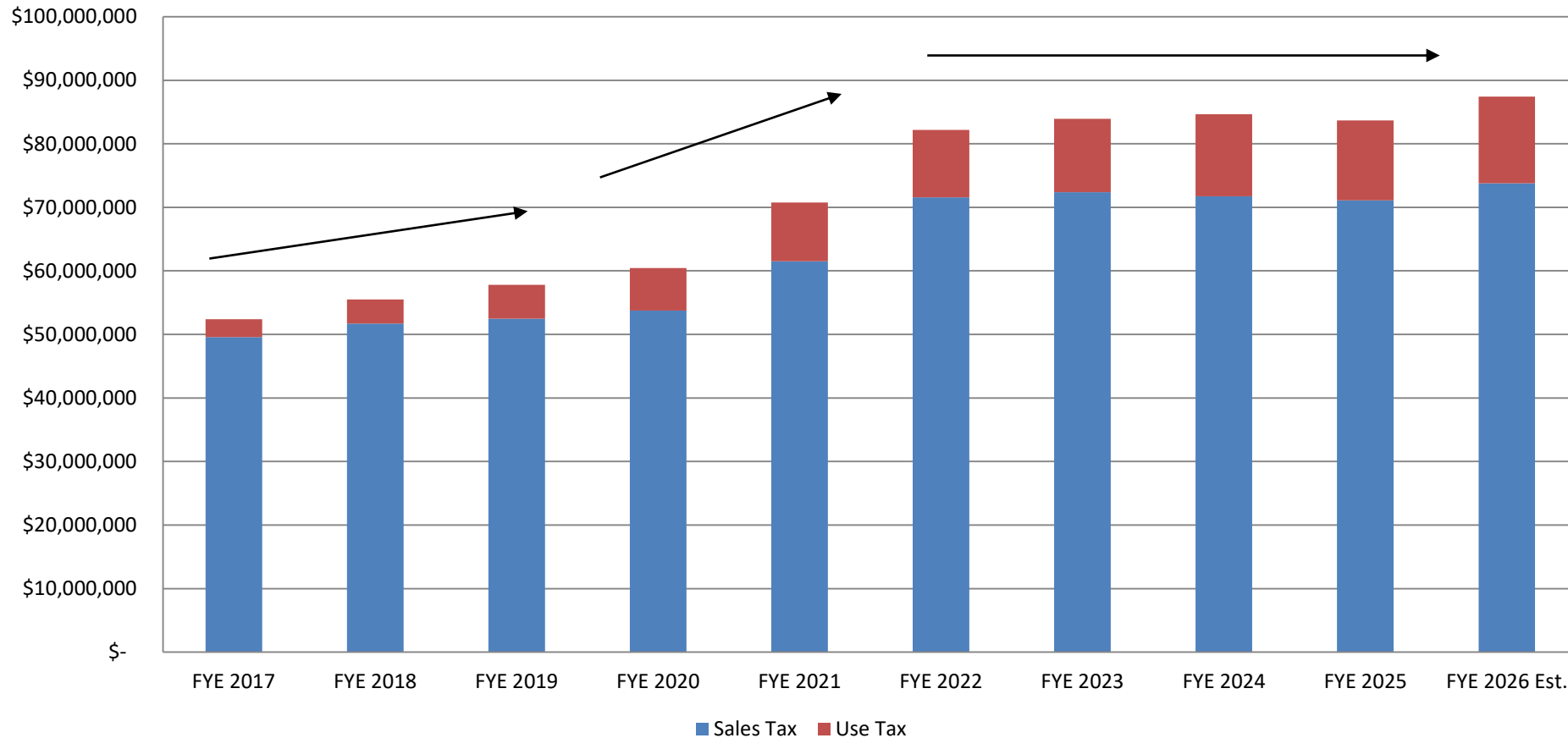
\$112,759,038





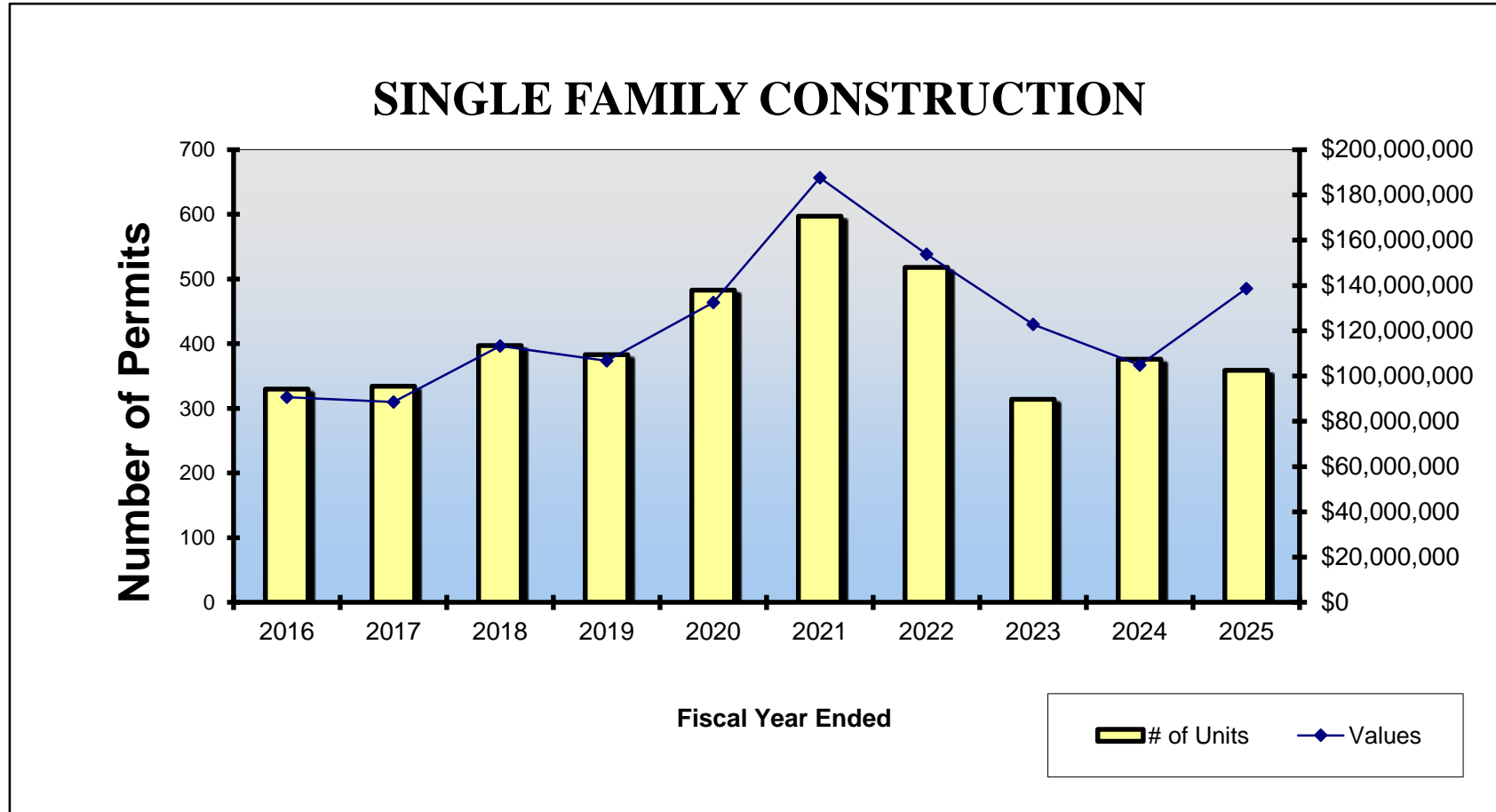
Fiscal Year 2026-2027

General Purpose Sales and Use Tax Revenue History



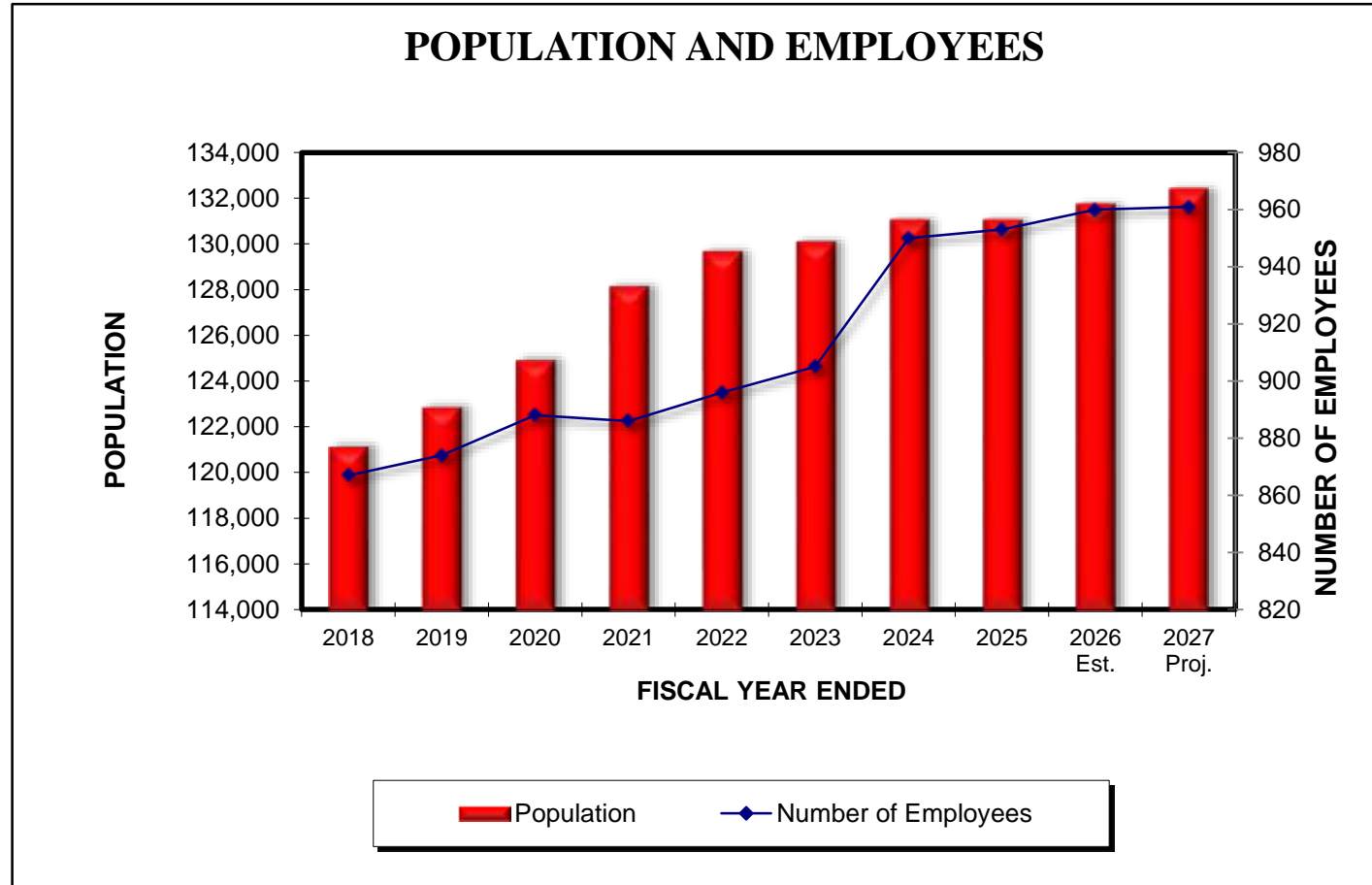


Fiscal Year 2026-2027





Fiscal Year 2026-2027





Personnel Changes, Last 5 Fiscal Years

	FYE 2023	FYE 2024	FYE 2025	FYE 2026	FYE 2027
General Fund	-10, +10	13	2	1	-8
PSST Fund		6			
CDBG Fund	-1	-2			
Special Grants Fund				2	
YFAC Fund		28	-1	3	
Westwood Fund		1			
Water Fund	10		1		7
Water Reclamation Fund		-4	1		1
Sanitation Fund		3		1	2
Public Transportation Fund					-1
	9	45	3	7	1

IN FYE 2026:

- General Fund: Added a part time Oil & Gas Inspector position; cut a part time Parking Service Officer position
- Sanitation Fund: Added a Sanitation Worker II position.
- Special Grants Fund: Added 2 positions from Opioids Grant program.

IN FYE 2027:

- General Fund: Moved 7 Utility Customer Service positions to Water Fund.
- Sanitation Fund: Added Sanitation Worker II and Heavy Equipment Operator.



Major General Fund Revenue Assumptions

- FYE 2027 General Fund Revenue Growth projections from FYE 2026 levels:
 - Sales Tax – modest 1% growth
 - Use Tax – 4% growth
 - Fines/Forfeitures – 3% growth
 - Franchise Fee, Other Tax Revenue – 3% growth
- Transfers from Water and Water Reclamation Utilities of 5% of their revenue (based on private utility payments for taxes and use of ROW) – includes tax on \$8,950,000 OTA payment (\$447,500).
- Transfers from Room Tax for administrative services 4% of Room Tax Revenue
- Cost Allocation charges for central services provided to utilities – includes \$1,250,000 FHWA Grant (15% indirect costs)





Major General Fund Expenditure Assumptions

- Salary and Benefit category expenses budgeted for each position in FYE 2027 based on contractual costs, assuming NO merit or COLAs.
- Five-year projections made to “determine future viability and to provide a base for remedial policy actions”
 - Salary and Benefit costs assumed to grow by 5% per year in FYE 2028-2031
 - Supply and Service costs assumed to grow by 1% per year in FYE 2028-2031
 - Internal Service costs assumed to grow 2% each year in FYE 2028-2031
- Employee Turnover Savings of \$800,000 assumed in FYE 2027 and future years
- “Subsidy” to the Risk Management Fund (Insurance Fund)





Public Safety Sales Tax Fund

- ½ % Public Safety Sales Tax approved in 2008 to fund the addition of 71 police and fire personnel, vehicles, equipment, and 2 new fire stations. Permanently extended in 2014 to add 19 more personnel, and the “Critical Capital Needs” – Radio System Replacement, Emergency Communications and Operations Center (ECOC), Fire Apparatus Replacement Program, and Reconstruct/Relocate Fire Station #5.
- All obligated staff additions have been made as of FYE 2024 and the ECOC is complete
- Relocation of Fire Station #5 is the only remaining obligated Critical Capital Need
- Debt for the Radio System and the ECOC will be paid off in FYE 2027
- 3/8% of PSST revenue to General Fund and 1/8% to Capital Fund when Critical Capital Needs are completed





Room Tax Fund

- Room Tax Rate of 8% currently
 - April 7, 2026 vote increased to 10%
 - Adds overnight stays in recreational vehicle rental spaces
 - Effective July 1, 2026
- Split between participants returned to previous percentages
 - Administrative Fee – 4%
 - Norman Conventions & Visitor Bureau – 50%
 - Norman Arts Council – 25%
 - Parks Department – 25%
- FYE 2027 Fund Balance projected to be \$1,705,055; \$751,672 reserved for Park Development





Young Family Athletic Center (YFAC) Fund

- Accounts for the resources used to operate the 122,000 square foot YFAC athletic facility containing two pools and a gymnasium, which began operating in FYE 2024
- 5 full time employees and 25 part time employees
- NRHS operations – physical therapy
- Retail space – operated by outside vendor
- City took over operations of Concessions area in Fall 2025
- FYE 2027 Revenue projections increased by 25%





Seizures and Restitution Fund

- Revenue from Federal and State property seizures is not budgeted or assumed
- Available fund balance of \$1.1 million estimated at the end of FYE 2026
- \$831,848 in proposed allocations for FYE 2027:
 - \$419,848 to replace 5 police vehicles
 - \$382,000 for software for records management
 - \$30,000 for Pivot Community Intervention Services





Public Transportation Fund

- Accounts for the resources used to operate and maintain Norman's public transportation system
- 8 Full Time Employees
- About 52% of revenues come from 0.125% dedicated sales and use tax, 45% from FTA grants, and the rest from parking fees, misc fees, and other grants
- Projected FYE 2027 revenues exceed projected expenditures by \$596,835





Westwood Park Fund

- Accounts for the resources used to operate the Westwood Golf Course, Tennis Center, and Aquatic Center
- 9 Full Time Employees and 1 Part Time Employee
- FYE 2027 revenue projections increased by 4% over FYE 2026 levels
- Projected FYE 2027 revenues exceed projected expenditures by \$262,593





Other Special Revenue Funds

- Council on Law Enforcement Education and Training (CLEET)
- Community Development Block Grant (CDBG Budget Process)
- Art in Public Places
- Special Grants Fund
- Park Land and Development Fund





Upcoming Council / Public Budget Meetings

- 4/28/2026 – 1st Public Budget Hearing
- 5/5/2026 – Capital Fund Budgets
- 5/19/2026 – Enterprise Funds Budgets
- 5/26/2026 – 2nd Public Budget Hearing
- 6/3/2026 – Optional Budget Study Session (Amendments?)
- 6/9/2026 – Council Considers Budget for Adoption
- 7/1/2026 – Beginning of Fiscal Year 2026-2027





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QUESTIONS

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405-217-7720



Clint.Mercer@Normanok.gov



NormanOK.gov