



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 08/08/2023

REQUESTER: Anthony Francisco, Director of Finance

PRESENTER: Anthony Francisco, Director of Finance

ITEM TITLE: CONSIDERATION OF APPROVAL, ACCEPTANCE, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF CONTRACT K-2324-55: A CONTRACT BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA, NORMAN TAX INCREMENT FINANCE AUTHORITY, NORMAN MUNICIPAL AUTHORITY, THE NORMAN UTILITIES AUTHORITY, NORMAN ECONOMIC DEVELOPMENT AUTHORITY AND MUNICIPAL FINANCE SERVICES, INC., TO PROVIDE FINANCIAL ADVISORY SERVICES TO THE CITY OF NORMAN.

BACKGROUND:

The City of Norman, Norman Tax Increment Finance Authority, Norman Municipal Authority, Norman Utilities Authority and Norman Economic Development Authority have contracted with Municipal Finance Services of Edmond, Oklahoma (MFS) and First Southwest Company of Houston, Texas, for financial advisory services since adoption of Contract K-9697-37, on July 10, 1996. The Agreement provides for financial advisory services related to proposed and approved debt issuances of the City of Norman and its related trusts. The contract was amended on October 10, 2016 to comply with updated Securities Exchange Commission (SEC) and Municipal Security Rulemaking Board (MSRB) regulations, to add advisory services related to tax increment finance districts, and for adjustments to the compensation schedules. First Southwest Corporation was succeeded by Hilltop Securities, under the terms of the City's Financial Advisor Agreement, in 2018. On August 11, 2020 the contract was amended to remove Hilltop Securities as a part of the Financial Advisory team, as Hilltop Securities wanted to participate as a potential underwriter on the City's debt issuances.

Municipal Financial Services has ably aided the City's Finance Department and City Attorney in these various financial functions since the adoption of the Agreement.

DISCUSSION:

Under new standards of the MSRB, financial advisory agreements must be reviewed and/or renewed on an annual basis. While no major changes are anticipated to the City's agreement with MFS, this newly annualized contract is brought forward for Council and Trustees consideration.

RECOMMENDATION:

It is recommended that the City Council and Trustees of the Norman Municipal Authority, Norman Tax Increment Finance Authority, Norman Utilities Authority and Norman Economic Development Authority approve the amended Financial Advisor Service Agreement.