



**CLEVELAND COUNTY BUDGET BOARD
MINUTES
THURSDAY, OCTOBER 01, 2020**

This special meeting was conducted under 25 O.S §306 (C) (Signed and enacted March 18, 2020). The meeting took place in the Board of County Commissioners Meeting Room and through teleconference. Public observing social distancing joined the meeting by calling (346) 248-7799 and used meeting ID is 864 6151 8525. The Password was 619212. Public comment was made by calling ahead to (405)366-0200 to be added to the list.

The special scheduled meeting of the Cleveland County Budget Board was called to order at 10:00 a.m. this 1st day of October 2020, in conference room 200 of the Cleveland County Office Building, 201 South Jones, by Chairman Darry Stacy. Linda Atkins, Deputy County Clerk/Secretary, called roll and those present were:

Darry Stacy, Chairman
Jim Reynolds, Vice-Chairman
Tammy Belinson, Secretary (Was absent at roll call but entered the meeting shortly thereafter.)
Rod Cleveland, Member
Sheriff Blake Green, Member
Harold Haralson, Member
Douglas Warr, Member
Marilyn Williams, Member

Others present were: Assistant District Attorney Kristina Bell, Assistant District Attorney Nate Hales, Stephanie Jackson, Undersheriff Kent Richie, Tyler Crook, Bryan Jenkins, Bryant Rains, Terri Morrow, Melinda Duke, George Mauldin, Jacob McHughes, John Roberts, Brian Wint, Alison Vinson, Kathy Singer, Billijo Ragland, Shannon Largent, Brian Mauck, Daniel Thatcher (by Remote), Melissa Nies, and Mike Reynolds.

A. Items of Business:

1. Tammy Belinson updated on the **FY20/21 Budget**. She said that once she has all of the schools budgets in and then on Friday, October 9th, 2020, she will run them up there on Friday and then that will be fifteen days from that and they are still on schedule.

Darry Stacy said that they are supposed to get a CARES Act appropriation refund on Monday or Tuesday of next week and they will need to appropriate that before the budget is set so that it is available.

Tammy Belinson said that \$4.7 million was received in CARES Act money and asked for clarification.

Darry Stacy said that it is his understanding from the State Auditor's Office that since

it is money to reimburse money that has been expended and will go into the General Fund and they need to appropriate that money before the budget is set.

Tammy Belinson said that they are coming in around October 25, 2020 to finalize the Budget.

Douglas Warr said that last year they were at approximately \$23,725,000.00 and thinks that the County growth this year is around 5.5% and the funds coming in this year should be close to \$25,000,000.00. That will be \$1.25 million more than last year. Once they get the final numbers from Wilson Dotson they will know the amount. He is assuming that \$25.0 million will come into the General Fund from Ad Valorem dollars.

Tammy Belinson said that will help us meet our goal. She asked that a meeting be scheduled to come in and do a budget presentation. Further discussion concerned the County Audit report that the County has not placed one-tenth of the one Mill of its final budget and she has estimated \$260,000.00 and when the final numbers are in that will be adjusted to the actual figure. It could go down as much as \$5,000.00.

The District Court Secretary salary is no longer funded by the County since that person retired. The State will pick up the new employees' salary. The budget was adjusted for those two employees and the cost of testing they did for that particular program. A new Judge may come in next year with different ideas and may not want to continue that program.

Sheriff Blake Green asked about the unemployment expense for the County, because he had heard reports that it could go up dramatically.

Tammy Belinson said if that is true it will impact each one's budget and have not heard the final word. It will be 3% to 7% and is not sure where the County is going to fall in that number. Nothing has been sent out on what agency is going to pay and it will start in January 2021. Ms. Belinson said that it is a budget buster for each one and may have to come back to the Budget Board and, hopefully, there will be enough padding in the budgets to make up the difference. Next year it will be a straight percentage. The Reserve is not as much, but an overestimate was done and that number should come down as much as \$100,000.00. The Reserve is a percentage of the final number.

2. After a brief discussion, Sheriff Blake Green moved, seconded by Rod Cleveland, to approve providing up to \$3,000 for employees with dependents to assist with coverage.

The vote was: Darry Stacy, yes; Jim Reynolds, yes; Tammy Belinson, yes; Rod Cleveland, yes; Blake Green, yes; Harold Haralson, yes; Douglas Warr, yes; Marilyn Williams, yes.

Motion carried.

3. Jim Reynolds moved, seconded by Rod Cleveland, to **approve** a Stipend for Various Health Plans, and to provide to employees that select the basic plan the County will put into their FHSA account \$500.00 and if they choose the high deductible plan the County will put \$1,200.00 in their HSA account. The FHSA account is to be spent within the Fiscal Year and the HSA is money that the employees can save up and can be applied to next year's deductible.

The vote was: Darry Stacy, yes; Jim Reynolds, yes; Tammy Belinson, yes; Rod Cleveland, yes; Blake Green, yes; Harold Haralson, yes; Douglas Warr, yes; Marilyn Williams, yes.

Motion carried.

4. Chairman Darry Stacy called for discussion, consideration, and/or action on the presentation made by American Fidelity.

Rod Cleveland moved, seconded by Tammy Belinson, to name American Fidelity as the single source as a Health Care Provider for FHSA and HSA and whatever supplemental insurance the County currently has will not change, but American Fidelity will be a single source for Health Insurance Benefits.

The vote was: Darry Stacy, yes; Jim Reynolds, yes; Tammy Belinson, yes; Rod Cleveland, yes; Blake Green, yes; Harold Haralson, yes; Douglas Warr, yes; Marilyn Williams, yes.

Motion carried.

5. Chairman Stacy called for discussion, consideration, and/or action on recommendations from the Infrastructure Committee regarding the proposed Cleveland County Parking Garage.

Douglas Warr presented the Board with a handout.

DRAFT RECOMMENDATIONS FOR DISCUSSION PURPOSES ONLY

To: Cleveland County Budget Board
From: Cleveland County Infrastructure Committee
Re: Recommended Structure for Financing a Cleveland County Parking Garage
Date: September 24, 2020

Summary

The Cleveland County Infrastructure Committee (the "Infrastructure Committee") is pleased to present to the Cleveland County Budget Board these recommendations for financing the proposed parking garage facility (the "Facility") to address the current and future parking needs of the Cleveland County (the "County") Courthouse and downtown Norman. The Infrastructure Committee recommends that the County establish a new public trust authority (the "Authority") as a vehicle to issue parking facility revenue bonds (the "Bonds"). The proceeds of the Bonds will be used to construct the Facility and pay related costs of issuance. The Bonds will be repaid through revenues generated by leasing the Facility's parking spaces to the general public. The Bonds should be issued on a federally taxable basis. To obtain the most favorable interest and maturity rates, the Bonds will need to obtain a rating from one of the nationally recognized rating services. To obtain a rating and develop accurate pricing information, the County must update its existing feasibility study for the Facility to accurately assess the revenues that may be generated by the leasing of parking spaces. The County will also need the most recent completed County audits from the State Auditor and Inspector's Office. Each of these recommendations is addressed in greater detail below.

General Description of the Project

Community leaders in both County and City of Norman government have identified a lack of adequate parking as an impediment to the further development of certain areas of the County. The County can alleviate some of the strain caused by inadequate parking in downtown and central Norman by constructing a parking facility on County property adjacent to the County Courthouse. The Facility will contain approximately ~~Three~~ Four Hundred and Ninety (390499) parking spaces for lease to County employees, local businesses, and the public. In addition to the parking spaces, the facility may contain street level retail and office spaces that the County will lease to the public or to County offices.

The Authority

The Infrastructure Committee recommends that the County establish a new public trust authority as a financing vehicle for the parking garage. The County will lease the Facility site to the Authority, and the Authority will issue the Bonds and utilize the proceeds derived therefrom to construct, operate, and maintain the Facility.

The Authority may operate the Facility itself, or it may contract with an outside management group to assume this responsibility

Facility Revenues

The Bonds should be limited, special obligations of the Authority, payable from the revenues generated from the leasing of the Facility's parking spaces. The Bonds will not be a debt or obligation of the County and the County's taxing powers and debt limits will not be implicated. In

DRAFT RECOMMENDATIONS FOR DISCUSSION PURPOSES ONLY

the case of a revenue shortfall, the County will have the ability, but not the obligation, to provide supplemental funds for the payment of principal and interest.

Tax-Status

The Authority should issue the Bonds on a federally taxable basis. Currently, the interest rate which may be obtained for federally taxable bonds is comparable to the federally tax-exempt rate. Additionally, federally taxable bonds are not subject to arbitrage, rebate, private use, spend down, management contract requirements, or other requirements imposed on federally tax-exempt bonds. The flexibility provided by issuing federally taxable bonds outweighs any additional interest cost.

Rating

The Authority should request that the Bonds be rated by one of the major national rating agencies – Moody's, Fitch, or S&P. This rating will give potential investors confidence in the Authority's ability to make principal and interest payments on the Bonds, potentially reducing the overall interest rate on the Bonds.

Feasibility Study Update and Audits

The County, in conjunction with the City of Norman, commissioned independent parking studies in 2015 and 2018. The information in these studies relevant to the Facility should be updated to reflect current parking demand and the projected revenues derived from leasing parking spaces. The Facility revenue projections will determine the total amount of money available to the Authority for the Facility. Updated information will be required for an investment grade rating. This information is also needed by the Authority's financial advisor to develop accurate pricing information and a principal and maturity schedule for repayment of the Bonds.

To obtain a rating, the County will need to have its most recent audits from the State Auditor and Inspector's office available for review. The Infrastructure Committee recommends that the County take appropriate action to ensure that those audits are available.

Conclusion

The Infrastructure Committee recommends that the County immediately take steps to establish a public trust authority to act as a financing vehicle and contract with a contracting firm to update the existing parking garage projections. The County should also take whatever steps are deemed necessary to finalize the outstanding audits. Upon completion of these steps, the Authority should issue taxable parking revenue bonds and utilize the proceeds to construct the parking garage. The bonds will be repaid out of the revenues generated by the facility.

He said that the Infrastructure Committee met last week and has some recommendations to make to the Budget Board today. The draft goes through the steps to finance the Parking Garage if the County decides to build a garage. The recommendations are to establish a new public trust authority as a financing vehicle for the parking garage to solicit bonds and to do an updated feasibility study. Copies of the County's Audits for the last two years are needed as well.

Douglas Warr moved, seconded by Jim Reynolds, to do an updated pro forma study.

Harold Haralson said that this makes the fourth study of this project and asked that the motion include establishing a new public trust authority.

Douglas Warr agreed and said that he will add that to his motion.

Jim Reynolds suggested having the Infrastructure Committee check into the creation of a Parking Authority before their next meeting to know the makeup of the authority and what their role is as an Authority.

He said that if changes to the motion are made, he may have to withdraw his motion. It was explained that the study has to be done to get the bonding issue passed. It was decided to do two separate motions on the study and the parking authority.

Chairman Stacy said that there is a motion and a second to do a **pro forma study** and called for a vote.

The vote was: Darry Stacy, yes; Jim Reynolds, yes; Tammy Belinson, yes; Rod Cleveland, yes; Blake Green, yes; Harold Haralson, yes; Douglas Warr, yes; Marilyn Williams, yes.

Motion carried.

Harold Haralson moved, seconded by Rod Cleveland, to request the **Infrastructure Committee** to move forward in putting together a plan of action to create a parking and a transportation authority.

The vote was: Darry Stacy, yes; Jim Reynolds, yes; Tammy Belinson, yes; Rod Cleveland, yes; Blake Green, yes; Harold Haralson, yes; Douglas Warr, yes; Marilyn Williams, yes.

Motion carried.

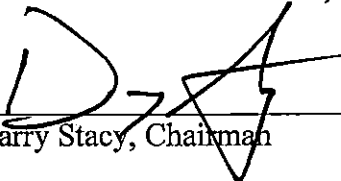
- B. During **Budget Board Members discussions concerning County Business**, it was discussed to schedule a special meeting of the Budget Board for next week on Thursday, October 8, 2020, at 9:00 a.m. and a special meeting of the Excise Board on Thursday, October 8, 2020, at 11:00 a.m. and that will allow two hours for presentations of budgets.

- C. No public comments were made at this time.

- D. There being no further business to come before the Board, Harold Haralson moved, seconded by Jim Reynolds, that the meeting is adjourned at 11:20 a.m.
The vote was: Darry Stacy, yes; Jim Reynolds, yes; Tammy Belinson, yes; Rod Cleveland, yes; Blake Green, yes; Harold Haralson, yes; Douglas Warr, yes; Marilyn Williams, yes.
Motion carried.


(Clerk's Note: The agenda was posted on September 29, 2020, at 9:27 a.m. and the amended agenda was posted at 12:09 p.m. on September 29, 2020.)

**BUDGET BOARD
CLEVELAND COUNTY, OKLAHOMA**



Darry Stacy, Chairman

ATTEST:



Tammy Belinson, County Clerk and Secretary to the Board

Minutes Prepared by: 

Deputy County Clerk

