

Fiscal Year 2024 Budget Presentation

Thank you Chair. The budget before you reflects total proposed expenditures in the coming fiscal year of \$966.8 million.

These funds can be broken into two main categories: capital expenditures of \$117.8 million which are largely determined by voter-approved programs, and operating expenditures of \$849M across all funds which are largely determined by the ten of us as the elected representatives of the citizens. The General Fund, which is our main source for the City's daily operations, is budgeted at \$397.6M, a 5% increase over the previous year.

Outside of the General Fund, which is driven mostly by tax revenue, most of our operating fund are directed toward City utilities. Each year, rates for these utilities are adjusted based on the cost of providing the service. Within this budget, rate increases for City utilities include 3% for water and 4% for sewer. Through deliberate and continued effort over the last 15 years, these utilities have been brought in line with the yearly cost of service. Our stormwater system is in the process of reaching this goal, and is recommended for an 8.5% increase. Our trash system went a decade without any rate increases and last year went through a competitive bidding process to establish the new market rate. This has resulted in a multi-year readjustment of trash rates, and the recommendation in this budget is a 16% increase. The total impact to an average household of these rate increases is \$6.45 per month.

For the City's operations, this budget is guided - as it has been every year of my Administration - by the shared goals identified at our annual Mayor-Council Retreat. Coming out of that retreat, we had 6 main priorities: employee recruitment, retention, and compensation; improving neighborhood conditions; habitability; customer service; and passage of Improve Our Tulsa. We are working together on that last one through a separate program, but this budget has been designed to address each of the first 5 goals.

Our greatest expense as a City is rightly on our greatest asset: our team. The citizens of Tulsa benefit from employing the best team of public servants in any city in the world. Our ability to deliver quality service to the citizens we serve is entirely dependent on the members of our team, and we want this to be the best place for them to work - whether they are going through new employee orientation this week or they are celebrating - as we did recently with a member of our Parks Department staff - 50 years with the City.

Thanks to the strong working relationship we have with the Fraternal Order of Police, we currently have a two-year contract under way with the men and women who serve in the Tulsa Police Department. This budget will honor the second year of that contract.

The Human Resources Department has recommended pay increases for each non-sworn employee group in line with market competition. This budget would fund all of those increases effective January 1.

We remain in negotiation with IAFF Local 176 for a contract that governs firefighter pay and are optimistic we will reach agreement there.

When we talk about building a great workplace for great public servants, we also have to focus on stability. This budget fully funds our 10% Emergency Operating Reserve and continues contributions to the Rainy Day Fund, both existing to protect job stability and service delivery.

And at a time when the challenges of public service seem more complex than ever, and awareness around the need for mental health is prevalent, this budget funds the expansion of our Employee Assistance Program - increasing the number of free counseling sessions team members can utilize.

The top responsibility of the city government is public safety, and the greatest public safety challenge we face is Police Department staffing. I am very grateful for the City Council's support of a signing bonus program for the Tulsa Police Department. It has made a big difference. But we still are not identifying candidates who meet the high standards of the Department at the pace we need to reach our overall staffing goals. While we continue to work toward those staffing goals, including the funding of increased recruitment marketing for TPD, the budget before you represents a modernization of the Tulsa Police Department to make better use of the officers we have.

The budget before you includes civilianization of 12 positions in the Tulsa Police Department currently staffed by uniformed officers that will be handled by civilians moving forward, freeing officers to get out of the office and back in the field. These include everything from special events coordination to a new program of specialists supporting ongoing investigations.

The budget before you also funds significant technology upgrades, including next generation body camera and vehicle camera deployment and IT support for the new Real Time Information Center - the greatest technological advancement for the Department in decades.

This budget continues the signing bonus program for a September academy. We will assess effectiveness after that for future academies.

Thankfully, we do not face the same staffing issues in the Tulsa Fire Department. However, as you well know, the great challenge there is with rundown equipment. While we seek to address this long-term in Improve Our Tulsa, thanks to funding relief through a federal grant, Tulsa Fire Department leadership proposes to use \$3.3M in budget savings to acquire three fire engines and a Hazmat Air Truck.

Thanks to the work of the Pre-Hospitalization Community Health Care Working Group, we know we want to do a more in-depth survey of emergency medical response service stakeholders. This budget funds that survey. Once the Working Group releases its final recommendations, the specifics of that survey can be defined but the estimated funding for it will be available to move forward. I want to thank the members of that Working Group for your commitment to a thorough and honest evaluation of emergency medical response services in Tulsa.

Similarly, our Housing, Homelessness, and Mental Health Task Force continues its research into ways the City can be most helpful in addressing these community challenges. But we already know there are several common themes that are already coming up again and again. One is the need for more housing, which we are working on through our economic development efforts and the proposed Improve Our Tulsa program. But another common need that has been repeatedly cited is for a mental health coordinator employed by the City that manages - at the very least - mental health response by City personnel and possibly also by non-profit providers. This budget funds the creation of that position at the City. I want to thank the members of this task force for your ongoing work to develop new approaches to some of the great issues facing cities today.

Of course, the way most Tulsans access any emergency service is through 9-1-1. We have increased pay in recent years to be more competitive, but we also need to increase staffing in the center. I am thankful we recently graduated 6 new 9-1-1 call takers this month. This budget would fund an additional 6 in the coming year.

The greatest change reflected in this budget is the reorganization of several City departments offices, and agencies into the new Department of Public Works, Department of Water & Sewer, and Department of City Experience. These changes are rooted in our organizational commitment to continuous improvement.

Our new Public Works Department will bring transportation planning, design, engineering, and project management into one cohesive team. We want street projects to be completed more quickly, and we want citizens to be delighted with the end product. We also want a competitive environment for contracting, which results in more efficient use of the taxpayer's dollar. To this end, one of the first requests new Department Director Terry Ball made after his appointment was the project management software long sought by the contracting industry. This will improve management of project progress, status, planning, and financials - and should aid in improvements to timely contractor payments. The acquisition of that project management software is funded in this budget.

Our new Water & Sewer Department will vertically integrate the planning, design, and engineering for water and sewer projects across the City.

I am also excited to announce that this budget funds the relocation of both the Public Works and Water & Sewer Departments to the same floor of One Technology Center where their daily collaboration will be better facilitated.

The biggest change comes with the establishment of the Department of City Experience. The key idea behind this shift is that while we do so many big things as a city, we don't want to lose sight of ensuring high quality of life at a neighborhood level. As my predecessor, Mayor Rodger Randle has said many times: "Tulsa is a city of neighborhoods." And we have great neighborhoods. But we can do a better job of supporting them by unifying thoughtfulness with empowerment to act. That combination is the purpose of this new department.

The Department of City Experience is mostly formed by taking many functions the City previously utilized and combining them into a more cohesive team. These include the former Working In Neighborhoods Department, the Tulsa Planning Office, the Mayor's Office of Resilience and Equity, the special projects team in Engineering Services, and others. All of these services will continue to be provided, now through the Department of City Experience.

But additional services will now also be provided. These include a Citizen Services Advocate, providing concierge customer service support for the Mayor and City Council; a City Design Studio, providing neighborhood-level urban design services for world class placemaking in all parts of the city; (Slide 23) and the new multifamily housing inspection program recommended by the Habitability Working Group. All of these services are provided for in the proposed budget.

Also included in the Department of City Experience is Tulsa Animal Welfare. I am very grateful to the leadership of Sherri Carrier and Colton Jones, who have led a remarkable turnaround there in a short

period of time. This budget includes additional positions for Animal Welfare, including two additional Animal Control Officers, an additional Vet Tech, and a new Outreach Coordinator.

And while it is not housed in the Department of City Experience, this budget also funds the expansion of litter clean-up services citywide, a crucial service to maintaining quality neighborhoods.

In closing, I want to thank our budget team, led by Finance Director Tammy Pitts. They have worked diligently to make sure every taxpayer dollar is utilized responsibly and effectively. We are a fortunate city government to have this Budget team watching over our finances.

And if you've noticed a recurring theme in this budget, it is that this implements the results of collaborative policy development work done over the previous year by the City Council and Mayor's Office. While it sometimes feels like we have a working group or task force for every conceivable issue, the reality is that this Council and my Administration are committed to thoughtful analysis of the big issues facing Tulsa and are prepared to follow through on consensus recommendations. This budget is the result of the Mayor-Council Retreat; the Habitability Working Group; the Housing, Homelessness, and Mental Health Task Force; the Pre-Hospitalization Community Health Care Working Group; and in many cases years of ongoing discussion.

I want to thank each councilor who has committed your time and effort to these evaluations of the opportunities before us. I am grateful for your partnership in the development of this proposed budget.

Thank you.