

Section 2

EXECUTIVE SUMMARY

This section includes the Executive Summary, the Budget Planning Process, the Five-Year Financial Forecast Summary, the Community Profile, and a map showing the Corporate Boundaries and City Council Districts.

This section is for information only and is not part of the ordinance adopted by the City Council.



City of Tulsa 2025 - 2026 Budget and Capital Plan EXECUTIVE SUMMARY

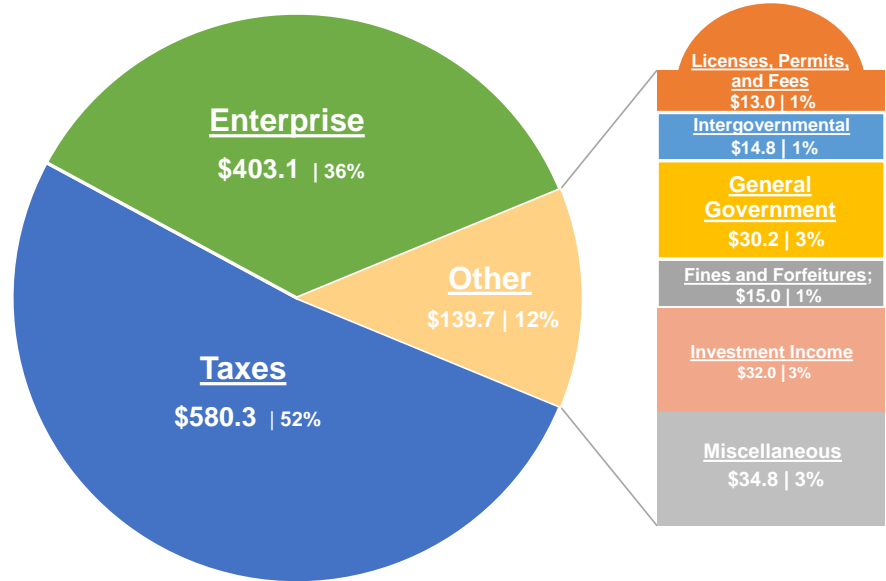
The FY26 total budget is \$1,117,000 – an 8.1 percent increase from the original FY25 amount. The operating budget is \$946,000 and the Capital Improvements budget totals \$171,000. The operating budget is increasing by 2.5 percent and the capital budget is increasing 55.2 percent from FY25. FY26 revenue projections total \$1,123,100,000 and Figure 1 shows amounts by the major categories.

Total expenditure by major program categories are shown on Figure 2. Public Safety consumes 28 percent of total appropriations. Public Works and Transportation make up 37 percent of the budget and includes the transit bus system, street maintenance, water, sanitary sewer systems, stormwater management, and the refuse pickup and disposal functions. Cultural and Recreational programs consume 5 percent of the budget, Social and Economic Development programs make up 5 percent, and Administration 15 percent. Transfers and Debt service are almost 10 percent of the budget. (Figure 2: *Excludes Internal Service Funds; **Excludes Internal Transfers)

MAJOR REVENUE CATEGORIES

(in millions) | Fig 1

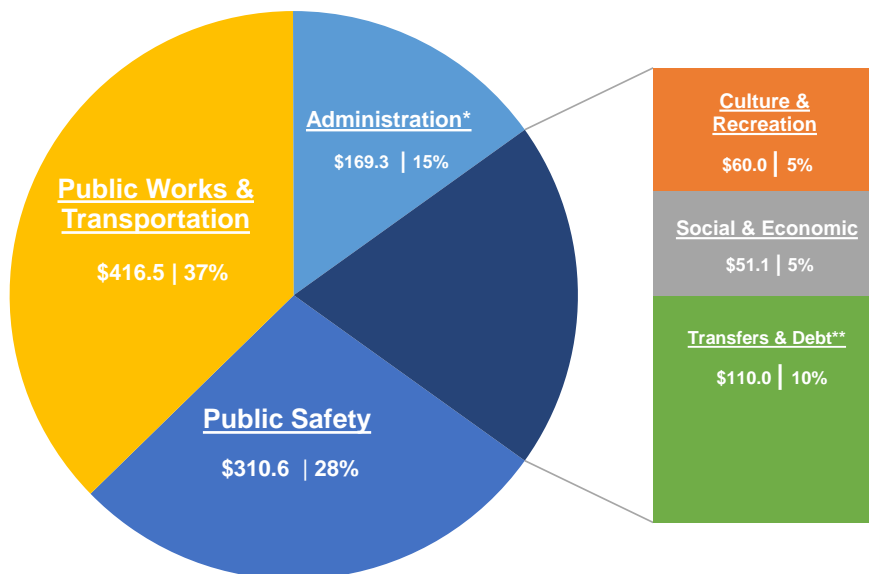
- Taxes
- Licenses, Permits, and Fees
- Intrgymntl Grant Revenues
- General Government
- Enterprise
- Fines and Forfeitures
- Debt Related Revenues
- Investment Income
- Miscellaneous



MAJOR EXPENDITURE CATEGORIES

(in millions) | Fig 2

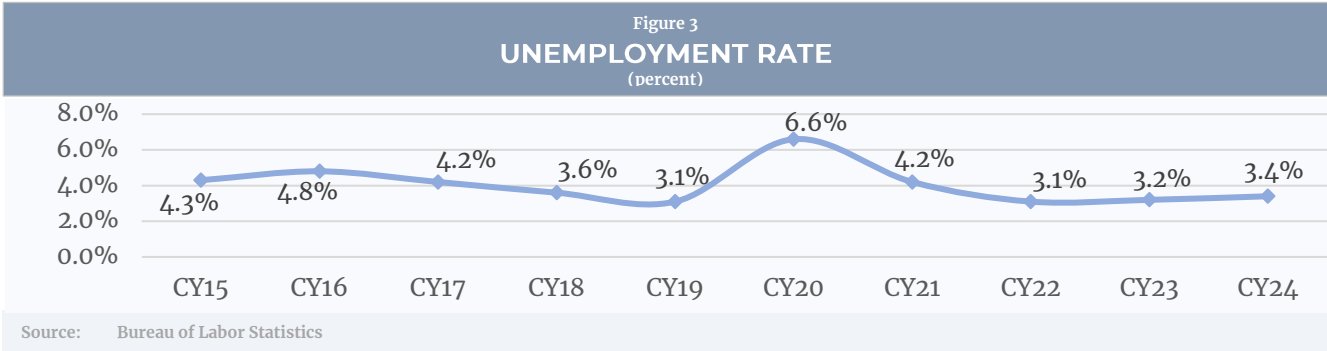
- Public Safety
- Culture & Recreation
- Social & Economic
- Public Works & Transportation
- Administration*
- Transfers & Debt**



ECONOMIC CONDITION

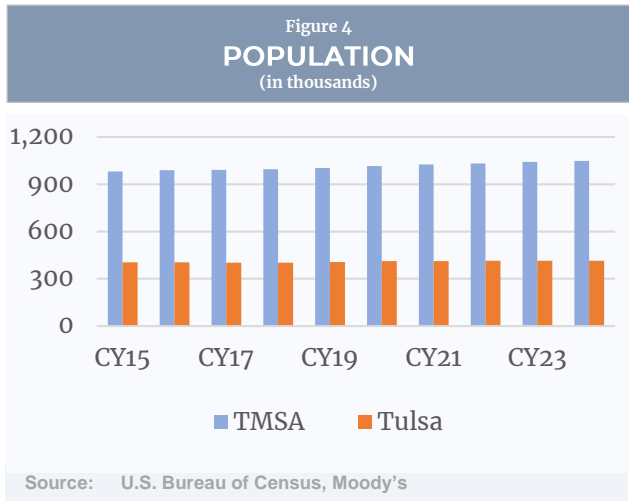
Economic projections indicate that we may experience low to moderate growth during 2026. Unemployment may rise a bit as tighter credit conditions potentially impact growth sectors in the economy. Interest rates are likely to continue to fall as inflation continues to subside. Historically, the Tulsa MSA trends with, but remains below the national unemployment rate. The cyclical nature of Energy and Manufacturing, Tulsa’s main economic drivers, may keep the metro area trending below the national average in the future.

The area’s monthly average labor force increased by a little more than 2 percent from 2023, gaining 10,100 participants in 2024. For comparison, the labor force increased by just 1.4 percent in 2022 and by 3 percent last year. Wage and Salary employment (total non-farm employees) rose by 1.8 percent in 2024 on average, equating to approximately 8,000 jobs. Unemployment remained between 3.0 and 3.7 percent from 2023 throughout much of the year. The average unemployment rate for the Tulsa MSA ended at 3.4 percent in 2024.



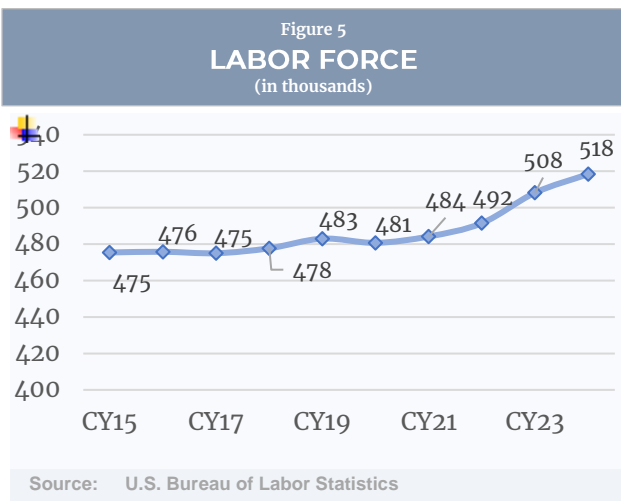
POPULATION

The Tulsa Metro Area (TMSA) population grew just under 1 percent in 2024 to 1,048,200, up from 1,015,300 in 2020. At the same time, the City of Tulsa’s population rose slightly to total 414,400. The median age of a resident in Tulsa in 2023 was 35.5 years. Data sources which provide detailed estimates typically report estimates on a yearly basis; information for 2024 has not been reported yet.



LABOR FORCE

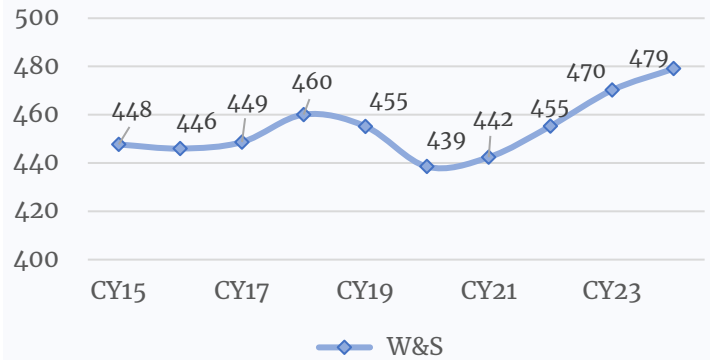
The civilian labor force continues to be historically high, as it increased an average of 10 thousand participants in 2024. This figure is based on a comparison of monthly, non-seasonally adjusted data from the Bureau of Labor Statistics. Buoyed by migration from states like California, Colorado, and Texas, this represents a 2 percent increase from 2023.



WAGE AND SALARY EMPLOYMENT

The Bureau of Labor Statistics provides monthly employment and unemployment data for the Tulsa MSA. The monthly average Wage and Salary (total non-farm) employment increased by nearly 2 percent in 2024. By the end of 2024, the average employment was up 9,000 jobs from the previous year. The largest subsector, Services / total wage & salary employment is expected to be flat in comparison to last year. The average monthly unemployment figures rose a bit from 2023 and ended at 3.4% for 2024. This is still well below the target rate of 4% and indicates a healthy job market and employment situation for our area.

Figure 6
WAGE AND SALARY EMPLOYMENT
(in thousands)

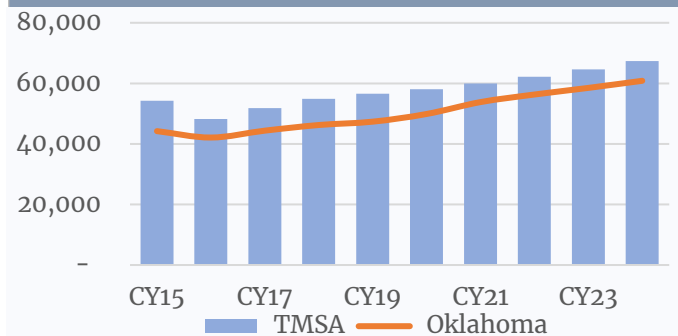


Source: Oklahoma Department of Commerce & Bureau of Labor Stats

PERSONAL INCOME

Per capita personal income grew by 3.9 percent in 2023, and 4.1 percent in 2024. As energy prices stabilized, and the local job market stayed robust, personal income had returned to its previous trend. In 2015 and 2016 we had year-over-year declines as a localized recession hit Tulsa. In 2018 personal income showed gains of 5.8 percent. In 2019 it continued to grow by 3.0 percent along with 2.7 percent growth in 2020. In 2024, the data shows it averaged \$67,317 for our area compared to just over \$60,000 for the state overall.

Figure 7
PERSONAL INCOME



Source: Bureau of Economic Analysis

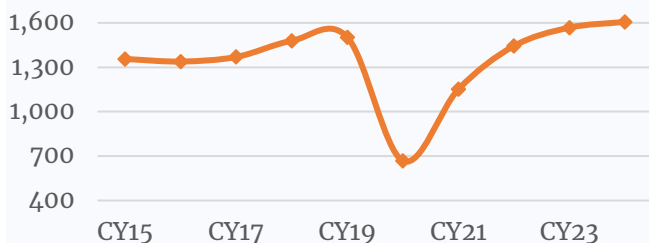
TULSA INT'L AIRPORT

Air passenger counts and freight shipments were higher in 2024, fully recovering from 2020 lows due to the COVID-19 pandemic and its resulting travel precautions. Airport passenger enplanements at Tulsa Int'l Airport topped 1.6 million in 2024. That represents a 2.5% increase from enplanements the previous year.

UTILITIES

The combined water and sewer customer counts reported a slight increase from 2023 to 2024. The number of active water meters was up to 142,500 during 2024, while active sewer customers reached 135,700.

Figure 8
AIRPORT



Source: US Dept of Transportation

REVENUES

WHERE THE MONEY COMES FROM

The Operating and Capital Budgets are financed by the revenue sources identified in the following figures. Total projected revenue for FY26 is \$1,123,096,000, a 5.9% increase from the FY25 original budget. The City projects future financial performance by analyzing historic and current data. Several statistical methods including time-series statistical models and regression analysis to analyze and forecast the most significant revenue sources such as sales tax, use tax, franchise fees and other significant revenues. Historic performance and trends are considered for all revenue sources, where available. Projections of less substantial, more stable revenue sources are often based on the current end-of-year estimate or the most recent 12-month financial performance. Projections are compared to macroeconomic forecasts from local, state, and national publications. In addition, Budget and Planning staff collaborate extensively with other City staff to arrive at a consensus estimate for projections.

LOCAL TAXES

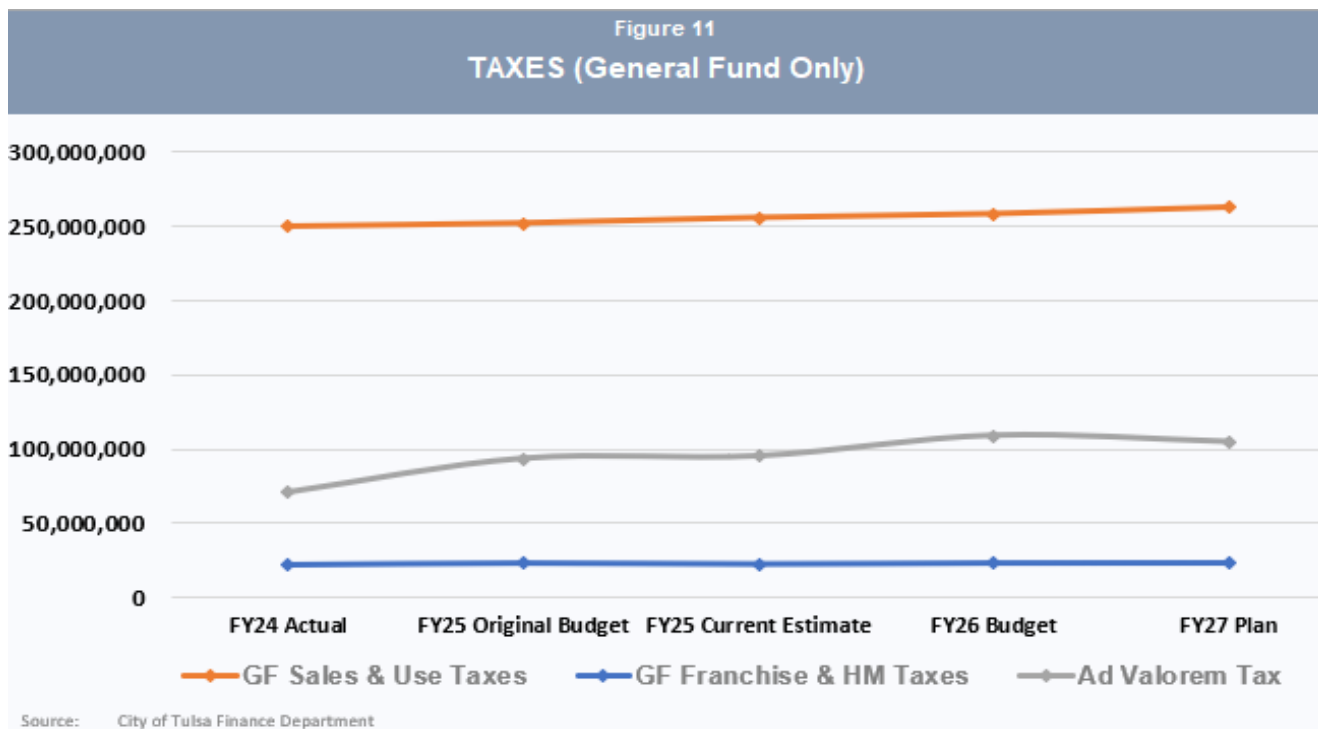
The City has five major tax categories and collectively they will provide 51.7 percent of the projected revenue in FY26.

SALES TAX

The largest source of revenue for the City is sales tax, which accounts for 31.5 percent of FY26 resources. The General Fund receives two (2) cents of the City's sales tax rate for operations and the remaining 1.65 cents are placed in funds for the 2019 Improve Our Tulsa program (.95), the Vision Tulsa (.65) funds, which include Economic Development (.305), Public Safety (.26), and Streets & Transit (.085). Also included in the remaining funds is (.05) cents for the City's Economic Stabilization Reserve. Sales tax receipts of \$354.18 million are projected in FY26, which is a 0.4% increase to the FY25 original budget.

USE TAX

Personal property purchased outside the state and used within the City is also taxed at 3.65 percent. The General Fund receives 3.1 cents of the City's use tax rate for operations and the remaining 0.55 cents are placed in the 2016 Tulsa Economic Vision Fund. The FY26 proposed budget Use Tax projection is \$76.76 million. This figure represents an increase of 11.1% vs. the FY25 Budget.



FRANCHISE TAX/RIGHT OF WAY USER FEES

Franchise Tax/Right of Way (ROW) user fees are collected from Oklahoma Natural Gas (ONG), Public Service Company of Oklahoma (PSO), Cox Communications, AT&T, Trigen, and other miscellaneous users of City ROW. Collectively, ONG and PSO generate 82.5 percent of this category's revenue. In FY26, ONG and PSO fees are projected to produce just over \$25 million. Cable TV subscribership is challenged by streaming apps that allow on demand viewing for customers. FY26 revenue from all Franchise Tax/Right of Way User fees is projected to be \$30,395,000.

HOTEL/MOTEL TAX

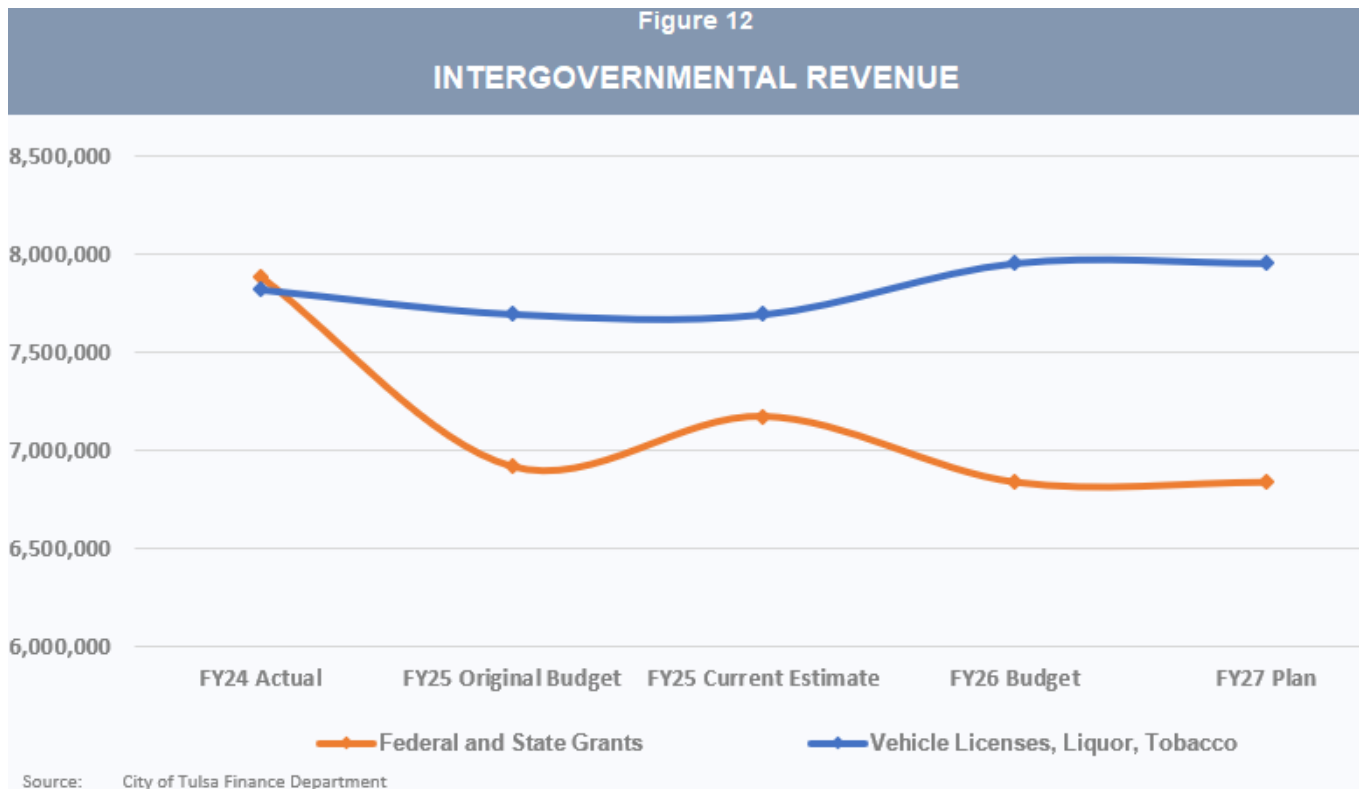
In addition to sales tax, the occupancy of hotel and motel rooms within the City is taxed at 5 percent. Projected FY26 revenue of \$9.9 million is an increase of 2.1 percent from the FY25 budget.

AD VALOREM TAX

The State Constitution requires Tulsa to make an annual Ad Valorem tax levy sufficient to pay for the principal and interest on bonded indebtedness and any court judgments against the City. The tax levy is approved by the County Excise Board. The tax is projected to generate just over \$109 million in FY26.

INTERGOVERNMENTAL REVENUE

The City receives revenue from the Federal, State, and County governments for grants, charges for services, and the taxes on vehicle licenses, liquor, gasoline, and tobacco. In FY26, revenue from the State is projected to be \$7,955,000 for taxes on vehicle licenses, liquor, gasoline, and tobacco. Federal and State Grants of \$6,837,000 are projected for FY26.



GENERAL GOVERNMENT

General Government revenues for the FY26 budget is \$30,192,000 for the City. Indirect Cost for Support, General Government Revenue, Public Safety, Culture and Recreation, and Miscellaneous Government makes up the General Government revenue segment total.

INDIRECT COST FOR SUPPORT SERVICES

The enterprise funds pay a cost recovery charge to the General Fund for their allocated portion of incurred common central expenses. FY26 indirect costs for support service charges are projected to generate \$9,929,000. This amount is a 7.3% percent increase from the FY25 original budget and reflects agreements with entities provided services by the City.

PUBLIC SAFETY

Public safety revenue includes charges for animal shelters, code enforcement, fire protection outside the City, police special events, and hazardous material clean-up charges. FY26 public safety related revenue is projected at \$6.82 million. This amount is going to represent a 15.6% increase from the previous year's budget.

CULTURE AND RECREATION

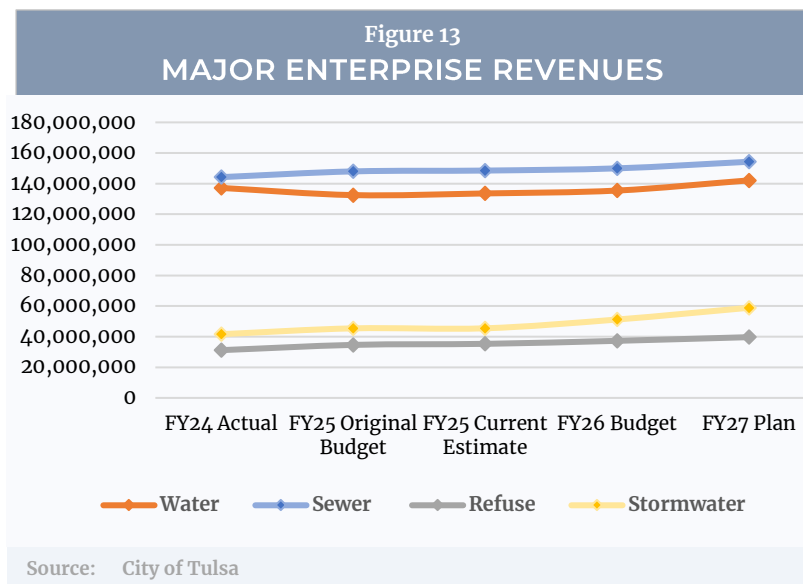
In January 2008, the City entered into a management contract for the management and staffing of the City's four golf courses at Page Belcher and Mohawk. FY26 revenue is estimated at \$5.45 million, which is an increase from the FY25 original budget.

SOCIAL AND ECONOMIC DEVELOPMENT

Social and Economic Development is comprised of Code Enforcement and Nuisance Abatement. The projected revenue for these two accounts is \$1,467,000 for FY26. This is a decrease of \$111,000 in revenue compared to the previous year's budget.

ENTERPRISE REVENUES

Charges for using utility services and emergency medical services are the sources of revenue for the enterprise funds. Utility charges include revenues generated by the water system, the sanitary sewer system, the solid waste disposal service, and the stormwater management program. The Emergency Medical Services Authority (EMSA) fees are collected and used to help fund the operations of emergency medical services.



WATER

The sale of treated water is expected to generate \$137,642,000 in FY26. This represents a 1.6 percent increase from the FY25 original budget. A 4 percent rate increase is planned for the fall of 2025.

SEWER

The treatment and disposal of wastewater is charged to both commercial and residential sewer customers. FY26 revenue is projected to be \$161.63 million. This figure represents a 7.8 percent increase from the FY25 budget. Additionally, a 2 percent rate increase is expected to go into effect October 2025.

STORMWATER

City of Tulsa landowners pay for the operation and maintenance of the City's storm drainage facilities. FY26 revenue is projected to be \$55,940,000, 9.3 percent higher than the FY25 original budget. At this time of this publishing, a 12 percent rate increase is expected to go into effect in October 2025.

REFUSE

The Tulsa Authority for the Recovery of Energy (TARE) is responsible for overseeing the collection and disposal of solid waste within the City. Revenue is generated from charges on trash collection and disposal. FY26 revenue is projected to be \$40.6 million, which is 9.2 percent (\$3.42 million) more than last year's budget. The customer base is projected to be stable.

EMSA

EMSA Utility is expected to generate \$6,530,000 in FY26. This amount is flat to last year's projected level of budgeted revenue.

FINES AND FOREFEITURES

Municipal Court fines and court related fines will generate 43.4 percent of the fine and forfeiture revenue. Other sources of revenue are probationary fees, court penalty assessment fees, and the sale of stolen and confiscated property. The City is projected to receive \$14,976,000 in FY26, an increase of approximately \$574,000 from the FY25 original budget.

INTEREST

FY26 forecasted revenue from interest for all Funds is projected to be just under \$32 million. This amount is 8.55 million more than the FY25 budget amount. This increase is due to the current high-interest rate environment and policies set by the Federal Reserve. Cash balances can be drawn down for scheduled Capital projects. For reference, FY25 EOY estimates show over \$42.5 million in revenue for this category.

LICENSES AND PERMITS

General Fund Revenue from non-business licenses, building inspections, and permits is projected to be \$11,284,000 in FY26. The base number of businesses requiring these licenses is stable. Occupational, taxicabs, amusement /recreation, restaurants, and liquor occupation constitute the business license categories. The revenue from business licenses is expected to produce \$1.71 million in FY26, which is a 10 percent increase from the FY25 budget.

MISCELLANEOUS REVENUE

The City receives revenue from numerous miscellaneous sources including Fee in Lieu, Reimbursements, Recoveries, Program Income, Sale of Property, Donations, and other categories. Total Miscellaneous revenue is estimated at \$34.76 million for FY26. Fee in Lieu make up the largest portion, representing 78.2 percent of all miscellaneous revenue. This amount of total revenue is projected to be 6.3% higher than last year's budgeted amount.

REVENUE ESTIMATE

(amounts expressed in thousands)

REVENUE ACCOUNT	FY 27 FINANCIAL PLAN	FY 26 PLANNED BUDGET	FY 25 CURRENT ESTIMATE	FY 25 ORIGINAL BUDGET	FY 25 ORIGINAL VS. FY 26 DIFFERENCE	
					AMOUNT	PERCENT
<u>Taxes</u>						
Property Tax	\$ 104,809	\$ 109,074	\$ 95,181	\$ 93,506	\$ 15,568	16.6%
Franchise Tax	30,556	30,395	28,681	30,469	(74)	-0.2%
Sales Tax	360,311	354,182	350,254	352,616	1,566	0.4%
Use Tax	78,681	76,761	75,072	69,073	7,688	11.1%
Hotel & Motel Tax	10,103	9,904	9,852	9,697	207	2.1%
Total Taxes	584,460	580,316	559,040	555,361	24,955	4.5%
<u>Licenses, Permits, and Fees</u>						
Business Licenses and Permits	1,713	1,711	1,696	1,555	156	10.0%
Nonbusiness Licenses	11,315	11,284	11,280	10,848	436	4.0%
Total Licenses, Permits, and Fees	13,028	12,995	12,976	12,403	592	4.8%
<u>Intrgvmntl Grant Revenues</u>						
Federal Government Grants	6,837	6,837	7,173	6,918	(81)	-1.2%
State Intrgvmntl Shared Revenue	7,955	7,955	7,694	7,696	259	3.4%
Total Intrgvmntl Grant Revenues	14,792	14,792	14,867	14,614	178	1.2%
<u>General Government</u>						
Indirects	9,929	9,929	9,261	9,256	673	7.3%
General Government Revenue	2,715	2,442	2,038	2,241	201	9.0%
Public Safety and Protection	6,845	6,820	5,914	5,898	922	15.6%
Public Works and Transportation	32	32	32	49	(17)	-34.7%
Culture and Recreation	5,558	5,449	3,878	3,977	1,472	37.0%
Social and Economic Development	1,467	1,467	1,467	1,578	(111)	-7.0%
Miscellaneous	3,839	4,053	3,498	3,480	573	16.5%
Total General Government	30,385	30,192	26,088	26,479	3,713	14.0%
<u>Enterprise</u>						
Water Revenue	143,058	137,637	137,720	135,465	2,172	1.6%
Sewer Revenue	168,291	161,629	154,448	149,963	11,666	7.8%
Stormwater Revenue	61,492	55,940	51,552	51,197	4,743	9.3%
Refuse Revenue	41,739	40,601	38,671	37,179	3,422	9.2%
EMSA Revenue	6,530	6,530	6,530	6,527	3	0.0%
Miscellaneous Utility Revenue	772	760	984	967	(207)	-21.4%
Total Enterprise	421,882	403,097	389,905	381,298	21,799	5.7%
<u>Fines and Forfeitures</u>						
Municipal Court Fines	6,500	6,500	6,323	6,206	294	4.7%
Court Related Fines and Forfeitures	1,128	1,125	1,115	1,108	17	1.5%
Other Fines and Forfeitures	211	211	213	203	8	3.9%
Special Assessments	7,140	7,140	7,154	6,885	255	3.7%
Total Fines and Forfeitures	14,979	14,976	14,805	14,402	574	4.0%
<u>Investment Income</u>						
Interest Earnings	27,996	31,973	42,538	23,437	8,536	36.4%
Total Investment Income	27,996	31,973	42,538	23,437	8,536	36.4%
<u>Miscellaneous</u>						
Fee In Lieu	28,470	27,171	26,161	25,635	1,536	6.0%
Reimbursements	1,320	1,318	1,304	1,679	(361)	-21.5%
Recoveries	1,169	1,169	1,741	1,241	(72)	-5.8%
Program Income	2,000	2,000	2,149	2,107	(107)	-5.1%
Sale of City Property	750	750	1,053	831	(81)	-9.7%
Donations	2	2	2	5	(3)	-60.0%
Other	2,905	2,345	1,873	1,182	1,163	98.4%
Total Miscellaneous	36,616	34,755	34,283	32,680	2,075	6.3%
TOTAL ANNUAL RESOURCES	\$ 1,144,138	\$ 1,123,096	\$ 1,094,502	\$ 1,060,674	\$ 62,422	5.9%

*Charges from Internal service Funds are excluded.

Note: Internal Transfers In are excluded from this analysis.

OPERATING BUDGET

BY PROGRAMS and DEPARTMENTS

(amounts expressed in thousands)

	FY 27 PLANNED BUDGET	FY 26 PLANNED BUDGET	FY 25 ORIGINAL BUDGET	FY 25 VS FY 26 DIFFERENCE	
				AMOUNT	PERCENT
PROGRAMS AND DEPARTMENTS					
Public Safety and Protection	\$ 287,230	\$ 288,074	\$ 277,462	\$ 10,612	3.8%
Municipal Court	4,348	4,217	3,729	488	13.1%
Police	165,830	165,809	159,414	6,395	4.0%
Fire	106,048	106,922	107,300	(378)	-0.4%
Animal Services	3,981	4,103	0	4,103	>500%
Emergency Medical Services Authority	6,760	6,760	6,760	0	0.0%
Tulsa Area Emergency Mgmt.	263	263	259	4	1.5%
Cultural Development And Recreation	38,437	38,004	36,583	1,421	3.9%
Park and Recreation	15,218	15,222	15,308	(86)	-0.6%
River Parks Authority	2,160	2,010	2,525	(515)	-20.4%
Managed Entities - Culture and Recreation	21,059	20,772	18,750	2,022	10.8%
Social and Economic Development	32,193	32,738	37,216	(4,478)	-12.0%
Mayor's Office of Economic Development	1,263	1,324	1,314	10	0.8%
Department of City Experience	10,425	10,982	18,321	(7,339)	-40.1%
Development Services	8,627	8,612	8,165	447	5.5%
Resilience and Equity	1,605	1,594	0	1,594	>500%
Downtown Tulsa Partnership	1,617	1,659	1,609	50	3.1%
Managed Entities - Economic Development	8,656	8,567	7,807	760	9.7%
Transportation and Public Works	318,890	313,310	310,961	2,349	0.8%
Public Works	114,171	112,807	116,374	(3,567)	-3.1%
Water and Sewer	191,656	187,773	182,401	5,372	2.9%
Tulsa Transit	13,063	12,730	12,186	544	4.5%
Administration	178,390	164,140	167,522	(3,382)	-2.0%
Mayor	2,484	2,468	1,418	1,050	74.0%
City Auditor	1,902	1,892	1,625	267	16.4%
City Council	2,118	2,059	1,820	239	13.1%
Legal	5,959	5,895	5,556	339	6.1%
Human Resources	40,167	38,875	36,265	2,610	7.2%
General Government	6,780	4,560	5,077	(517)	-10.2%
INCOG	670	643	620	23	3.7%
Finance	26,928	26,504	28,039	(1,535)	-5.5%
Information Technology	38,072	28,457	33,600	(5,143)	-15.3%
Customer Care	4,485	4,408	4,273	135	3.2%
Communications	1,286	1,280	1,220	60	4.9%
Asset Management	47,539	47,099	48,009	(910)	-1.9%
TRANSFERS AND DEBT	304,520	293,458	273,987	19,471	7.1%
Transfers - Internal & Outside	141,024	142,447	139,702	2,745	2.0%
Debt Service	163,496	151,011	134,285	16,726	12.5%
Total All Funds	1,159,660	1,129,724	1,103,731	25,993	2.4%
Less:					
Internal Transfers	119,677	120,790	119,387	1,403	1.2%
Internal Service Funds	63,383	62,665	61,113	1,552	2.5%
OPERATING BUDGET	\$ 976,600	\$ 946,269	\$ 923,231	\$ 23,038	2.5%

OPERATING BUDGET

BY FUND

(amounts expressed in thousands)

FUND NAME	FY 27 PLANNED BUDGET	FY 26 PLANNED BUDGET	FY 25 ORIGINAL BUDGET	FY 25 VS FY 26 DIFFERENCE	
				AMOUNT	PERCENT
OPERATING FUNDS					
100 General Fund	\$ 424,396	\$ 419,108	\$ 408,898	\$ 10,210	2.5%
110 Debt Service (Sinking Fund)	105,124	95,747	78,580	17,167	21.8%
120 E911 Fee Operating	5,422	5,374	5,331	43	0.8%
121 EMSA Enterprise Fund	8,337	8,334	8,612	(278)	-3.2%
122 Permits & Licensing	614	598	581	17	2.9%
125 P.A. Law Enforcement	73	73	93	(20)	-21.5%
127 Technology Fee Assessment	818	805	782	23	2.9%
130 Economic Development	419	419	493	(74)	-15.0%
131 Convention & Visitors Fund	4,546	4,457	4,498	(41)	-0.9%
132 Convention Fund	4,898	4,825	6,803	(1,978)	-29.1%
141 Tulsa Stadium Improvement	3,979	3,979	3,979	0	0.0%
143 Tourism Improvement District 1	3,016	3,016	2,798	218	7.8%
144 Kendall Whittier Improvement District Fund	53	53	52	1	1.9%
149 Public Ways Fund	5,713	5,704	10,302	(4,598)	-44.6%
150 Public Safety Tax Fund	26,855	26,711	27,371	(660)	-2.4%
151 Streets and Transit Fund	9,072	8,893	8,299	594	7.2%
477 Short Term Capital	21,255	16,986	20,687	(3,701)	-17.9%
500 Office Services	4,449	4,717	5,749	(1,032)	-18.0%
501 Workers' Compensation Fund	6,578	6,575	6,029	546	9.1%
502 Employees' Benefits Fund	27,666	26,473	24,323	2,150	8.8%
503 Equipment Management	24,690	24,900	25,012	(112)	-0.4%
550 One Technology Center Fund	13,104	13,304	12,838	466	3.6%
560 Stormwater Operating	60,609	60,446	57,312	3,134	5.5%
570 Golf Course Operations	5,146	5,115	3,730	1,385	37.1%
580 Airforce Plant 3 Operating	31	177	2,114	(1,937)	-91.6%
600 Municipal Employee Pension	587	493	471	22	4.7%
730 TARE	44,651	42,132	40,208	1,924	4.8%
740 Water Operating	166,742	164,673	163,168	1,505	0.9%
750 Sewer Operating	172,483	167,303	165,950	1,353	0.8%
2000 Community Development Block Grant	5,592	5,592	5,626	(34)	-0.6%
2001 Home Investment Partnership Program	1,610	1,610	1,931	(321)	-16.6%
2002 Emergencies Solutions Grant	307	307	310	(3)	-1.0%
2003 Housing Opportunities for Persons w/ AIDS	825	825	801	24	3.0%
Total Operating Funds	1,159,660	1,129,724	1,103,731	25,993	2.4%
Less:					
Internal Transfers	119,677	120,790	119,387	1,403	1.2%
Internal Service Funds	63,383	62,665	61,113	1,552	2.5%
OPERATING BUDGET	\$ 976,600	\$ 946,269	\$ 923,231	\$ 23,038	2.5%

CHANGES BY MAJOR EXPENDITURE CATEGORY

ALL OPERATING FUNDS

(amounts expressed in thousands)

Expenditure Category	FISCAL YEAR			FY 25 VS FY 26	
	FY 27	FY 26	FY 25	CHANGE	
	PLANNED BUDGET	PLANNED BUDGET	ORIGINAL BUDGET	DOLLAR	PERCENT
Personal Services	\$ 440,303	\$ 435,704	\$ 421,967	\$ 13,737	3.3%
Materials & Supplies	44,700	44,336	47,308	(2,972)	-6.3%
Other Charges	310,180	301,306	295,678	5,628	1.9%
Operating Capital	53,197	48,160	58,031	(9,871)	-17.0%
Debt Service	163,496	151,011	134,285	16,726	12.5%
Transfers Out	147,784	149,207	146,462	2,745	1.9%
	1,159,660	1,129,724	1,103,731	25,993	2.4%
Less:					
Internal Transfers and Internal Services	183,060	183,455	180,500	2,955	1.6%
Total Operating Budget	\$ 976,600	\$ 946,269	\$ 923,231	\$ 23,038	2.5%

TOTAL BUDGET

(amounts expressed in thousands)

FISCAL YEAR	OPERATING BUDGET	CAPITAL BUDGET	TOTAL
Original 2024 - 2025	\$ 923,231	\$ 110,315	\$ 1,033,546
Adopted 2025 - 2026	\$ 946,269	\$ 171,154	\$ 1,117,423
Dollar Amount Change	\$ 23,038	\$ 60,839	\$ 83,877
Percentage Difference (%)	2.5%	55.2%	8.1%
Planned 2026 - 2027	\$ 976,600	\$ 152,626	\$ 1,129,226

CAPITAL BUDGET

BY FUND

(amounts expressed in thousands)

FUND NAME	FY 27	FY 26	FY 25	FY 25 VS FY 26		FY 24 ACTUALS
	PLANNED	PLANNED	ORIGINAL	DIFFERENCE		
	BUDGET	BUDGET	BUDGET	AMOUNT	PERCENT	
CAPITAL FUNDS						
409 2022 Sales Tax Fund	0	37,529	36,123	1,406	-3.7%	38,728
410 2023 Sales Tax Fund	89,260	65,173	0	65,173	-100.0%	0
4000 2016 Tulsa ED Vision Fund	35,899	35,571	67,048	(31,477)	88.5%	68,728
5600 Stormwater Capital Projects	7,370	7,985	6,670	1,315	-16.5%	7,091
7400 TMUA Water Capital Projects	22,449	24,177	23,520	657	-2.7%	30,854
7500 TMUA Sewer Capital Projects	41,569	40,172	42,495	(2,323)	5.8%	39,873
Total Capital Funds	196,547	210,607	175,856	34,751	16.5%	185,274
Less:						
Transfers	43,921	39,453	65,541	(26,088)	-66.1%	69,647
CAPITAL BUDGET	\$ 152,626	\$ 171,154	\$ 110,315	\$ 60,839	55.2%	\$ 115,627

CAPITAL BUDGET

BY DEPARTMENT

(amounts expressed in thousands)

DEPARTMENT	FY 27	FY 26	FY 25	FY 25 VS FY 26		FY 24 ACTUALS
	PLANNED	PLANNED	ORIGINAL	DIFFERENCE		
	BUDGET	BUDGET	BUDGET	AMOUNT	PERCENT	
Finance	\$ 0	\$ 0	\$ 0	\$ 0	N/A	\$ (374)
Asset Management	5,000	5,000	900	4,100	455.6%	0
Police	0	0	0	0	N/A	200
Fire	7,461	22,522	2,890	19,632	>500%	4,300
Engineering Services	0	0	0	0	N/A	(131,541)
Public Works	28,772	23,732	10,710	13,022	121.6%	97,463
Water And Sewer	71,388	72,334	72,685	(351)	-0.5%	123,297
Parks And Recreation	14,500	21,980	9,300	12,680	136.3%	7,278
Planning and Neighborhoods	25,355	17,036	5,330	11,706	219.6%	13,215
Development Services	0	0	0	0	N/A	(239)
Mayor's Office Of Eco Development	0	1,300	2,350	(1,050)	-44.7%	685
INCOG	0	0	0	0	N/A	(4,007)
Elected Officials - Mayor's Office	150	150	1,550	(1,400)	-90.3%	1,550
Tulsa Transit	0	7,100	4,600	2,500	54.3%	3,800
Transfers To Other Funds	43,921	39,453	65,541	(26,088)	-39.8%	69,647
Total Capital Funds	196,547	210,607	175,856	34,751	19.8%	185,274
Less:						
Transfers	43,921	39,453	65,541	(26,088)	-39.8%	69,647
CAPITAL BUDGET	\$ 152,626	\$ 171,154	\$ 110,315	\$ 60,839	55.2%	\$ 115,627

CHANGES IN CAPITAL IMPROVEMENT FUNDS

The FY26 capital budget totals \$ 190,520,000 (net of debt service) – a \$65,827,000 increase, 53.0 percent, from FY25. In addition to this, it is anticipated that the City will appropriate an additional \$164,801,000 in off-cycle capital dollars in FY26.

In FY14, voters approved the Improve Our Tulsa capital program to begin at the conclusion of the Fix Our Streets program in FY15. This program has provided \$918,700,000, of which \$355,000,000 was provided through general obligation bonds with the remaining \$563,700,000 coming from the extension of a capital improvements sales tax. The sales tax funding concluded in FY21 and the final general obligation bonds series issued in FY25. This initiative was designed primarily to address streets and transportation needs; however, notable funds have been directed towards citywide and departmental capital needs as well.

In FY16, voters approved the Tulsa Vision Economic Development Program. This program will provide \$510,634,000 in funds to address economic development projects across the City. This program was partially advanced funded with three revenue bonds issued for a total of \$349,700,00. The remaining funding is appropriated annually, FY17 through FY2032. For the program overall, \$449,109,000 has been appropriated to date.

In FY20, the citizens approved the Improve Our Tulsa II capital program, with funding beginning FY22 at the conclusion of Improve Our Tulsa I. This program will fund \$639,000,000, with \$193,000,000 being funded from sales tax, another \$427,000,000 being financed through general obligation bonds, and finally, \$19,000,000 being collected from sales tax but held in the Economic Stabilization Fund as a rainy-day reserve. Appropriations to date: \$150,356,112 in sales tax appropriations; \$224,405,000 in general bond issuances.

Most recently in FY24, the citizens approved the Improve Our Tulsa III capital program. This program will fund \$815,415,000 in projects, with \$430,515,000 being funded from extension of the existing sales tax and will begin collections in January 2026 at the conclusion of Improve Our Tulsa II program. Additionally, \$384,900,000 will be financed through general obligation bonds. Appropriations to date: \$156,225,000 in general bond issuances.

Public Safety and Protection

FY26 appropriations in this category total \$39,197,000, which includes \$22,522,000 for fire apparatus and equipment and an additional \$16,500,000 for Police/Fire equipment maintenance.

Cultural Development and Recreation

FY26 appropriations in this category total \$40,260,000, which includes \$17,625,000 for park facilities improvements; \$7,700,000 for Tulsa Zoo entrance, parking rehabilitation, and facilities maintenance; and \$11,560,000 is being appropriated for River Parks in FY26 for the south Tulsa dam and related amenities.

Public Works, Transportation, and Infrastructure

FY26 total “pay as you go” appropriations in this category total \$91,344,000. This total does not include \$135,825,000 in general obligation, revenue bonds, and State Revolving Fund (SRF) loans, which are off-cycle appropriations and not included in the annual adopted budget. Water system improvements are primarily targeted to the City’s treatment and distribution systems, however as recommended by the current Water/Sewer Comprehensive Plan, the City continues to direct more funding towards the rehabilitation of water and sewer related facilities. In FY26, water projects will receive a total of \$46,719,000. Sanitary sewer projects will receive appropriations of \$75,172,000 in FY26. Funding continues to be fairly distributed between citywide needs and specific treatment plant and lift station improvements. There will be \$13,069,000 appropriated for citywide water main replacements, reflecting the Tulsa Municipal Utility Authority’s (TMUA) dedication to replace a dedicated percent annually. Additionally, Automatic Meter Reading Upgrades/Installation will receive \$20,600,000. Lastly, Stormwater will receive \$16,635,000 in FY26 to begin implementation of projects recommended as part of the Stormwater Utility Enterprise Initiative.

Public Works, Transportation, and Infrastructure will receive: \$44,708,000 in allocations from the sixth issue of the 2020 Improve Our Tulsa II General Obligation Bond Program, and \$41,600,000 in allocations from the fifth

issue of the 2023 Improve Our Tulsa III Bond Program. Of these dollars, Street and Expressways will receive the bulk of appropriations for improvements including major street rehabilitation and road widening, bridge replacement and repair, and various traffic control projects. Additionally, \$29,590,000 will be allocated to address facility needs citywide from Improve Our Tulsa II and Improve Our Tulsa II sales tax.

Social and Economic Development

Economic development related projects will receive allocations of \$21,999,000 in FY26. \$16,774,000 of these funds will be for Housing initiatives and Neighborhood Revitalization. Another \$4,550,000 will be appropriated for Economic Development Infrastructure and Community Development Priority Projects. Lastly, \$675,000 will be appropriated for Citywide & Route 66 Beautification and Tulsa Arts Commission projects.

Conclusion

FY21 was the final year of appropriations within the Improve Our Tulsa I sales tax capital program. However, funded projects will continue until completion within the program. FY26 will be the fourth and final full year of the Improve Our Tulsa II sales tax capital program, which will continue the focus of Improve our Tulsa I. Additionally, FY26 will continue the general obligation bond program portion of Improve Our Tulsa III in tandem with previous Improve Our Tulsa bond programs. The City will continue to utilize loans and revenue bonds to finance water and wastewater treatment plant improvements to address plant maintenance backlogs. Under current policy, many enterprise capital needs will continue to be financed through user charges and revenue bonds, as these systems are self-supporting.

IMPACT OF FY26 CAPITAL IMPROVEMENTS ON THE OPERATING BUDGETS

The City of Tulsa's capital budget has a direct impact on the City's operating budget. Some improvements may reduce financial obligations on the General Fund by creating cost-saving opportunities. However, some improvements funded in the capital budget will increase the City's operating expenses. These obligations may include increased maintenance costs, janitorial services, utilities, and personnel. Therefore, as part of preparing the Capital Improvements Plan (CIP), estimates are submitted by sponsoring departments regarding future operating costs that these projects may incur. A full listing of projects receiving funding in FY26 and FY27 are listed in section 6, Fiscal Year 2025-2026 Capital Budget.

The City continues its focus on renovation and rehab of existing infrastructure, which began in the 2005 Capital Improvement Bond Program and as evidenced by the 2020 Improve Our Tulsa Sales Tax Program. Many projects in these programs focused on the rehabilitation or repair of existing assets which often have little to no additional impact on the General Fund. New construction or expansion projects will continue to be minimal for the foreseeable future. Moreover, as in prior years, considerable funding from the voter-approved capital packages will be appropriated for the rehabilitation of streets and expressways throughout the City of Tulsa. In FY26, street improvements are estimated to have bond issuances of \$69,634,000. As more arterial and non-arterial streets are improved, the annual maintenance costs on existing roads should lessen as the aggregate useful life of the street system rises across the city.

The anticipated General Fund impact of recently completed capital projects will grow in FY26 and beyond. For example, the completion of the South Tulsa Dam is estimated to cost an additional \$300,000 in annual operating costs. Additionally, ADA Improvements for City Parks are anticipated to require an additional \$30,000 for operating expenses. An example in years to come is a second phase of the Animal Welfare expansion that is being planned. Annual personnel expenses related to this expansion have been estimated at \$420,000.

Currently, it is difficult to get an accurate picture of the potential operating impact of projects proposed and approved. Thus, initially funded projects may lack sufficient annual funding to support continued operations. Therefore, research will need to be conducted to explore the best practices to enable operating departments and city officials to have visibility and accountability of the long-term viability of potential projects.

FISCAL YEAR 2026
ALL FUNDS COMPARISON OF REVENUE AND EXPENDITURES
(amounts expressed in thousands)

	General Fund	Special Revenue	Special Assessment	Debt Service	Grants
BEGINNING BALANCE	\$ 62,319	\$ 68,056	\$ 769	\$ 91,391	\$ 0
RESOURCES					
Taxes	\$ 283,051	\$ 48,273	\$ 6,661	\$ 108,226	\$ 0
Licenses, Permits, and Fees	11,953	729	0	0	0
Intrgvmntl Grant Revenues	8,460	0	0	0	6,332
General Government	15,625	5,025	0	0	0
Enterprise	0	0	0	0	0
Fines and Forfeitures	6,968	875	7,090	0	0
Debt Related Revenues	0	0	0	0	0
Investment Income	13,711	1,418	39	0	0
Miscellaneous	32,161	0	0	0	2,000
TOTAL	\$ 371,929	\$ 56,320	\$ 13,790	\$ 108,226	\$ 8,332
Transfers In	\$ 35,311	\$ 16,116	\$ 0	\$ 155	\$ 0
Internal Service Charges	0	0	0	0	0
GRAND TOTAL	\$ 407,240	\$ 72,436	\$ 13,790	\$ 108,381	\$ 8,332
EXPENDITURES / EXPENSES					
Public Safety and Protection	\$ 238,550	\$ 42,114	\$ 0	\$ 0	\$ 0
Cultural Development And Recreation	28,465	4,424	0	0	0
Social and Economic Development	20,398	6,034	4,677	0	1,558
Transportation and Public Works	38,643	12,202	3,548	0	290
Administration	82,585	2,171	53	0	6,484
Transfers to Other Funds	10,467	2,196	4,474	0	0
Debt Service	0	0	0	95,747	0
GRAND TOTAL	\$ 419,108	\$ 69,141	\$ 12,752	\$ 95,747	\$ 8,332
RESOURCES LESS OUTLAYS	\$ (11,868)	\$ 3,295	\$ 1,038	\$ 12,634	\$ 0
BALANCE	\$ 50,451	\$ 71,351	\$ 1,807	\$ 104,025	\$ 0
Less:					
Operating and Other Reserves	(37,126)	0	(115)	(63,269)	0
END OF YEAR BALANCE	\$ 13,325	\$ 71,351	\$ 1,692	\$ 40,756	\$ 0

FISCAL YEAR 2026
ALL FUNDS COMPARISON OF REVENUE AND EXPENDITURES
(amounts expressed in thousands)

	Capital Projects	Trust and Enterprise	Internal Service	TOTAL
BEGINNING BALANCE	\$ 160,386	\$ 58,674	\$ 4,510	\$ 446,105
RESOURCES				
Taxes	\$ 134,105	\$ 0	\$ 0	580,316
Licenses, Permits, and Fees	0	313	0	12,995
Intrgvmntl Grant Revenues	0	0	0	14,792
General Government	0	9,542	0	30,192
Enterprise	0	403,097	0	403,097
Fines and Forfeitures	0	43	0	14,976
Debt Related Revenues	0	0	0	0
Investment Income	8,639	8,166	0	31,973
Miscellaneous	0	594	0	34,755
TOTAL	\$ 142,744	\$ 421,755	\$ 0	\$ 1,123,096
Transfers In	\$ 74,334	\$ 28,247	\$ 0	\$ 154,163
Internal Service Charges	0	0	62,683	62,683
GRAND TOTAL	\$ 217,078	\$ 450,002	\$ 62,683	\$ 1,339,942
EXPENDITURES / EXPENSES				
Public Safety and Protection	\$ 22,522	\$ 7,410	\$ 0	\$ 310,596
Cultural Development And Recreation	21,980	5,115	0	59,984
Social and Economic Development	18,336	70	0	51,073
Transportation and Public Works	103,166	258,627	0	416,476
Administration	5,150	11,359	62,665	170,467
Transfers to Other Funds	39,453	124,132	300	181,022
Debt Service	0	55,264	0	151,011
GRAND TOTAL	\$ 210,607	\$ 461,977	\$ 62,965	\$ 1,340,629
RESOURCES LESS OUTLAYS	\$ 6,471	\$ (11,975)	\$ (282)	\$ (687)
BALANCE	\$ 166,857	\$ 46,699	\$ 4,228	\$ 445,418
Less:				
Operating and Other Reserves	0	(23,009)	0	(123,518)
END OF YEAR BALANCE	\$ 166,857	\$ 23,690	\$ 4,228	\$ 321,900

DEVELOPMENT OF THE FISCAL YEAR 202652026

OPERATING AND CAPITAL BUDGET

September 2024	Early September: Department Directors debriefing on FY25 Budget Process.
September 2024	Mid-September: City Council debriefing on Budget. General discussion of changes and /or improvements. Discuss with Council the timing of the FY25 Compendium of Needs process.
October 2024	The Finance Department Budget and Planning Division notifies all departments that new capital requests and any revisions to previous submissions are due in November. A list of non-funded capital requests is provided to ensure they are all reviewed and updated.
November 2024	Departments review previous capital requests to ensure all information is still current and prepares new capital requests.
December 2024 – February 2025	Budget and Planning Division reviews all new capital requests. Projects are forwarded to the Indian Nations Council of Governments (INCOG) for review and comment and for presentation to the Tulsa Metropolitan Area Planning Commission (TMAPC).
December 2024	Budget and Planning Division distributes Budget Manual and other operating budget preparation material to departments. Meetings are held with departments' staff responsible for completing budget requests.
January 2025	Deadline for departments to submit operating budget requests and related supporting material.
February 2025	Proposed new capital projects are presented to TMAPC for review. TMAPC finds that the projects are in conformance with the City's comprehensive plan.
February 2025	Budget and Planning Division reviews budget requests and prepares summary reports. The Mayor and Management Team review the reports, preliminary revenue estimates and significant issues. Mayor briefs Council on Budget requests and preliminary revenue estimates.
February – March 2025	Budget and Planning Division, in close collaboration with departments, develops a proposed five-year capital improvements schedule - the first year of which will be the upcoming fiscal year's proposed capital budget.
March – April 2025	Mayor and Management Team are briefed on departments' requests. They make the policy decisions necessary to prepare a balanced budget for City Council consideration.
April 30, 2025	Mayor presents proposed Budget and CIP to City Council.
May 2025	City Council reviews proposed Budget and CIP. As part of the process, the City Council holds hearings, one official as required by State Law, and interviews the Mayor and various department directors, as part of the deliberations.
June 11, 2025	Adoption of Budget, Capital Improvements Plan, and approval of resolutions related to trusts and their debt.

LONG RANGE FINANCIAL PLANNING

FOR FISCAL YEARS 2026-2030

INTRODUCTION

This summary provides a general description of the long-range financial planning efforts associated with the City's General Fund and Enterprise Funds for Fiscal Years (FY) 2026 thru 2030 and includes each fund's original FY25 budget as adopted by the City Council and approved by the mayor. The annual report is prepared to provide policy makers with the most current information needed to make judgments about the major financial policy issues facing the City of Tulsa. It is not a detailed line-item spending plan, service delivery plan, or budget for the next five years, but an examination of how issues will affect Tulsa's financial condition. It has been designed to meet the following objectives:

- Provide the Mayor and City Council with information about potential financial changes.
- Provide an updated financial base by which different financing options can be considered.
- Provide elected officials, the public, and staff with information about the long-term impacts of current and anticipated financial policies.
- Examine risks and opportunities of different economic scenarios.
- Outline potential scenarios for growth, contraction, and baseline to give a general picture of long-term trends.
- Identify elected official budgetary goals and priorities.

As with any multi-year analysis, it is based on assumptions about the future. Of importance to a study of this type is the performance of the national and local economies, since tax revenues and demands for services are directly related to private economic activity. As assumptions become less reliable the further out in time they are applied, it is important this type of analysis be updated annually as new data are available and new issues arise.

It begins with a review of the projected economic indicators and assumptions. This is followed by sections about the General Fund, Economic Stabilization Reserve and Enterprise Funds.

MAYOR AND CITY COUNCIL GOALS

Annually in December, the Mayor and City Council convene an annual strategic planning and goal setting retreat. The City staff presents various policy and program initiatives scheduled for implementation and reports on the progress of previously identified goals. The last several years, the primary goals have been to increase the number of uniformed police officers, building cash reserves and to provide an annually satisfactory performance increase for the City's workforce. These three goals are still the top priorities for the next several years, but other areas are also high on the list. The City's General Fund resources will continue to be focused on achieving progress on the top three, but the other areas on list will receive attention and be prioritized based on resources and policy considerations. A partial list of the shared goals is shown below:

- a. Combat Homelessness
- b. Increase Transit Access to Jobs
- c. Improve Neighborhood Conditions
- d. Continue Work on Equity Indicators
- e. Economic Development and Commercial Revitalization
- f. Police Recruitment and Community Policing
- g. Employee Compensation
- h. Tourism and Destination Districts
- i. Cash Reserves

LOCAL ECONOMY

Economic indicators may be pointing to contraction in growth for the last half of 2024. Economic projections indicate that the 2025 Fiscal Year may experience slowing economic growth along with some increasing unemployment. The outlook by noted industry experts forecast slowing GMP growth percentage in FY 2025 (see Moody's graph below). Inflation continues to cause economic constraints and customer sentiment fell to some of the lowest levels in history. (See Chart - Federal Reserve Bank of Kansas City)

Tulsa's average unemployment rate held relatively steady from 3.1% in 2022 to 3.2% in 2023. The expectation is for unemployment to rise slightly in 2024 to just below 4.0%. The TMSA experienced significant net migration from 2021-2023. The consequences of the COVID-19 pandemic led many families and individuals to leave their previous home

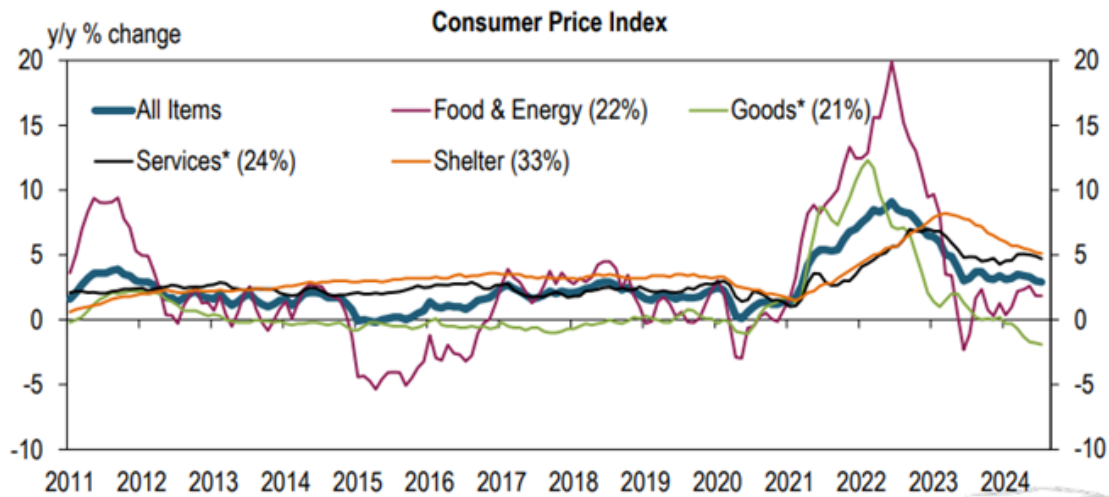
states due to real estate availability/pricing, more beneficial school options, and higher cost of living. Over 22,000 people relocated to the Tulsa area over the last three years, which is a substantial factor in forecasting tax base and overall production increases in the future.

2018	2019	2020	2021	2022	2023	INDICATORS	2024	2025	2026	2027	2028	2029
53.7	54.3	51.4	51.8	51.6	53.6	Gross metro product (C17\$ bil)	55.2	56.2	57.4	58.6	59.8	61.0
2.7	1.2	-5.5	0.9	-0.5	3.9	% change	3.0	1.9	2.0	2.1	2.1	2.0
456.7	462.6	438.5	442.3	455.3	470.2	Total employment (ths)	479.1	482.6	483.8	484.3	484.7	485.1
1.9	1.3	-5.2	0.9	2.9	3.3	% change	1.9	0.7	0.2	0.1	0.1	0.1
3.4	3.1	6.6	4.2	3.1	3.2	Unemployment rate (%)	3.7	3.6	3.5	3.5	3.5	3.5
7.4	3.2	1.8	9.7	3.8	5.5	Personal income growth (%)	5.0	3.7	4.0	4.0	4.2	4.1
55.3	57.3	58.5	60.4	63.4	66.9	Median household income (\$ ths)	68.6	70.5	72.7	75.1	77.5	80.0
1,009.1	1,014.7	1,017.3	1,025.2	1,032.3	1,041.3	Population (ths)	1,048.2	1,051.6	1,052.9	1,053.8	1,054.4	1,054.7
0.6	0.6	0.3	0.8	0.7	0.9	% change	0.7	0.3	0.1	0.1	0.1	0.0
2.5	3.0	1.3	7.8	7.3	7.7	Net migration (ths)	5.1	1.7	-0.1	-0.4	-0.5	-0.7
2,845	3,377	4,039	4,354	3,843	3,476	Single-family permits (#)	2,672	2,321	2,446	2,400	2,288	2,180
567	929	885	566	1,280	1,679	Multifamily permits (#)	361	62	76	87	78	68
3.2	4.0	5.2	12.6	17.2	8.3	FHFA house price index (% change)	3.4	0.3	0.6	1.1	1.5	1.6

MOODY'S ANALYTICS / Précis® U.S. Metro / May 2024

FEDERAL RESERVE BANK OF KANSAS CITY – OKLAHOMA CITY BRANCH

CPI inflation ticked down under 3% in July, as goods prices fell and as services and shelter eased slightly from elevated levels



GENERAL FUND FY 2026 PROJECTIONS

FY24 General Fund revenues were \$388.2 million. The original budget for FY24 projected the GF revenue to be \$377.1 million. Expert predictions forecasted a moderately high likelihood of a recession, therefore our revenue projections for the near future remained fairly conservative - \$393.6 Million for FY25 and \$398.2 Million for FY26.

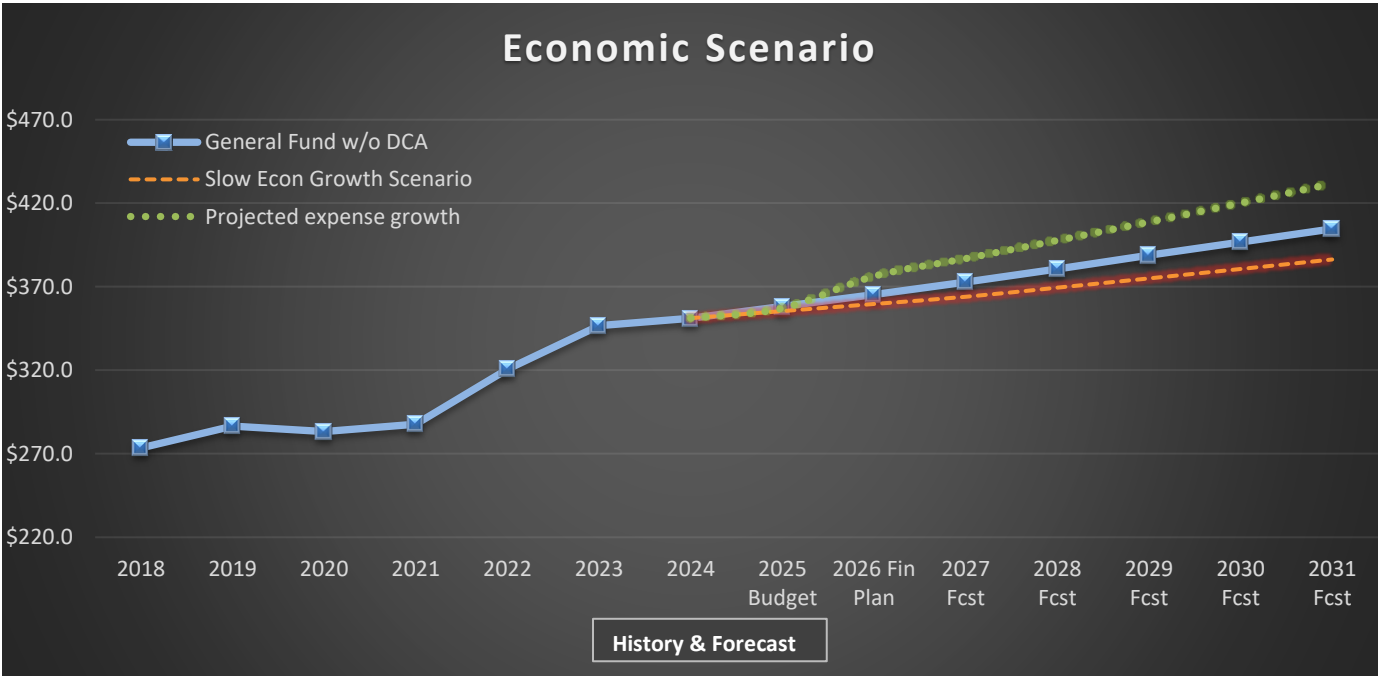
Direct Cost Allocation is included again in the total revenue for FY24. The large increase in projected revenue over the 2026 - 2030 period is the result of the inclusion of revenue derived from Direct Cost Allocation (DCA) to the City's enterprise funds. The change is largely neutral as the revenue derived from the DCA is equal to the expenditures and is largely an accounting accommodation. Over the last couple of years, the City of Tulsa has benefited from the efforts

of the Oklahoma Tax Commission to capture online internet sales which has resulted in substantial growth in revenue from the City’s Use Tax. Slight growth in the use tax is expected to continue for the foreseeable future.

As part of a broader strategy to discuss elected official goals during budget planning for FY25, staff also undertook scenario planning to discuss both risks and opportunities that may exist in pursuit of identified goals. The staff utilized Government Finance Officers Association (GFOA) guidance in constructing scenarios, risk planning and consulted peer local governments in risk and long-range financial planning methods. The scenarios were built around the City’s General Fund as that is where the City has experienced the greatest volatility and has historically represented the greatest risk. Three basic scenarios were constructed and presented to the City Council. A baseline status quo scenario, a slow growth scenario, and expenditure growth scenario were constructed and presented. A brief synopsis of each follows:

BASELINE SCENARIO

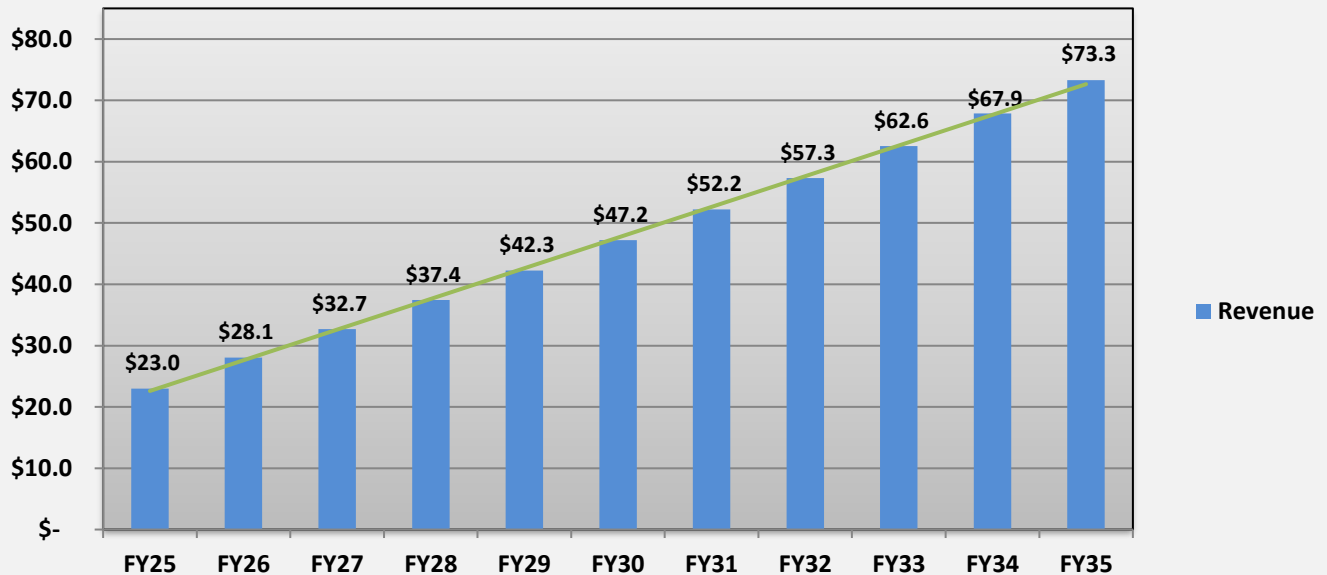
The Baseline Scenario was based on taking plan year FY 2025 revenue and applying projected Tulsa MSA Gross Metro Product (GMP) growth for the forwarding looking five years. The annual growth between FY 2026 thru 2030 rates are projected to be between 2.0% and 3.5%. The General Fund Revenue less DCA scenario is forecasted based on Moody’s Analytica using experts forecast models. The Slow Econ Growth scenario is based on the historical slow growth recovery we experienced during the (2012 to 2015) period. Projected expense growth is our expenditures curve forecast based on a 2.4% annual growth rate used to cover estimated cost increases in labor and a 3.1% growth rate to cover materials and supplies. These estimates are based on a long-term outlook, with the forecast that inflation will continue to moderate from the highs experienced in 2022.



ECONOMIC STABILIZATION RESERVE

Coming out of the last recession from 2009 through 2011, the City’s revenues recovered sharply in 2012 and the City found itself with a sizeable unassigned fund balance, approximately \$12.0 million dollars. The City chose to fund several one-time items around initiatives to improve efficiency, such as a timekeeping system but also chose to establish a permanent economic stabilization reserve and deposit \$2.0 million into it to offset future General Fund reductions because of negative economic events. From 2012 through 2019 no additional contributions were made to the reserve. In November of 2019 as part of the reauthorization of a capital improvement sales tax, the City added a permanent sales tax to fund the reserve to the ballot for consideration by the Tulsa voters. The tax is 0.05% and was overwhelmingly approved by the voters. The tax will generate approximately \$4.3 million a year.

Economic Stabilization Reserve



ENTERPRISE FUNDS –

SOLID WASTE

The City's volume-based refuse collection system has now been in effect for seven years. It is modeled after other utilities such as water, electricity, or gas; in that the more that is used, the more one pays. Recycling disposal is also provided, though not mandatory. A 9% increase in billing rates will go into effect during the October 2024 billing cycle. The most recent recommended future rate increases are 5% for FY2026-2029.

WATER

The Tulsa Metropolitan Utility Authority (TMUA) contracted with the Infrastructure Management Group (IMG) Team in 2012 to complete a new comprehensive assessment of the City's water and sewer system. The 2012 Comprehensive Water System Study (CWSS) reviewed and built on the previous comprehensive plans prepared in 2001 and updated in 2008. The study reviewed the current operation and capital needs of the water system and made recommendations for future short-term and long-term capital improvements. TMUA first utilized the asset optimization program in FY16 to better align investments with asset failure cycles. Going forward, TMUA will continue to employ this methodology on all capital plans. There will be a 3% rate increase beginning in October 2024. Recommended rate increases for the future are: +6% in FY2026, +6% in FY2027, 3% for FY2028, and 2% for FY2029.

SEWER

The Tulsa Metropolitan Utility Authority (TMUA) contracted with the Infrastructure Management Group (IMG) Team in 2012 to complete a new comprehensive assessment of the City's water and sewer system. The 2012 Comprehensive Water System Study (CWSS) reviewed and built on the previous comprehensive plans prepared in 2001 and updated in 2008. The study reviewed the current operation and capital needs of the wastewater system, in addition to

addressing consent and administrative orders received by the Environmental Protection Agency and the Oklahoma Department of Environmental Quality. The updated CWSS makes recommendations for future short-term and long-term capital improvements. TMUA first utilized the asset optimization program in FY16 to better align investments with asset failure cycles. Going forward, TMUA will continue to employ this methodology on all capital plans. A 3% increase in rates was approved and will go into effect in October 2024. Recommended rate increases for the future are: +3% from FY2026-2029.

STORMWATER

The Stormwater Drainage and Hazard Mitigation Advisory Board initiated a Stormwater Utility Enterprise Initiative (SUEI). The initiative is an asset management and strategic planning study. Identifying the operational needs was established as a top priority. Operational needs will be identified over the next 5-year period and incorporated in the rate model. The field assessments of the stormwater infrastructure are in process. Assumptions have been made for annual needs of FY25 - FY29. As the assessments are completed, the actual dollars required will be input in the rate model. The current rate model recommended a 15% rate increase for FY25 and was scheduled to begin in October 2024. Another 15% rate increase is projected for FY26, as well as a 10% increase in FY2027, and a 2% increase for 2028. A modest increase of 1% is projected for FY2029.

CITY OF TULSA 2024 – 2025 BUDGET COMMUNITY PROFILE

GREATER TULSA

Tulsa's first "town council" meeting in 1836, under an oak tree which still stands on a hill near the downtown area, was presided over by Archie Yahola, a full-blooded Creek Indian and chief of the Tulsa Lochapolas. The name Tulsa was derived from "tallasi", a contraction of the Creek "Tallahassee" or "Tallahassee", meaning "old town".

The town's initial growth came as a center for ranchers, farmers, and traders. When the post office was established in 1879, the name Tulsa became official. Cattle ranching became a major business in the area and led to the extension of the Frisco Railroad into the city in 1882.

Tulsa was incorporated as a municipality on January 8, 1898. With the discovery of oil in nearby Red Fork in 1901, the city grew quickly, reaching a population of 7,298 by the time of Oklahoma statehood in 1907. By 1920, the population had reached 72,075 and Tulsa soon earned the title, "Oil Capital of the World".

Although oil-related businesses remain an important part of the city's economy, Tulsa has developed a widely diversified business base which includes nationally prominent companies in, aviation and aerospace, telecommunications, data processing, manufacturing, and distribution. The community's employment base is diverse and balanced among several job sectors including manufacturing, construction, services, high technology, health care, education, and transportation.

Today, Tulsa has grown to become a thriving community with a well-earned reputation as simply a great place to live. The original Council Oak tree spreads its branches overlooking a city park against a backdrop of high-rise buildings and expressways. It is a reminder that, while the city has branched out in many directions, its roots have remained strong.



A BEAUTIFUL SITE

Tulsa is in the northeastern quadrant of Oklahoma which is often called "green country" due to its wooded terrain in the rolling Ozark foothills. The city, which lies at an elevation of 700 feet above sea level, has a temperate climate. The average daily temperature is 61 degrees, the average rainfall is approximately 40 inches, and the city experiences continually changing conditions throughout all four seasons.

EDUCATION

The Tulsa Public School district, the second largest school district in Oklahoma, provides traditional educational settings and curricula as well as magnet and special emphasis schools that offer instruction in subjects such as languages, international studies, and health care. Tulsa Technology Center, with seven campuses, also plays a key role in the city's public secondary education portfolio. Several excellent private schools are also available for students at both the primary and secondary levels.

In the arena of higher education, Tulsa offers a variety of options from community college and vocational studies to undergraduate, graduate, and professional degree programs at both public and private universities. These institutions include Tulsa Community College, Oral Roberts University, University of Oklahoma, Langston University, University of Tulsa, Oklahoma State University, Spartan School of Aeronautics, Northeastern State University, OSU Center for Health Sciences, and the OU Health Sciences Center. As of the 2024 Spring Semester, 32,920 students were enrolled in institutions of higher learning.

BUSINESS AND INDUSTRY

Tulsa has undergone a gradual metamorphosis from a cow town/rail center to oil and gas capital, to a multi-faceted cosmopolitan business environment with international connections. Having survived the economic roller coaster of oil booms and busts, the city now enjoys a diversified business base that includes employers in; health care, aerospace, telecommunications, data processing, higher education, aircraft maintenance, manufacturing, and professional services. Tulsa is home to regional headquarters for several Fortune 500 companies.

As noted in the Executive Summary, wage and salary employment growth is often positively related to sales tax revenues, the largest source of revenue for the city. The health of regional companies is vital to city services.

Leading employers in the metro area include; AAON, AEP- Public Service of Oklahoma, Alliance Holdings, Alorica, Amazon, American Airlines, Ascension St. John, AT&T/DIRECTV, BAMA, Bank of Oklahoma, Broken Arrow Public Schools, Cherokee Nation Businesses, City of Tulsa, Hillcrest Healthcare System, IC of Oklahoma, Jenks Public Schools, Macy's Fulfillment Center, NORDAM Group, ONEOK, OSU Medical Center, Owasso Public Schools, QuikTrip Corp, River Spirit Casino & Resort, Saint Francis Healthcare System, Tulsa County, Tulsa Community College, Tulsa Public Schools, Union Public Schools, University of Tulsa, Verizon, Wal-Mart Stores/ Sam's Club, Webco, Whirlpool Corporation, and Williams Companies.

SHIPPING

Tulsa offers a wide range of shipping options including rail, water, highway, and air. One unique attribute is Tulsa's Port of Catoosa, created by the completion of the McClellan-Kerr Arkansas River Navigation System. The Port of Catoosa is the westernmost port on the Inland Waterway System. Another important contributor to economic growth in Tulsa and northeast Oklahoma is the Tulsa International Airport.

PUBLIC TRANSPORTATION

The City of Tulsa provides safe and well-designed streets and expressways throughout the city. The Metropolitan Tulsa Transit Authority operates 18 fixed-route lines, 3 MicroLink zones in Tulsa, 1 in Broken Arrow, and ADA paratransit services. (MTTA) plays a pivotal role in providing accessible and cost-effective transportation solutions. Evening and Sunday services are provided across 4 designated MicroLink zones throughout Tulsa. March 2024, Tulsa Transit introduced a rebranding of its core service, now known as MetroLink Tulsa.

1,000+ EMPLOYERS IN THE TULSA AREA

AAON	ONEOK
AEP/Public Service of OK	OSU Medical Center
Alliance Holdings	Owasso Public Sch.
Alorica	QuikTrip
Amazon	River Spirit/Maragritaville
American Airlines	Casino and Resort
Ascension St. John	Saint Francis Health ss
AT&T/DIRECTTV	Tulsa Community College
BAMA	Tulsa Public Schools
Bank of Oklahoma	Tulsa, County of
Broken Arrow Public Sch.	Union Public Schools
Cherokee Nation Bus.	University of Tulsa
City of Tulsa	Verizon Business
Hillcrest Healthcare Sys.	WalMart/Sam's Club
IC of Oklahoma	Webco
Jenks Public Schools	Whirlpool Corp
Macy's Fulfillment Center	Williams Co.
Nordam Group	

Source: Tulsa Chamber

INSTITUTION OF HIGHER LEARNING

	Fall '24 Enrollment	Spring '25 Enrollment
Langston, Tulsa Campus	1,697	1,657
NSU, Broken Arrow	3,323	3,063
ORU	5,936	5,878
OSU, Center for Health Sciences	2,301	2348
OSU, Tulsa	3,180	2,826
OU, Tulsa, Health Sciences Center	1,086	1,127
TCC	14,213	14,538
University of Tulsa	3,559	3,452

*Includes students enrolled in non-credit courses.
Source: Individual Institutions

HEALTHCARE

Tulsa has a long history of outstanding healthcare provided by nationally recognized medical facilities. The city is home to two medical schools that offer not only state-of-the-art techniques and knowledge but also attract outstanding medical students and physicians. Beyond providing leading edge healthcare, the Tulsa medical community is also a major employer.

UTILITIES

Through a combination of public and private enterprises, Tulsa offers first-rate utility services. The City of Tulsa maintains an aggressive capital program to improve and maintain its facilities. Natural gas in Tulsa is provided for most residents by Oklahoma Natural Gas, and the primary provider of electricity is AEP PSO. Local telephone service is provided by 15 different providers.

NEIGHBORHOODS

Tulsa's unique charm and character comes from the many different neighborhood communities which make up the metroplex. In a time when many cities are dominated by tract housing projects, Tulsans appreciate the diversity. Outlying communities include Bixby, Broken Arrow, Catoosa, Jenks, Glenpool, Owasso, Sand Springs, Sapulpa, and Skiatook.

Importantly, Tulsa is experiencing growth in all directions. This growth is due in part to the high quality of affordability of housing, along with low interest rates for home loans. The National Association of Home Builders recently reported that nearly 75 percent of homes in Tulsa are considered affordable for the area's median income. In addition to current growth through new construction, Tulsa is committed to redevelopment of older neighborhoods to enhance both livability and property values.



GOVERNMENT

From 1909 to 1990, Tulsa was governed by a commission form of government. In 1990, the government changed to a mayor-council form under a voter-approved amended Charter. The Mayor, elected every four years, serves as the chief executive of the City and is responsible for preparing and submitting annual budgets to the City Council. The Council consists of nine members, elected every two years by geographic districts, and serves as the legislative branch under the direction of a chairman. The City Auditor, also elected biennially, and the Mayor are the only two officials elected at large by the citizens of the city.

SERVICE INFORMATION AND STATISTICS

Below are several statistics related to services provided by the City; Information and statistics on police and fire protection, streets and expressways, water, sewer, flood control, and solid water service systems are included. Parks, library, and public transit information is listed as well. Except where otherwise noted, information is for the calendar year 2020.

POLICE PROTECTION

Stations: Headquarters
 Three uniformed divisions
 Three support divisions
 The Police Academy
 Forensic Lab
 911 Call Center
 Real Time Information Center (RTIC)

Traffic Accidents: 12,250
Citations: 82,672
 (criminal, traffic and parking)
Total Calls for Police Service: 559,723
Employees: Sworn - 811
 Non-Sworn—235



FIRE PROTECTION

Stations – 30

Employees: Sworn – 734
Non-Sworn – 17

Fire Calls – 3,941

False Alarms – 4,654

Emergency Medical Calls – 42,728

Total Responses – 76,580

Average Response Time – less than 6
minutes, 82.92 percent of the time

Fire Investigations – 476

Fire Hydrants – 18,125

STREETS AND EXPRESSWAYS

Expressways – 32 lane miles

Arterial Streets – 1337 lane miles

Residential Streets – 3,143 lane miles

Central Business District – 90 lane miles

Signalized Intersections – 546

WATER SYSTEM

Connections – 169,420

Average Daily Consumption – 87.4 MGD*

Treatment Capacity – 220 MGD*

Water Lines – 2,701 miles

*Million gallons per day

SEWER SYSTEM

Plants serving four major drainage basins.

Nominal Treatment Capacity for all four plants
– 104.6 MGD (including LBC 4.0)

FY 24 Average daily Flow – 55.5 MGD

FLOOD CONTROL

Detention Facilities – 124

Improved Channels Maintained: (miles)
32.53 concrete
31.69 grass-lined

SOLID WASTE

As of December 2024

Customers Served:

Commercial – 10,955

Residential – 122,128

Collections Disposed at (in tons):

Covanta's WBH Facility – 96,432

Landfills – 17,610

Recycled – 18,455

MUNICIPAL PARKS

Parks – 133

Specialty Centers – 2

Largest – Mohawk (3,216 acres)

Playgrounds – 99

Sports Fields – 212

Tennis Courts – 82

Pickleball Courts – 38

Swimming Pools – 5

Water Playgrounds – 31

18-Hole Golf Courses – 4

Skate Parks – 1

The Tulsa Zoo – 1

Picnic Shelters – 96

Community Centers – 6

LIBRARY

Locations – 24

Bookmobile – 2

Ruth G. Hardman Adult Literacy Service

Genealogy Center

Cultural Resource Centers

Maker Space and Digital Literacy Lab

Summer Reading Program

PUBLIC TRANSIT

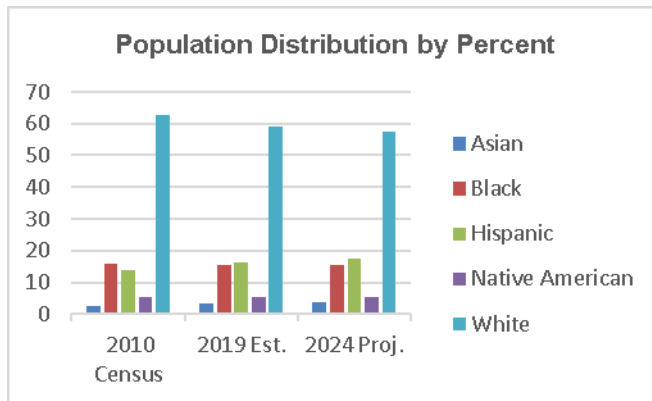
Routes – 28: 19 fixed routes, 4 micro day, 5 micro
night and Sunday

Transit buses – 65, 11 are BRT.

Micro Transit & Lift Program Vans – 54



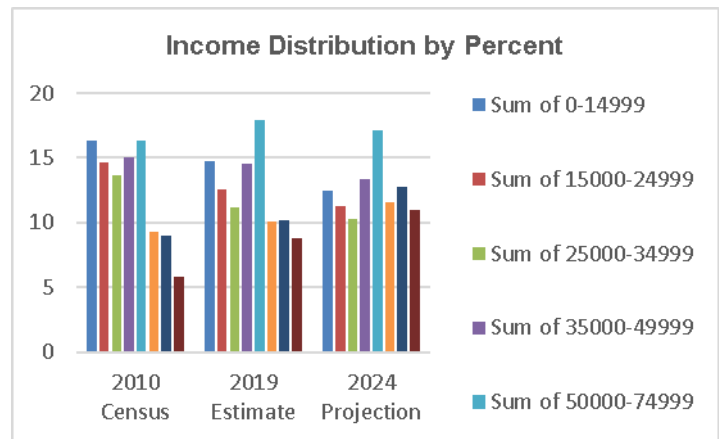
A Few More Nuggets of Knowledge



Median Home Price - \$244,000
 Average Apartment rent (2BR, 2BTH) - \$1095
 Average Doctor visit - \$110
 Average Dentist visit - \$90
 Average monthly residential energy costs - \$205

2024 Tulsa MSA median base salaries - Bureau of Labor Statistics

Position	\$ Annual Wage
Accounting	78,365
Office Administration	43,680
Computer Programming	88,630
Engineering	91,625
Legal	94,535
Construction	53,120
Truck Driving	41,790
Janitorial Service	32,570
Management	116,170
Teaching	49,920
Welding	52,470
Manufacturing	47,840



Local Museums

Alexandre Hogue Gallery
 Gilcrease Museum
 Philbrook Museum of Art
 Tulsa Air and Space Museum
 Tulsa Children's Museum
 Woodie Guthrie Museum

Local Festivals

Mayfest
 Oktoberfest
 BOK Winterfest
 Center of the Universe Music Festival
 Tulsa State Fair

Entertainment

BOK Center
 Tulsa Performing Arts Center
 Tulsa Ballet, Tulsa Opera, Tulsa Theater
 Brady Theater
 Expo Square Events
 Tulsa Zoo & Mohawk Park
 The Gathering Place

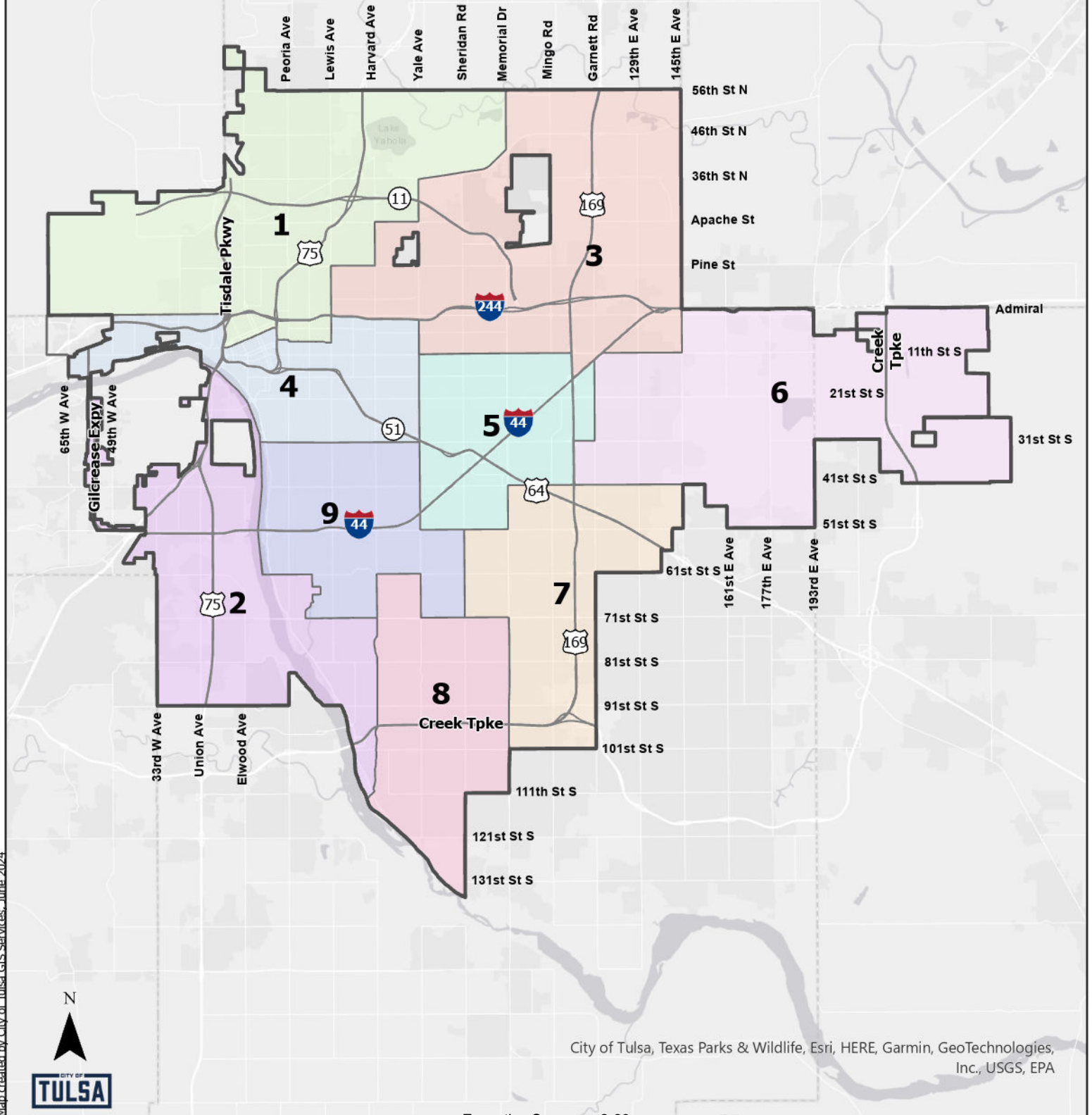
Sports Teams & Events.

Tulsa Drillers Baseball
 Tulsa Oilers Hockey
 Tulsa Oilers Indoor Football
 FC Tulsa - USL Soccer
 Annual Tulsa Run

A Few More Nuggets of Knowledge

Information retrieved from the Tulsa Metro Chamber.

City of Tulsa Corporate Boundaries with Council Districts



City of Tulsa, Texas Parks & Wildlife, Esri, HERE, Garmin, GeoTechnologies, Inc., USGS, EPA