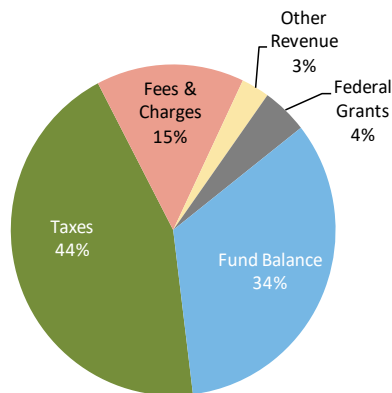


CONSOLIDATED BUDGET OVERVIEW

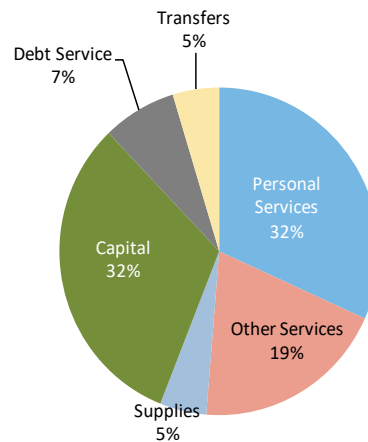
CONSOLIDATED OVERVIEW REVENUE AND EXPENDITURE SUMMARY FOR ALL FUNDS

	Actual FY23	Adopted FY24	Adopted FY25
Revenue Overview			
Taxes	\$860,956,004	\$885,559,609	\$878,023,485
Fees & Charges	269,026,749	286,038,446	292,049,545
Transfers In	38,633,052	13,434,643	22,233,224
Other Revenue	50,703,585	43,538,245	55,549,275
Federal Grants	34,651,471	108,356,382	90,224,894
Fund Balance	0	583,441,979	667,212,151
Total Revenue	\$1,253,970,860	\$1,920,369,304	\$2,005,292,574
Expenditure Overview			
Personal Services	\$550,035,197	\$617,341,817	\$636,222,411
Other Services	218,134,547	419,395,276	392,459,178
Supplies	64,214,667	104,871,589	94,553,720
Capital	108,568,241	520,856,323	638,286,705
Debt Service	122,532,994	160,588,216	149,529,311
Transfers	112,687,250	97,316,083	94,241,249
Total Expenditures	\$1,176,172,896	\$1,920,369,304	\$2,005,292,574

FY25 REVENUES



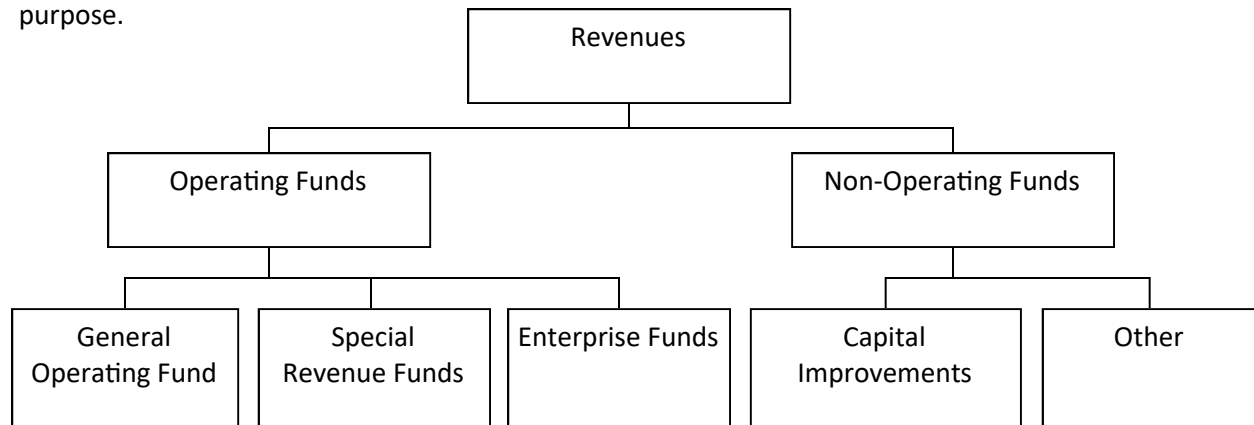
FY25 EXPENDITURES



REVENUE SUMMARY

WHEN REVENUE IS DEDICATED TO A PARTICULAR PURPOSE, THE CITY HAS GENERALLY CHOSEN TO ESTABLISH A SEPARATE FUND TO ENSURE THAT ALL OF THE DEDICATED REVENUE IS SPENT FOR ITS INTENDED PURPOSE.

The City derives revenue from a myriad of sources. Some revenues are dedicated to specific purposes, such as the MAPS 4 Sales Tax or the tariff on phone service dedicated to the E-911 service. Other revenues are not dedicated to a particular program or service and are deposited in the City’s General Fund. A fund is an accounting method for segregating revenues and expenditures for a specific purpose.



- General Fund
- Internal Service Funds

- Court Administration and Training Fund
- Emergency Management Fund
- Fire Sales Tax Fund
- Hotel/Motel Tax Fund*
- MAPS 3 Use Tax Fund*
- MAPS 4 Use Tax Fund*
- Medical Service (Ambulance) Program Fund
- OCMAPS Sales Tax Fund*
- Police Sales Tax Fund*
- Zoo Sales Tax Fund

- Airports Fund
- Stormwater Drainage Utility Fund*
- Public Transportation and Parking Cash Fund
- Utilities Fund

- Better Streets, Safer City Sales Tax Fund
- Better Streets, Safer City Use Tax Fund
- Capital Improvement Projects Fund
- City/Schools Capital Projects Use Tax Fund
- Hotel/Motel Tax Fund*
- Impact Fees Fund
- MAPS Operations Fund
- MAPS Sales Tax Fund
- MAPS 3 Sales Tax Fund
- MAPS 3 Use Tax Fund*
- MAPS 4 Program Fund
- MAPS 4 Use Tax Fund*
- OCMAPS Sales Tax Fund*
- OKC Tax Increment Financing Fund
- Police Sales Tax Fund*
- Police/Fire Capital Equipment Sales Tax Fund
- Sports Facilities Sales Tax Fund
- Sports Facilities Use Tax Fund
- Stormwater Drainage Utility Fund*
- Street and Alley Fund

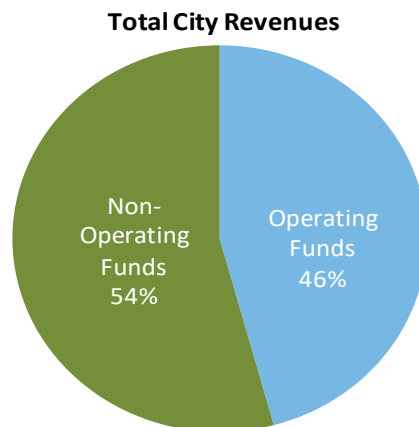
- Asset Forfeiture Fund
- Debt Service Fund
- General Fund—MAPS 4
- Grants Mgmt. Fund
- OKC Improvement and Special Assessment District Fund
- Special Assessment District Fund
- Special Purpose Fund

* These funds have both an operating and non-operating component

OPERATING FUNDS

Before beginning the discussion of revenues, it should be noted that all projected growth rates for FY25 are based on changes from estimated year end totals for FY25.

The City classifies its funds as either operating or non-operating. The distinction is that some funds and, in some cases, portions of funds directly support operations; and other funds provide for capital improvements or are so limited in their purpose that they do not support daily operations. This allows decision-makers to segregate operating costs from the total cost for the organization so that significant changes in capital funding are not misinterpreted as a significant change in operational costs.



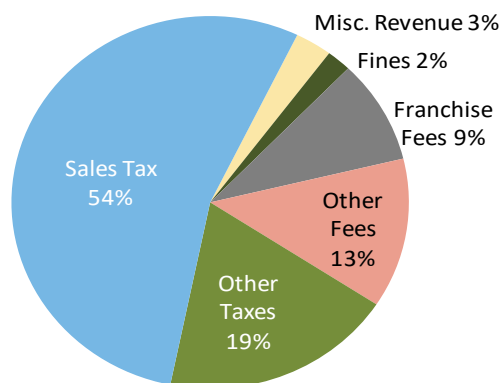
An example of this is dedicated sales and use taxes. In recent years, the residents of Oklahoma City have approved several limited-term dedicated taxes to fund capital improvements. With the MAPS 4 sales and use taxes beginning on April 1, 2020, there have been significant increases in the revenue of those funds which are being used for capital improvements. Because of this distinction, the portion of the sales tax used for capital improvements was classified as non-operating and the portion of the use tax used to fund the MAPS 4 Project Office was classified as operating.

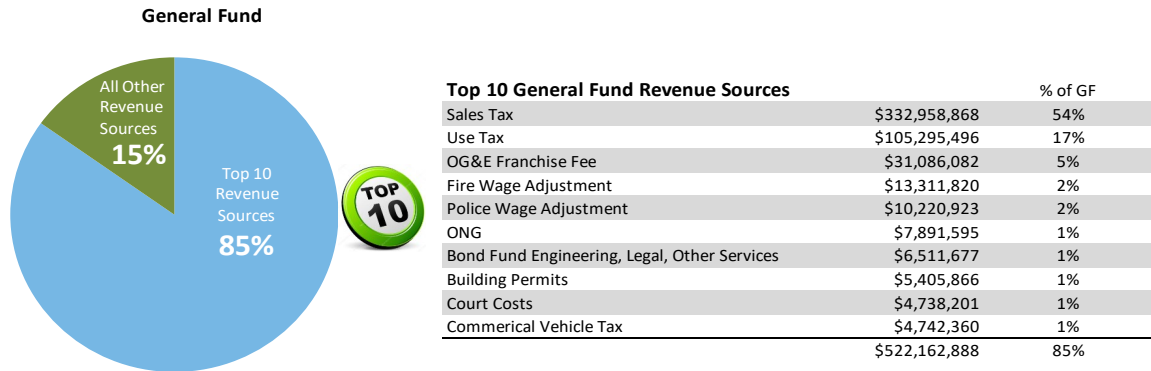
The Operating Funds category includes three major types of funds: General Operating Funds, Special Revenue Funds and Enterprise Funds, all of which will be discussed further. The bulk of the discussion focuses on the General Fund, the City’s largest fund at \$615.2 million or 30.68% of the FY25 budget.

GENERAL FUND

Due to the lower than expected sales and use tax in late FY24 and an expected decrease in early FY25, the economic outlook in FY25 forecasts a contraction of 0.5% in the General Fund. The General Fund has hundreds of individual revenue sources and similar sources are grouped into categories as shown in the chart to the right. The narrative on the following pages examines each of the major revenue categories in the General Fund and the short term factors that influenced the revenue projections. Also highlighted in the narrative and the table on page B-4 are the top 10 individual revenue sources that, when combined, account for 85% of the FY25 General Fund budget.

General Fund Revenue by Source





As the table above, and the chart on the preceding page indicate, the largest single source of revenue in the General Fund is sales tax. As such, the most time and effort is dedicated to forecasting this revenue source.

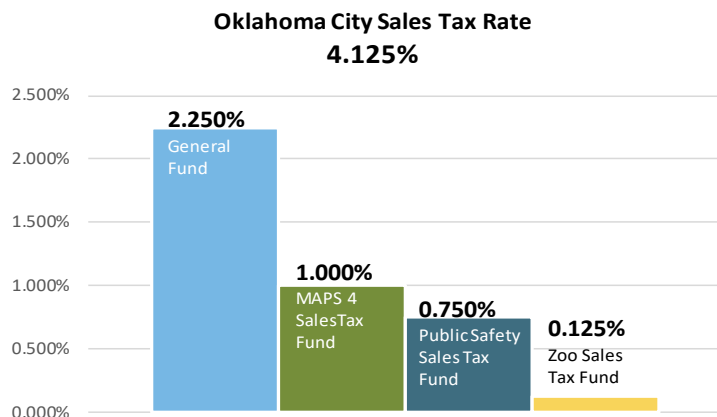
GENERAL FUND - TAXES

The largest category of revenue in the General Fund is taxes at \$451.1 million or 73.3%. Within the taxes category, all revenue sources are authorized by the state and collected by the Oklahoma Tax Commission.

Sales Tax

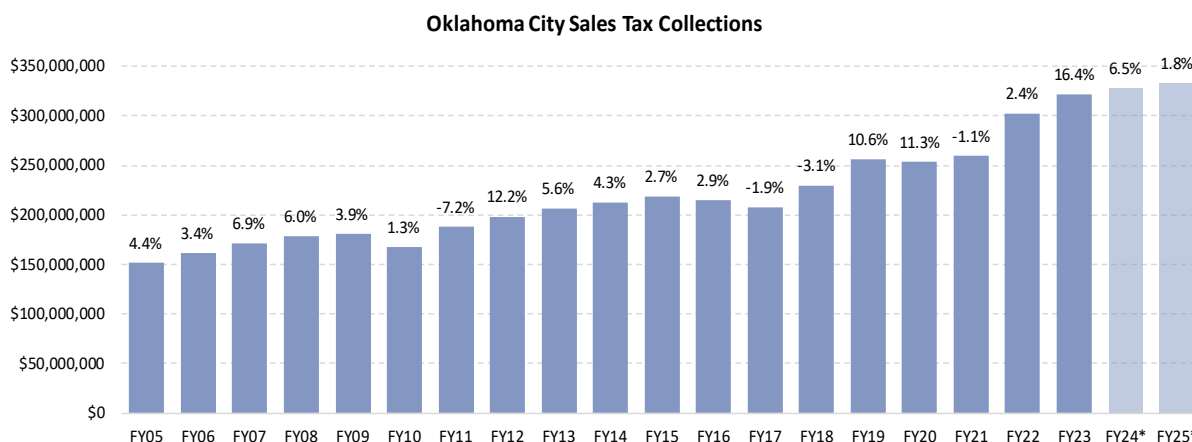
Sales tax is the largest single revenue source for the General Fund and the City. Sales tax is applied to most retail transactions, as provided by state law, and is collected by local vendors who then remit the revenue to the Oklahoma Tax Commission. The City maintains agreements with the Oklahoma Tax Commission for administration and enforcement services associated with sales and use taxes. The City levies a total of 4.125% in sales tax. Combined with the state levy of 4.5%, the total state and municipal sales tax rate charged within corporate Oklahoma City limits is 8.625%.

The City’s 4.125% sales tax levy is divided between various funds as authorized by voters as shown in the graphic below. The General Fund receives the largest portion of sales tax at 2.250% and is where the City’s day-to-day operations are funded. MAPS 4 is an 8-year temporary one-cent sales tax in effect through March 31, 2028. It is projected to generate a total of \$1.1 billion dedicated to funding



16 different projects including parks, youth centers, a mental health and family justice center, transit system improvements, sidewalks, and a new multi-purpose stadium, among other projects. The Public Safety Sales Tax is a permanent 0.750% (3/4 cent) sales tax split evenly between Police and Fire. The Zoo Sales Tax is a permanent 0.125% (1/8 cent) sales tax that can only be used for capital improvements and operations at the Oklahoma City Zoo. This section will focus on the

2.250% authorized for general operations, while the dedicated sales taxes that account for the remaining 1.875% will be discussed in the Special Revenue Operating Funds section of this chapter. Projecting sales tax is always challenging because it is impacted by many uncertain local and national factors. For example, recent high inflation has put upward pressure on prices, which translates into higher sales tax collections. However, particularly high and sustained inflation discourages consumer activity for certain non-essential goods and services, which can suppress sales tax growth. Through careful analysis, the City has developed the FY25 budget based upon a 1.5% growth rate in sales tax as



*Sales Tax Collection Projections

compared to projected FY24 year end collections. Sales tax collections are projected to be \$333.0 million and account for 54% of the FY25 General Fund budget.

GENERAL FUND - OTHER TAXES

Use Tax

Use tax is levied on goods and services that are bought in other states and then imported for use in Oklahoma. This tax is applied in lieu of sales tax because the goods were originally bought outside the state. As more people are making purchases online, use tax is growing at a higher rate than sales tax. Use tax collections have averaged a 11.6% growth rate and sales tax has averaged 4.6% growth over the past 10 years. The use tax rate is 4.125% of the purchase price and is budgeted at \$105.3 million or 17.1% of the General Fund budget for FY25. Together, sales and use tax make up 71.2% of the General Fund operating budget which demonstrates how heavily the City relies on these tax revenues.

Excise Tax

In FY05, state law changed the taxation of tobacco products and exempted them from sales tax, but implemented an excise tax designed to make it more expensive to purchase tobacco products on a per unit basis. Municipalities receive a portion of the excise tax from the state. Revenue is projected to be \$3.7 million, which is less than 1% of the General Fund revenue budget.

Commercial Vehicle Tax and Motor Fuels Tax

The commercial vehicle tax and motor fuels tax are both collected by the state with municipalities receiving a portion of the tax based on their share of the population. These revenues are projected to

decline for FY25 by 7.19% or \$459K with a budget of \$5.9 million which is less than 1% of the General Fund revenue budget.

Occupation Tax

Occupation taxes are levied by the City for specific occupations when the City is the principal place of business for the occupation. The first type of occupation tax is on retail gasoline filling stations, retail diesel stations, and retail oil stations which is a tax on each pump. The second type of occupation tax is on businesses or occupations related to alcoholic beverages. In FY25, marginal growth of 1% is anticipated with a budget of \$1.5 million which is less than 1% of the General Fund revenue budget.

Alcoholic Beverage Tax

The alcoholic beverage tax is a “sin” tax levied by the state with a percentage passed on to counties and municipalities based on their share of population. Alcohol tax collections are expected to generate \$1.8 million in FY25 or less than 1% of the General Fund revenue budget.

GENERAL FUND - FRANCHISE FEES

Franchise and Utility Fees are charged to public utilities for the use of public rights-of-way for their infrastructure. This category is the second largest within the General Fund accounting for \$53.8 million or 8.75% of the FY25 General Fund operating revenue budget. Three of largest remitters of franchise fees are Oklahoma Gas & Electric (OG&E) with FY25 estimated revenue of \$31.1 million, Oklahoma Natural Gas (ONG) at \$7.9 million and Water Utilities at \$4.2 million. OG&E and ONG are top 10 General Fund revenue sources and make up 6.0% of the operating budget. Other franchise fee remitters are the Oklahoma City Water Utilities Trust, Cox Cable, smaller electrical companies or cooperatives, other telephone and cable television providers, and a steam and chilled water utility company.

GENERAL FUND - LICENSES, PERMITS, AND FEES

The Licenses, Permits, and Fees revenue comes from a variety of sources such as business licenses, fishing permits, building permits, and fees for becoming a pre-qualified contractor. The category represents \$13.8 million or 2.3% of the General Fund revenue budget. Building permits are a top 10 revenue source at a projected \$5.4 million or 1.0% of the budget.

GENERAL FUND - SERVICE CHARGES

Service Charges are based on the specific services provided and are generally paid on a per use basis with projections at \$43.7 million or 7.1% of the FY25 General Fund revenue budget.

GENERAL FUND - FINES

The Fines category is comprised of various fines and court fees that are processed by the City’s Municipal Court. The City is one of two municipalities in the State of Oklahoma that has a Municipal Court of Record. The two largest revenue sources in this category are court cost fees and traffic fines. Until recently, both of these were top 10 General Fund revenues but have been declining in recent years due to fewer cases being filed with the court and implementation of criminal justice reform. Court cost fees remains a top 10 revenue source and is projected at \$4.7 million with flat growth for FY25. No longer a top 10 revenue source, traffic fines is projected at \$3.2 million with flat growth for FY25. The Fines category is \$9.3 million or 1.5% of the General Fund revenue budget.

GENERAL FUND - OTHER

This includes the smaller categories of revenue including Administrative Charges, Other Revenue, Transfers, and Fund Balance and comprises \$43.4 million or 7.1% of the FY25 budget.

Administrative Charges

Administrative Charges are \$26.0 million or 4.2% of the FY25 General Fund revenue budget and are assessed to other City funds and entities for administrative services such as accounting, human resources, payroll, audit, and other functions provided by General Fund departments.

Other Revenue

Other Revenue includes the smaller sources such as interest, rebates, and royalties. The category is projected to have collections of \$17.3 million in FY25 or 2.8% of the General Fund revenue budget.

Transfers

Transfers are payments made to the General Fund from other City funds. The category can vary greatly from year to year depending on the status of projects. In FY25, the Transfers category is projected at \$64,158. In total, the Transfers category makes up a marginal share of the General Fund revenue budget.

Fund Balance

No fund balance is budgeted in FY25.

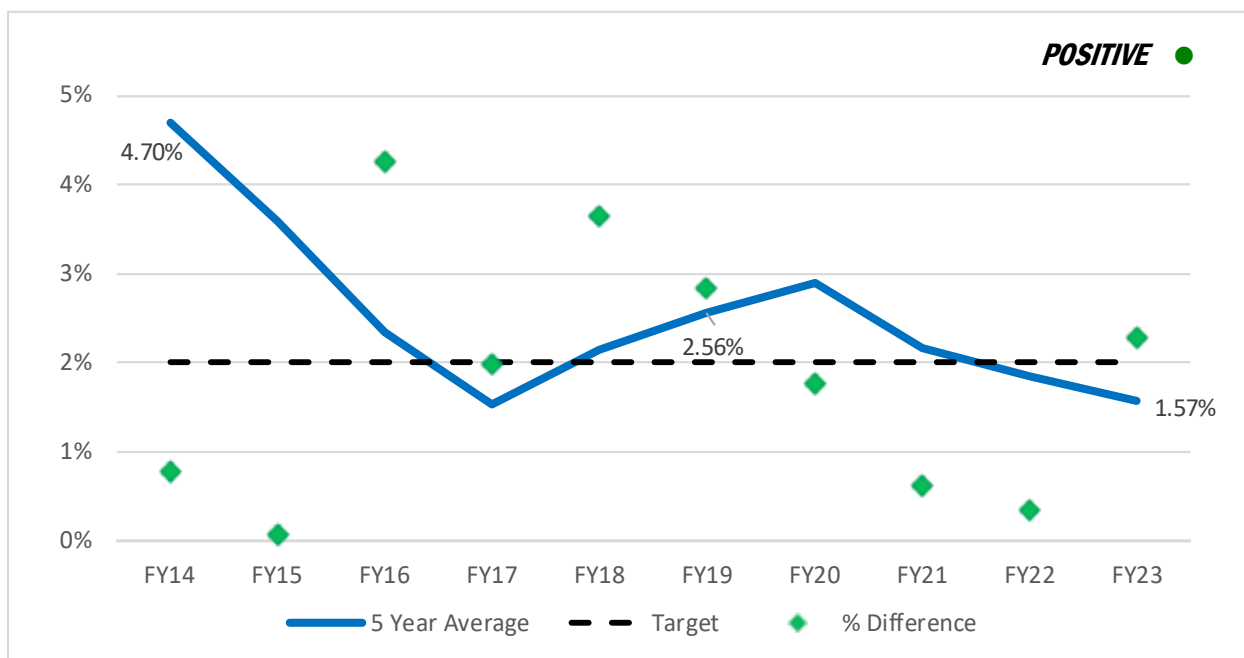
GENERAL FUND HISTORICAL REVENUE SHORTFALL OR SURPLUS

The chart on the following page illustrates the differences between General Fund revenue projections and revenues actually received each fiscal year. Significant continued variances in actual collections from projected amounts, whether it be shortfall or surplus, can be reason for concern. Either scenario could indicate a changing economy or inaccurate forecasting techniques. Additionally, credit rating organizations use this indicator to review the quality of financial management in a local government since variances between budget and actual results are considered indicative of management's financial planning capabilities. In February 2024, for the fourteenth year in a row, the City earned the highest bond ratings possible from two of the nation's most respected financial rating services. The City received a AAA rating from Standard & Poor's and a AAA rating from Moody's Investor Service.

The average absolute value variance over the past 10 years was 1.9% which is within the City's stated goal of having revenues within 2% of projections. Over the last five years, the absolute value variance average was 1.6%. In FY11 and FY12, Oklahoma was coming out of a recession and rebounded stronger than expected with variances of 10.4% and 6.1%, respectively. In FY13, FY14, and FY15 revenue was within 1.0% of projections. In FY16, a contraction in the energy sector contributed to revenue collections missing projections by 4.3% and a prolonged weakened local economy that reflected inventory adjustments accounted for a shortfall of 2.0% in FY17. Back to back revenue declines are rare and the last time it occurred was more than 30 years ago. In FY18, revenues exceeded projections by 3.7% as the City once again recovered from an economic downturn stronger than projected. In FY19, General Fund revenue collections exceeded budget by 2.8% due to strong growth in Use Tax collections from online sales remitters and merchant wholesalers. At the end of FY20, the world experienced the COVID-19 pandemic which severely affected sales tax collections ending the year at -1.8% lower than projected. Sales and use tax collections outpaced expectations in FY21 as a result of Federal stimulus money resulting in growth of 0.6% higher than projected. More Federal stimulus

money in FY22 fueled higher than expected sales tax receipts, although growth was only marginally higher than projections by 0.3%. In FY23 higher than expected sales and use tax receipts led to a growth of 2.3%. The City continues to work with Dr. Russell Evans to refine forecast estimates and consistently project collections within 2% of budget. Keeping the variance to a minimum, means services have not been unnecessarily reduced because of a perceived shortage in revenue that did not occur, or that new services were established that could not be maintained because revenues failed to meet projections.

INTERNAL SERVICE FUNDS



Internal Service Funds are dedicated to departments that provide services to other City departments and revenue is generated by charging departments for those services. Most of the charges are set at the beginning of each year based on past usage. Some exceptions are fuel, postage, and color printing which are charged to departments based on current usage and prices. The individual Internal Service Funds are Information Technology, Risk Management in the Finance Department, the Print Shop in the City Manager’s Office, and Fleet Services in the General Services Department. Internal Service Funds have a FY25 budget of \$89.7 million, which is a 6.8% increase compared to the FY24 adopted budget. Major changes to each internal service fund are summarized in the department section of the budget book. Internal Service funds combined are 4.5% of the \$2.0 billion FY25 budget.

SPECIAL REVENUE OPERATING FUNDS

Special Revenue Funds have a revenue source or sources that are dedicated to a specific purpose.

Police, Fire, and Zoo Sales Tax Funds

The Police, Fire, and Zoo Sales Tax Funds are supported by dedicated portions of the City’s sales tax

collections. In each of these funds, the forecast for sales tax revenue growth is 1.5%; this is the same rate of growth as projected for sales tax in the General Fund.

Court Administration and Training Fund

The Court Administration and Training Fund is made up of revenue from state mandated fees that the City is allowed to retain to train Court, Police, and Legal staff. The Court Administration and Training Fund budget is one of the smallest operating fund budgets at \$127,000 in FY25.

Emergency Management Fund

The Emergency Management Fund supports the E-911 system for Oklahoma City and is budgeted at \$11.3 million in FY25, which is an 6.5% increase over the FY24 adopted budget. The fund is supported by tariffs on both cell phone and traditional telephone lines that are assessed on each user. Even with the addition of cell phone tariff revenue, the General Fund is still expected to support E-911 operations through a transfer of \$2.6 million in FY25.

Hotel/Motel Tax Operating Fund

The Hotel/Motel Tax Fund FY25 budget is \$29.4 million and is supported by a 5.5% hotel occupancy tax. This fund is divided between operating activities (\$17.0 million) dedicated to the promotion of special events, convention and tourism development; and non-operating activities (\$12.3 million) dedicated to capital projects at the State Fairgrounds.

MAPS 3 Use Tax Operating Fund

The MAPS 3 Use Tax Fund was supported by a temporary 1% Use Tax adopted after the MAPS 3 Sales Tax was approved. The Use Tax expired December 31, 2017. Through FY18, a portion of the MAPS 3 Use Tax was budgeted for public safety capital funding, which is included in the non-operating section. The remaining fund balance was used to support administration and oversight of the MAPS 3 projects and is budgeted in the operating fund. The FY25 budget is \$1.2 million. This amount will decrease as fund balance from the expired tax is spent down.

MAPS 4 Use Tax Fund Program Operating Fund

The MAPS 4 Use Tax Program Operating Fund is supported by a temporary 1% Use Tax adopted after the MAPS 4 Program Fund was approved. It has both an operating and non-operating component and will primarily be used to fund the City's operating cost of administering the MAPS 4 projects, public safety capital improvement projects and equipment costs, and capital costs associated with City-owned facilities. The MAPS 4 Use Tax Operating Fund is budgeted at \$11.6 million in FY25.

Medical Service Program Fund

The Medical Service Program Fund was created in FY10. This fund handles revenue and expenses associated with the Medical Service Program adopted by the City Council on December 8, 2008, which makes it possible for households to pay a monthly fee on their City utility bill in exchange for EMSACare benefits from the Emergency Medical Services Authority (EMSA). The FY25 budget is \$12.1 million.

ENTERPRISE FUNDS

Enterprise Funds are supported by the revenue generated by operations in their specific areas. Enterprise Funds have been established for operations at the **Airports, Public Transportation and Parking, Stormwater Drainage Utility, and Utilities**. With the exception of Stormwater Drainage Utility, all of these funds have a public trust that oversees operations and receives all revenues. Revenues in each of the enterprise funds may be growing at a different rate than growth reflected in the City funds and each trust's revenue budget is individually based on customer rates and expected usage. The trusts generally make capital investments directly and then transfers funds to the City to support operations.

The one Enterprise Fund that is not supported by a trust is the **Stormwater Drainage Utility**. All revenue for stormwater drainage activities comes from a fee on all water utility bills based on the size of the water line. The Stormwater Drainage Utility Fund is the only Enterprise Fund to also have a capital component in the non-operating funds section.

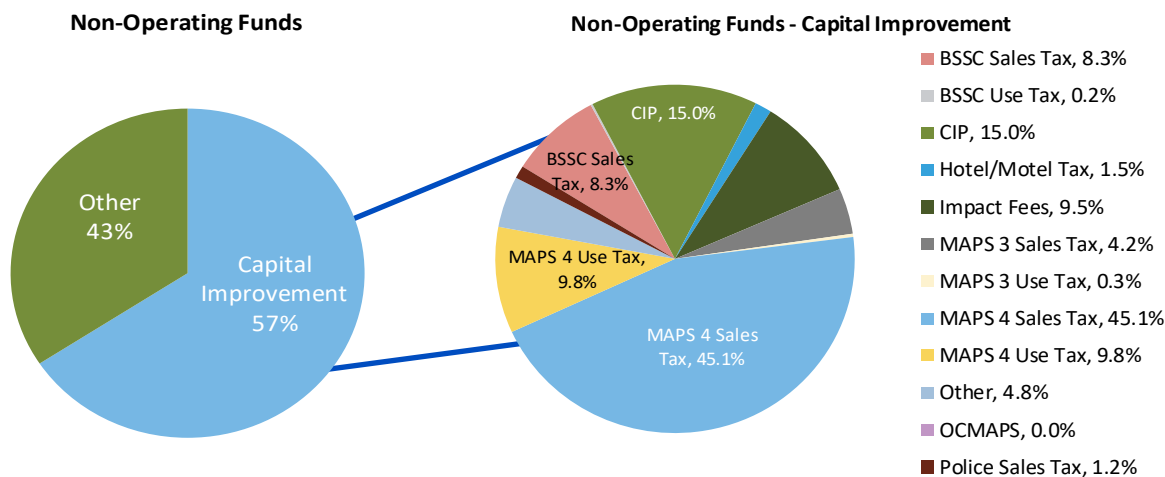
NON-OPERATING FUNDS

As mentioned earlier, the City classifies its funds as either operating or non-operating. The distinction is that some funds and, in some cases, portions of funds directly support operations; and other funds provide for capital improvements, or are so limited in their purpose that they do not support daily operations. This ensures significant changes in capital funding or other non-operating activities are not misinterpreted as a significant change in operational costs. In FY25, the budget for non-operating funds is \$1.2 billion, a 6.9% increase from the FY24 adopted budget. The non-operating budget is comprised of capital improvement funds and other non-operating funds such as debt service and grants. The Non-Operating Funds are 61.8% of the total FY25 \$2.0 billion budget.

CAPITAL IMPROVEMENTS

The majority of non-operating funds are for capital improvements and has a FY25 budget of \$814.8 million, an increase of 15.4%. Many of the funds receive most of their revenue from other funds, such as the **Capital Improvement Projects (CIP) Fund**, the **Oklahoma City Tax Increment Financing (TIF) Fund** and the **Stormwater Drainage Utility Fund**. As such, the revenue projections for these funds are based on the level of transfer budgeted in the originating fund.

There are three Non-Operating Funds that are largely for capital improvement and are supported directly by taxes that will be in effect during FY25: the MAPS 4 Program Fund, the MAPS 4 Use Tax Fund, and the Hotel/Motel Tax Fund.



Better Streets, Safer City Sales Tax Fund

The Better Streets, Safer City Sales Tax fund was created in FY18 after voters passed a temporary, 27-month, one-cent sales tax that went into effect on January 1, 2018. The tax ended March 31, 2020 with the last collection in May 2020. The FY25 budget is \$68.0 million, with fund balance as the predominant revenue source.

Better Streets, Safer City Use Tax Fund

The Better Streets, Safer City Use Tax fund was established at the same time as the Sales Tax Fund and was a temporary, 27-month, one-cent use tax that ended on March 31, 2020. The tax is primarily used to fund public safety fleet and equipment replacements. The FY25 budget is \$1.5 billion, with the predominant revenue source being fund balance.

Hotel/Motel Tax Non-Operating Fund

The Hotel/Motel Tax fund supports three distinct purposes: convention and tourism development, promotions for specific events, and capital improvements at the State Fairgrounds. It is this last capital portion of the Hotel/Motel Tax that is classified as non-operating. Overall non-operating revenue from the Hotel/Motel Tax fund is projected to be \$12.3 million.

Impact Fee Fund

The Impact Fee fund was established in 2017 to collect fees from developers related to new construction. The fees are then used by the City for capital improvements to infrastructure to serve the same service area as the new construction. The FY25 budget is \$77.5 million, which is an increase of 34.7% over the FY24 adopted budget. The increase is due to the carry over of fund balance from FY24.

MAPS 3 Sales Tax Fund

The MAPS 3 Sales Tax fund was created after voters passed the MAPS 3 initiative on December 8, 2009. The one percent sales tax went into effect on April 1, 2010 and expired December 31, 2017. The tax funds eight distinct capital projects. The FY25 budget is \$34.6 million and is primarily made up of fund balance that will be used to finish construction on the remaining MAPS 3 projects not yet completed.

MAPS 3 Use Tax Non-Operating Fund

The non-operating portion of the MAPS 3 Use Tax fund is used for public safety capital and equipment replacement. The FY25 non-operating budget, comprised of fund balance and interest, is \$2.5 million. The remaining balance will be transferred to the MAPS 3 operating fund for operations or used for public safety capital. Much of the public safety capital budget has already been transitioned to the MAPS 4 Use Tax fund.

MAPS 4 Program Fund

The MAPS 4 Program fund was created after voters passed the MAPS 4 Sales Tax in December 2019 and became effective on April 1, 2020. It is an 8-year one-cent sales tax that extended the current 4.125% sales tax rate after the Better Streets, Safer City Sales Tax expired. The revenues will initially be deposited in the General Fund and then transferred to the MAPS 4 Program Fund to be used for 16 distinct capital and quality-of-life projects. The FY25 budget of \$367.6 million is comprised of a General Fund transfer of \$148.0 million and fund balance usage of \$219.7 million.

MAPS 4 Use Tax Non-Operating Fund

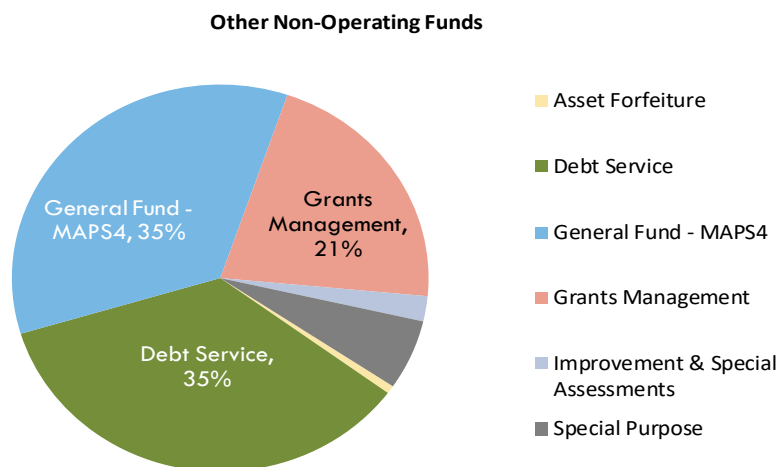
The MAPS 4 Use Tax fund was established at the same time as the MAPS 4 Program Fund and is also a temporary, 8-year one-cent use tax that will primarily be used to fund the City's operating cost of

administering the MAPS 4 projects, public safety capital improvement projects, and equipment and capital costs associated with City-owned facilities. These final two uses are funded through the non-operating portion of the fund. The FY25 budget for the non-operating portion is \$80.2 million.

Several Funds have fund balance as their primary source of revenue and the projects they support are winding down or do not currently require major capital investment. They are the **City and Schools Capital Use Tax, MAPS Operations Fund, MAPS Sales Tax Fund, OCMAPS Sales Tax Fund, Oklahoma City Sports Facilities Improvement Sales Tax Fund, Oklahoma City Sports Facilities Improvement Use Tax Fund, Police and Fire Capital Equipment Sales Tax Fund, Police Sales Tax Capital Fund,** and the **Street and Alley Fund**. The revenue budgets for FY25 for each of these funds are based primarily on the level of projected fund balance remaining at the end of FY24.

OTHER NON-OPERATING FUNDS

The Other Non-Operating Funds are budgeted at \$424.3 million in FY25. Most of the funds in this category are so limited in their purpose that they do not support daily operations and typically have a stream of revenue from an outside source or another fund in addition to a significant fund balance. In these cases, the non-operating fund is serving to accumulate revenue for a specific purpose. Funds that fall into this category include the **Asset Forfeiture Fund, Debt Service Fund, General Fund MAPS 4 Sales Tax, Grants Management Fund, Oklahoma City Improvement and Special Services Assessment District Fund,** and the **Special Purpose Fund**



Debt Service Fund

The Debt Service fund is the largest fund in the Other Non-Operating category at \$149.5 million or 35.2% of the category. It is supported directly by property taxes that will be in effect during FY25.

Oklahoma City Improvement and Special Services Assessment District Fund

Although not technically supported by a tax, the assessments that support the Oklahoma City Improvement and Special Services Assessment District funds operate much like a tax. These funds are comprised of six Business Improvement Districts (BID) (Downtown, Stockyards, Western Avenue, Capitol Hill, Uptown 23rd, and Adventure District) and the Special Assessment Districts fund. Each of these districts has petitioned the City to enact assessments on property owners in the districts to support improvements and services above what is provided by the City. The City collects the assessments and contracts with an outside entity to provide the services or improvements. As such, the City acts as a conduit for these funds and they are characterized as non-operating funds. The anticipated revenue is based on the assessments which are reviewed each year and amended based on needs. The FY25 budget of \$8.9 million.

Grants Fund

The Grants fund is included in the budget book to provide a more accurate picture of the City's financial situation and to comply with the requirements of the Municipal Budget Act. The amounts shown as revenue in these funds are estimates of grant awards based on the best judgment of the departments that utilize grants funding. The Grants Fund is classified as non-operating because the activities supported by grants would typically not be provided without the grant funding. The FY25 budget is decreasing 16.7% to \$90.2 million due to the completion of the CARES Act, and Emergency Rental Assistance 1 and 2 grants.

Special Purpose Fund

The Special Purpose fund is used primarily for donations to the City. The FY25 budget is \$24.8 million, an decrease of 8.6%.

General Fund MAPS 4 Sales Tax Fund

The General Fund MAPS 4 Sales Tax fund is a non-operating fund that was established in the General Fund after voters passed the MAPS 4 Sales Tax in December 2019 and it became effective on April 1, 2020. It is an 8-year one-cent sales tax that extended the current 4.125% sales tax rate after Better Streets, Safer City expired. Revenues will initially be deposited in the General Fund and then transferred to the MAPS 4 Program Fund to be used for capital projects. The Fund is expected to generate \$1.1 billion over the eight years and will be used for 16 capital and quality-of-life projects such as a new family justice center, youth centers, senior wellness centers, a multi-purpose stadium, transit system improvements, a civil rights center, among other projects. The fund is the second largest of the Other Non-Operating Funds and has a FY24 budget of \$148.0 million or 34.9% of the category.

REVENUE DETAIL TABLE

	Actual FY23	Adopted FY24	Adopted FY25
General Operating Funds			
General Fund			
Taxes			
Sales Tax	\$321,900,646	\$328,475,233	\$332,958,868
Use Tax	94,194,031	100,282,909	105,295,496
Other Taxes	3,678,785	3,366,487	3,704,537
Commercial Vehicle Tax	5,019,508	4,787,267	4,742,360
Motor Fuels Tax	1,580,759	1,595,210	1,180,909
Occupational Tax	1,432,623	1,441,794	1,456,213
Alcoholic Beverage Tax	1,827,361	1,963,045	1,754,538
Total Taxes	\$429,633,713	\$441,911,945	\$451,092,921
Franchise/Utility Fees			
Oklahoma Natural Gas	\$9,364,170	\$9,809,236	\$7,891,595
Oklahoma Gas & Electric	29,581,052	29,884,464	31,086,082
Caddo Electric Coop.	280,511	313,666	244,085
Oklahoma Electric Coop.	1,655,387	1,731,403	1,426,644
Tri-Gen	654,207	686,328	505,176
AT&T	178,682	140,778	126,700
AT&T Video	924,890	628,261	470,518
Cox Cable	4,544,579	4,377,076	3,777,249
Cox Fibernet	0	0	0
Other Telephone	111,369	132,452	96,525
Utility Fees - Water	3,834,585	3,930,000	4,234,000
Utility Fees - Wastewater	2,394,057	2,391,000	2,530,000
Utility Fee - Solid Waste	1,191,471	1,344,000	1,416,000
Total Franchise/Utility Fees	\$54,714,959	\$55,368,664	\$53,804,574
Licenses, Permits, and Fees			
Abandoned Building Registration	\$123,565	\$134,598	\$83,248
Fire Prevention Permits	375,500	383,504	425,051
Alarm Permits	539,306	514,344	455,347
Police Alarm Fees	71,295	48,262	53,330
Oil & Gas Well Inspections	217,690	251,166	209,894
General Licenses	686,615	742,941	690,920
Building Permits	5,618,278	6,041,958	5,405,866
Electrical Wiring Permits	1,766,523	1,933,394	2,001,945
Plumbing Permits	1,938,154	1,925,995	1,799,409
Boiler & Elevator Permits	179,969	141,305	237,387
Offsite Wagering Fee	36,670	35,452	35,108
Pre-Qualification Application Fee	232,720	224,781	260,527
Refrig. & Forced Air Permits	1,230,947	1,357,583	1,247,035
Sidewalk & Paving Fees	505,883	686,915	556,712
Work Zone Permits	40,150	45,272	34,829
Other Fees	331,091	47,589	52,564
Hunting and Fishing Permits	125,379	88,870	130,487
Vending Stamps	137,315	159,566	85,000
Garage Sale Permits	78,756	63,642	82,040
Total Licenses, Permits, & Fees	\$14,235,806	\$14,827,137	\$13,846,699

REVENUES

	Actual FY23	Adopted FY24	Adopted FY25
Administrative Charges			
Airport Administrative Payments	\$873,390	\$984,638	\$1,056,497
Airport Police Payments	3,571,945	3,805,104	3,816,582
Water/Wastewater Admin Payments	6,026,860	6,825,560	7,425,386
Drainage Utility Administrative Payment	1,186,560	1,301,998	1,386,959
Solid Waste Mgmt. Admin Payments	1,169,362	998,680	1,081,700
Convention & Tourism Admin Payments	430,326	514,999	656,721
Zoo Administrative Payments	275,000	300,000	300,000
Golf Administrative Payments	92,435	98,563	95,752
Other Administrative Payments	177,097	204,668	217,492
MAPS3 Administrative Payments	1,087,806	1,265,336	1,397,874
Better Streets Administrative Payments	337,858	243,287	207,170
Risk Management Administrative Payments	722,641	855,727	975,448
Public Transportation Administrative Pmts.	1,302,901	1,778,113	1,882,964
Parking Administrative Payments	191,971	236,065	284,646
IT Administrative Payments	1,660,868	1,900,644	2,300,510
Print Shop Administrative Payments	131,023	146,313	167,220
Fleet Services Admin Payments	35,236	56,377	71,564
Banking Fee Payments	101,317	145,449	109,123
Nuisance Abatement Payments	189,221	126,091	209,972
Econ Dev, TIF Engineering, Legal, Other Svcs	365,635	782,459	860,272
Mowing, Litter, and Landscaping Adm Payments	1,330,474	1,376,307	1,420,089
Pavement Maintenance Payments	980,242	2,224,359	100,000
Total Administrative Charges	\$22,240,168	\$26,170,737	\$26,023,941
Other Service Charges			
Bond Fund Engineering, Legal, Other Services	\$8,715,269	\$7,527,950	\$6,511,677
Animal Shelter Fees	227,543	259,428	130,180
Engineering Fees	3,828,694	3,639,383	4,813,852
Planning Fees	850,875	874,930	808,475
Fire Service Recovery	42,000	28,000	28,000
Fire Wage Adjustment Reimbursement	12,770,848	13,153,973	13,311,820
Police Wage Adjustment Reimbursement	9,805,560	10,099,726	10,220,923
Police Fees	2,725,238	2,981,850	3,912,520
Parking Meters	1,207,756	1,815,072	1,016,940
Reimbursement - Grants	4,819,701	525,694	611,890
Refunds and Reimbursements - Operating	1,081,895	1,174,763	801,345
Mowing Services - OCRRA	35,393	0	0
Damage to City Property	133,768	780	147,406
Other Charges	4,423	224,352	3,250
Miscellaneous Service Charges	293,193	0	0
Recreation Fees	1,486,781	1,765,595	1,408,749
Total Other Service Charges	\$48,028,936	\$44,071,496	\$43,727,027

	Actual FY23	Adopted FY24	Adopted FY25
Fines			
Traffic Fines	\$4,314,464	\$4,067,808	\$3,187,419
Parking Fines	1,001,490	924,870	747,791
Court Fees	6,360,525	6,010,730	4,738,201
Court of Record, Jury Division	664,759	657,803	396,352
Criminal Court	122,080	116,798	109,375
Jail Cost Recovery Program	124,380	120,142	71,525
Other Fines	23,305	18,950	30,001
Juvenile Fines	71,089	70,082	33,099
Total Fines	\$12,682,092	\$11,987,183	\$9,313,763
Other Revenue			
Leases	\$3,202,753	\$3,175,445	\$3,792,554
Sale of City Property	12,358	65,907	32,092
Check Service Charge	460	271	339
Royalties	314,204	410,802	209,252
Miscellaneous	4,504,498	4,158,637	8,558,348
Wrecker Service Payments	0	0	0
Operating Interest	3,294,843	2,838,009	4,708,590
Total Other Revenue	\$11,329,115	\$10,649,071	\$17,301,175
Transfers			
Transfers from OCPPA - DAS	\$0	\$0	\$0
Transfers - Miscellaneous	61,721	63,522	64,158
Total Transfers	\$61,721	\$63,522	\$64,158
Fund Balance	\$0	\$11,959,745	\$0
Total General Fund - Operating**	\$592,926,510	\$617,009,500	\$615,174,258
Internal Service Funds**			
Interest	\$342,713	\$58,684	\$0
Information Technology	34,507,870	38,901,480	41,215,482
Risk Management	19,817,733	26,749,141	28,068,836
Print Shop	878,301	1,076,901	1,135,285
Fleet Services	10,079,605	11,360,152	11,135,082
Other	335,739	258,387	0
Services	0	0	0
Transfers	(1,713,983)	(1,287,067)	(1,661,486)
Fund Balance	0	1,830,740	1,926,292
Total Internal Service Funds	\$64,247,978	\$78,948,418	\$81,819,491
Total General Operating Funds	\$657,174,488	\$695,957,918	\$696,993,749

REVENUES

	Actual FY23	Adopted FY24	Adopted FY25
Special Revenue Funds			
Court Administration & Training Fund			
Fees	\$123,876	\$105,240	\$106,844
Fines	122	237	0
Interest	2,176	1,813	2,406
Fund Balance	0	21,816	17,750
Total Court Administration & Training Fund	\$126,173	\$129,106	\$127,000
Emergency Management Fund			
Tariffs	\$6,292,384	\$7,211,710	\$8,393,153
Interest	30,660	34,783	39,283
Transfers	2,540,240	3,095,854	2,649,450
Other	0	0	0
Fund Balance	0	254,693	200,000
Total Emergency Management Fund	\$8,863,284	\$10,597,040	\$11,281,886
Fire Sales Tax Fund			
Sales Tax	\$53,653,000	\$54,665,872	\$55,771,138
Interest	526,523	490,694	882,829
Other	434,655	15,838	15,295
Service Charges	74,813	0	0
Fund Balance	0	3,025,309	2,763,735
Total Fire Sales Tax Fund	\$54,688,991	\$58,197,713	\$59,432,997
Hotel/Motel Tax Fund**			
Hotel/Motel Tax	\$8,324,258	\$7,761,584	\$9,045,350
Interest	80,530	78,020	132,740
Other	75,000	500,000	0
Transfers	6,519,280	6,209,267	7,236,280
Fund Balance	0	192,124	633,440
Total Hotel/Motel Tax Fund	\$14,999,068	\$14,740,995	\$17,047,810
MAPS Operations Fund**			
Use Tax	\$0	\$0	\$0
Interest	21,970	0	0
Other	0	0	0
Transfers	(1,907,971)	0	0
Fund Balance	0	0	0
Total MAPS Operations Fund	(\$1,886,001)	\$0	\$0
MAPS 3 Use Tax Fund**			
Use Tax	(\$20,392)	\$0	\$0
Interest	33,254	426	36,118
Other	112,290	0	0
Service Charges	31,923	0	0
Transfers	0	0	0
Fund Balance	0	459,039	1,208,765
Total MAPS 3 Use Tax Fund	\$157,075	\$459,465	\$1,244,883

	Actual FY23	Adopted FY24	Adopted FY25
MAPS 4 Use Tax Fund**			
Use Tax	\$0	\$0	\$0
Interest	272,487	532,004	3,518,622
Service Charges	766,631	0	0
Transfers	10,191,558	8,819,291	8,104,105
Fund Balance	0	8,290,993	0
Total MAPS 4 Use Tax Fund	\$11,230,676	\$17,642,288	\$11,622,727
Medical Service Program Fund			
Medical Service Program Fee	\$7,111,145	\$9,764,344	\$7,282,481
Interest	259,718	78,808	228,712
Other	0	0	0
Fund Balance	0	4,263,200	4,551,642
Total Medical Service Program Fund	\$7,370,863	\$14,106,352	\$12,062,835
OCMAPS Sales Tax Fund**			
City/Schools Sales Tax	\$0	\$0	\$0
Interest	1,002	0	0
Other	0	0	0
Transfers	0	0	0
Fund Balance	0	49,944	3,247
Total OCMAPS Sales Tax Fund	\$1,002	\$49,944	\$3,247
Police Sales Tax Fund**			
Sales Tax	\$53,653,000	\$54,665,872	\$55,771,138
Interest	667,825	634,870	1,092,957
Other	419,806	0	0
Service Charges	122,552	159,000	151,107
Transfers	(3,600,000)	(2,748,178)	(6,131,812)
Fund Balance	0	1,119,455	3,600,683
Total Police Sales Tax Fund	\$51,263,184	\$53,831,019	\$54,484,073
Zoo Sales Tax Fund			
Sales Tax	\$17,884,333	\$18,221,958	\$18,487,117
Interest	0	1,000	0
Other	139,019	864,439	90,909
Fund Balance	0	0	0
Total Zoo Sales Tax Fund	\$18,023,352	\$19,087,397	\$18,578,026
Total Special Revenue Funds	\$164,837,666	\$188,841,319	\$185,885,484

REVENUES

	Actual FY23	Adopted FY24	Adopted FY25
Enterprise Funds			
Airports Fund			
Transfer from Airport Trust (OCAT)	\$20,708,322	\$22,536,007	\$24,671,062
Interest	63,888	64,743	77,290
Other	4,953	24,434	27,142
Fund Balance	0	2,801,012	2,369,838
Total Airports Fund	\$20,777,163	\$25,426,196	\$27,145,332
Stormwater Drainage Utility Fund**			
Fees	\$19,242,433	\$19,554,916	\$19,979,264
Interest	299,916	267,303	299,724
Other	0	0	0
Permits	147,650	161,628	137,203
Reimbursements	255,766	270,000	255,766
Service Charges	705,154	2,096,865	307,080
Transfers	(2,000,000)	(3,000,000)	(4,800,000)
Fund Balance	0	4,095,399	6,806,505
Total Stormwater Drainage Utility Fund	\$18,650,919	\$23,446,111	\$22,985,542
Transportation and Parking Fund			
Interest	\$19,424	\$17,715	\$33,158
Service Charges	343,942	672,148	715,070
Transfers	5,060,344	6,137,341	6,522,022
Fund Balance	0	128,430	0
Total Transportation and Parking Fund	\$5,423,710	\$6,955,634	\$7,270,250
Utilities Fund			
Interest	\$484,490	\$512,171	\$557,429
Other	\$0	\$0	\$0
Transfers	117,146,000	107,112,970	111,011,774
Fund Balance	0	2,193,931	1,200,000
Total Utilities Fund	\$117,630,490	\$109,819,072	\$112,769,203
Total Enterprise Funds	\$162,482,281	\$165,647,013	\$170,170,327
Subtotal Operating Funds	\$984,494,435	\$1,050,446,250	\$1,053,049,560
Less Operating Interfund Transfers (1)	(116,658,570)	(129,274,717)	(134,908,451)
Total Operating Funds	\$867,835,865	\$921,171,533	\$918,141,109

	Actual FY23	Adopted FY24	Adopted FY25
Non-Operating Funds			
Non-Operating Capital Improvements			
Better Streets, Safer City Sales Tax Fund			
Sales Tax	\$67,970	\$0	\$0
Interest	1,697,160	300,000	2,500,003
Fund Balance	0	82,820,189	65,491,425
Total Better Streets, Safer City Sales Tax Fund	\$1,765,129	\$83,120,189	\$67,991,428
Better Streets, Safer City Use Tax Fund			
Use Tax	(\$557,073)	\$0	\$0
Interest	72,726	89,555	36,111
Other	18,105	0	0
Fund Balance	0	2,191,560	1,449,251
Total Better Streets, Safer City Use Tax Fund	(\$466,242)	\$2,281,115	\$1,485,362
Capital Improvement Projects Fund			
Interest	\$2,278,651	\$1,694,470	\$3,960,000
Other	188,263	1,756,374	157,369
Service Charges	2,250	0	0
Transfers	51,492,316	6,250,000	5,750,000
Fund Balance	0	142,443,251	112,373,103
Total Capital Improvement Projects Fund	\$53,961,480	\$152,144,095	\$122,240,472
City and Schools Capital Projects Use Tax Fund			
Use Tax	\$0	\$0	\$0
Interest	51,051	50,461	49,718
Other	153,208	123,899	80,399
Transfers	0	0	0
Fund Balance	0	2,564,940	1,882,717
Total City and Schools Cap. Projects Use Tax Fund	\$204,259	\$2,739,300	\$2,012,834
Hotel/Motel Tax Fund**			
Hotel/Motel Tax	\$9,989,110	\$9,313,901	\$10,854,420
Interest	97,389	89,048	186,828
Transfers	3,373,126	2,844,504	1,117,378
Fund Balance	0	5,271,964	171,384
Total Hotel/Motel Tax Fund	\$13,459,624	\$17,519,417	\$12,330,010
Impact Fees Fund			
Impact Fees	\$10,659,822	\$7,283,717	\$17,346,747
Interest	1,020,455	437,862	2,067,196
Fund Balance	0	49,848,807	58,110,945
Total Impact Fees Fund	\$11,680,277	\$57,570,386	\$77,524,888

REVENUES

	Actual FY23	Adopted FY24	Adopted FY25
Internal Service Funds**			
Interest	\$60,937	\$30,000	\$0
Other	12,545	15,000	0
Transfers	1,846,286	1,602,480	1,711,486
Fund Balance	0	3,352,553	6,150,844
Total Internal Service Funds	\$1,919,769	\$5,000,033	\$7,862,330
MAPS Operations Fund**			
Use Tax	\$0	\$0	\$0
Interest	60,607	9,875	0
Transfers	1,907,971	0	0
Fund Balance	0	4,377,616	4,017,456
Total MAPS Operations Fund	\$1,968,577	\$4,387,491	\$4,017,456
MAPS Sales Tax Fund			
Sales Tax	\$0	\$0	\$0
Interest	5,925	15,687	8,757
Other	0	0	0
Fund Balance	0	312,603	170,324
Total MAPS Sales Tax Fund	\$5,925	\$328,290	\$179,081
MAPS 3 Sales Tax Fund			
Sales Tax	\$69,415	\$0	\$0
Interest	950,171	755,342	0
Service Charges	0	0	0
Transfers	0	0	0
Fund Balance	0	44,992,391	34,556,171
Total MAPS 3 Sales Tax Fund	\$1,019,586	\$45,747,733	\$34,556,171
MAPS 3 Use Tax Fund**			
Use Tax	\$0	\$0	\$0
Interest	67,862	66,460	72,387
Other	115,775	0	0
Transfers	0	0	0
Fund Balance	0	3,425,637	2,396,505
Total MAPS 3 Use Tax Fund	\$183,637	\$3,492,097	\$2,468,892
MAPS 4 Program Fund			
Interest	\$4,692,348	\$0	\$0
Transfers	131,318,473	145,775,659	147,981,719
Fund Balance	0	79,565,095	219,619,655
Other	1,112,150	0	0
Total MAPS 4 Program Fund	\$137,122,970	\$225,340,754	\$367,601,374

	Actual FY23	Adopted FY24	Adopted FY25
MAPS 4 Use Tax Fund**			
Use Tax	\$30,987,254	\$32,013,732	\$34,500,371
Interest	1,076,171	950,561	1,305,640
Other	0	0	0
Service Charges	84,153	75,605	60,847
Transfers	(10,191,558)	(8,220,892)	(8,104,105)
Fund Balance	0	52,913,042	52,441,266
Total MAPS 4 Use Tax Fund	\$21,956,020	\$77,732,048	\$80,204,019
OCMAPS Sales Tax Fund**			
Interest	\$974	\$0	\$0
Other	0	0	0
Transfers	0	0	0
Fund Balance	0	31,341	32,097
Total OCMAPS Sales Tax Fund	\$974	\$31,341	\$32,097
Oklahoma City Sports Facilities Sales Tax Fund			
Sales Tax	\$0	\$0	\$0
Interest	481	381	626
Other	0	0	0
Fund Balance	0	23,779	24,352
Total OKC Sports Facilities Sales Tax Fund	\$481	\$24,160	\$24,978
Oklahoma City Sports Facilities Use Tax Fund			
Use Tax	\$0	\$0	\$0
Interest	75	64	88
Other	0	0	0
Fund Balance	0	3,729	3,819
Total OKC Sports Facilities Use Tax Fund	\$75	\$3,793	\$3,907
Oklahoma City Tax Increment Financing Fund			
Tax Increment Financing Match	\$0	\$5,250,000	\$3,970,000
Interest	16,429	0	16,368
Fund Balance	0	550,000	0
Total Oklahoma City TIF Fund	\$16,429	\$5,800,000	\$3,986,368
Police Sales Tax Fund**			
Sales Tax	\$0	\$0	\$0
Interest	49,908	38,044	105,624
Other	0	0	0
Service Charges	0	0	0
Transfers	3,600,000	2,748,178	6,131,812
Fund Balance	0	1,636,631	3,353,182
Total Police Sales Tax Fund	\$3,649,908	\$4,422,853	\$9,590,618

REVENUES

	Actual FY23	Adopted FY24	Adopted FY25
Police/Fire Capital Equipment Sales Tax Fund			
Police and Fire Equipment Sales Tax	\$0	\$0	\$0
Interest	32,123	30,698	37,505
Other	1,850	0	0
Fund Balance	0	1,512,797	1,368,353
Total Police/Fire Equipment Sales Tax Fund	\$33,973	\$1,543,495	\$1,405,858
Stormwater Drainage Utility Fund**			
Fees	\$0	\$0	\$0
Interest	186,036	0	395,602
Service Charges	1,509,241	0	0
Transfers	2,000,000	3,000,000	4,800,000
Fund Balance	0	13,630,675	14,037,979
Total Storm Water Drainage Utility Fund	\$3,695,277	\$16,630,675	\$19,233,581
Street & Alley Capital Fund			
Interest	\$2	\$0	\$0
Other	0	0	0
Fund Balance	0	100	102
Total Street & Alley Capital Fund	\$2	\$100	\$102
Total Non-Operating Capital Improvements	\$252,178,132	\$705,859,365	\$814,751,826
Other Non-Operating Funds			
Asset Forfeiture Fund			
Asset Seizure Revenues	\$2,749,216	\$2,125,387	\$1,951,268
Other	48,912	26,880	19,966
Service Charges	53	0	0
Interest	46,183	38,422	53,596
Transfers	0	0	0
Fund Balance	0	1,092,562	831,273
Total Asset Forfeiture Fund	\$2,844,364	\$3,283,251	\$2,856,103
Debt Service Fund			
Ad Valorem (Property)	\$114,335,051	\$121,229,086	\$94,519,311
Interest	3,702,711	1,500,000	2,000,000
Other	8,768,352	9,000,000	8,000,000
Fund Balance	0	28,849,130	45,000,000
Total Debt Service Fund	\$126,806,115	\$160,578,216	\$149,519,311
General Fund - MAPS 4**			
Sales Tax	\$142,936,364	\$145,775,659	\$147,981,719
Fund Balance	0	0	0
Total General Fund - MAPS 4	\$142,936,364	\$145,775,659	\$147,981,719

	Actual FY23	Adopted FY24	Adopted FY25
Grants Management Fund			
Grant Awards	\$34,651,471	\$108,356,382	\$90,224,894
Total Grants Management Fund	\$34,651,471	\$108,356,382	\$90,224,894
OKC Improvement & Special Assessment Dist.			
Assessments	\$4,205,023	\$6,012,549	\$6,891,473
Interest	55,150	32,220	86,320
Service Charges	0	750	645
Transfers	0	0	0
Fund Balance	0	0	0
Total OKC Improv. & Spcl Assess. Districts Fund	\$4,260,174	\$6,045,519	\$6,978,438
Special Assessment Districts Fund			
Assessments	\$0	\$1,997,000	\$1,947,000
Interest	0	0	0
Service Charges	0	0	0
Transfers	0	0	0
Fund Balance	0	0	0
Total Special Assessment Districts Fund	\$0	\$1,997,000	\$1,947,000
Special Purpose Fund			
Donations	\$3,865,854	\$1,681,940	\$849,669
Fees	74,509	100,726	40,000
Interest	618,178	201,912	492,446
Other	872,500	2,142,500	2,810,000
Service Charges	87,837	59,120	164,176
Transfers	125,000	1,600,000	2,000,000
Fund Balance	0	21,345,757	18,448,051
Total Special Purpose Fund	\$5,643,878	\$27,131,955	\$24,804,342
Total Other Non-Operating Funds	\$317,142,365	\$453,167,982	\$424,311,807
Total Non-Operating Funds	\$569,320,497	\$1,159,027,347	\$1,239,063,633
Subtotal All Funds	\$1,437,156,362	\$2,080,198,880	\$2,157,204,742
Less Interfund Transfers (2)	(183,185,502)	(159,829,576)	(151,912,168)
Total All Funds	\$1,253,970,860	\$1,920,369,304	\$2,005,292,574

*Includes transfers between the operating and non-operating portions of a fund.

** Fund contains both Operating and Non-Operating activities

REVENUES

	Actual FY23	Adopted FY24	Adopted FY25
(1) Transfers between Operating Funds			
Gen Fund Transfer to Emerg Mgmt	\$2,540,240	\$3,095,854	\$3,260,927
Gen Fund to Transit Fund via COTPA	3,947,937	5,004,696	5,329,426
Gen Fund to City and Schools Use Tax Fund	0	0	0
Various Funds to Internal Service Fund	65,283,509	78,087,674	81,554,685
Fire Sales Tax to General Fund	12,770,848	13,153,973	13,311,821
Police Sales Tax to General Fund	9,805,560	10,099,726	10,220,926
Grants to General Fund	4,819,701	525,694	611,890
Gen Fund to Parking Cash Fund	1,114,426	1,146,999	1,204,785
Special Purpose to Maps 3	0	0	0
Various Non-Operating Pmts to Gen Fund	(556)	1,653	0
Various Funds Admin Pmts to Gen Fund	16,376,906	18,158,448	19,413,991
Total	\$116,658,570	\$129,274,717	\$134,908,451
(2) Transfers to Non-Operating Funds			
Gen Fund Transfer to MAPS 4 Prog Fund	\$131,351,129	\$145,775,659	\$145,775,659
Various to CIP Fund	51,492,316	13,809,679	5,903,341
Various Miscellaneous Transfers	0	0	0
Various Funds to Special Purpose	125,000	111,431	100,361
Various Funds to Grant Fund	217,058	132,807	132,807
Total	\$183,185,502	\$159,829,576	\$151,912,168

EXPENDITURE SUMMARY

THE OKLAHOMA MUNICIPAL BUDGET ACT GUIDES MUNICIPALITIES IN THE PREPARATION OF THEIR BUDGETS AND MANDATES CERTAIN REQUIREMENTS IN PRESENTING THE BUDGET.

The City of Oklahoma City diligently follows these requirements. Some of the requirements seem commonplace because we have been following these guidelines for years. For example, the budget contains actual revenues and expenses for the prior fiscal year, the revenue and expenditure budget for the current year, and estimated revenue and expenditures for the coming year. Another requirement is that all expenditures be “departmentalized” within each fund.

The budget is also divided between operating and non-operating expenditures. This division helps take out the significant fluctuations in capital and non-operating expenses that occur as a result of projects such as the MAPS 4 program. Most of the discussions about the budget focus on the operating portion of the budget because it allows for better year-to-year comparisons. The operating budget totals \$918,141,109.

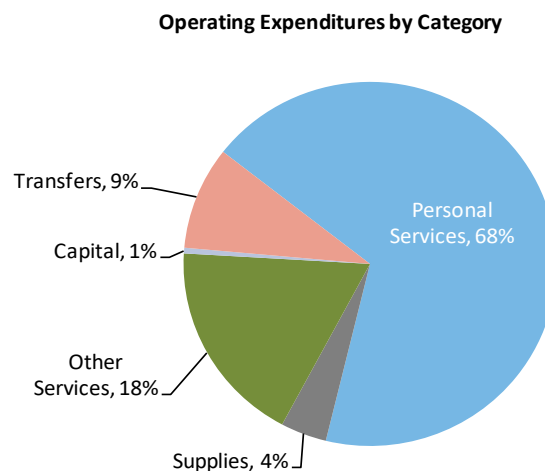
EXPENDITURE CATEGORIES

One requirement of the Municipal Budget Act that drives the organization of the budget is that expenditures be classified into the following categories: Personal Services, Supplies, Other Services, Capital, Debt Service, and Transfers.

As shown in the chart below, Personal Services is the largest portion of the City’s operating expenditures accounting for 68% of the total operating budget. Expenses like salaries, taxes, retirement benefits, and insurance make up the majority of operating costs because City services are labor-intensive and closely tied to the employees who carry out the various functions of the City.

The second largest area of operating expenditures is Other Services at 18% of the operating budget. These expenses include contracts for service, utilities and chargebacks for internal services (Information Technology, Fleet Services, Print Shop, and Risk Management). Other Services is also the category where contingency is budgeted in each fund, as well as payments from City funds to City trusts such as the General Fund payment to the Central Oklahoma Transportation and Parking Authority. Supplies, at 4% of the operating budget, make up a relatively small percentage of the total and include items as varied as paper and pencils to asphalt and ammunition.

Capital outlay makes up an even smaller percentage of the operating budget at 1% of the total. Most of the capital expenses of the City are reflected in the non-



operating portion of the budget. For purposes of the graph, debt service expenses related to General Obligation (GO) bond issuance costs are included in the capital category. Within the operating expenditure budget, the only debt service expenses are the fees paid related to the issuance of GO bonds. The Transfers category makes up 9% of the budget and includes transfers from operating funds to non-operating funds and City Trusts. One significant transfer is from the General Fund to the Capital Improvement Fund. Although the Municipal Budget Act classifies this expenditure as a transfer, the end result is capital investment.

EXPENDITURES BY FUNCTION

Another way of looking at the City’s budget is to consider the service or function being provided. There are four broad areas of service provided by the City. The first are the General Government functions. These include the City Manager’s Office, the Office of Mayor and Council, the Municipal Counselor’s Office, the City Auditor’s Office, the City Clerk’s Office, Finance, Human Resources, and General Services; and make up approximately 13% of the City’s operating expenditures.

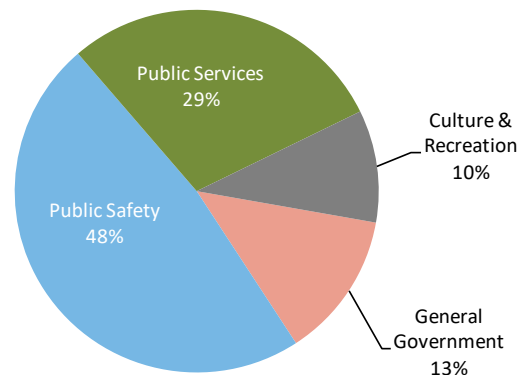
The next function of city government is Public Safety which includes Police, Fire, Animal Welfare and Municipal Courts. This function comprises 48% of the operating expenditure budget.

Public Services function includes Airports, Public Works, Development Services, Planning, Public Transportation and Parking, and Utilities. These departments total 29% of the operating expenditure budget.

The Culture and Recreation function includes Parks and Recreation, the Zoo Sales Tax Fund, OCMAPS, MAPS 4 and the Hotel/Motel Tax Special Revenue Fund; and makes up 10% of the operating expenditure budget.

The General Fund contains the Non-Departmental function, which organizes various citywide expenses and certain transfers that do not fit within another City department. These expenses were included in each of the four categories where the expense could easily be categorized. For example, the funding for audits of the City’s finances was classified as a General Government expense, while the subsidy for the Paycom Center and Cox Center operations was classified as a Cultural expense. The expenses in Non-Departmental that could not be directly attributed to a single category, such as the retiree health insurance subsidy, were allocated to each category proportionally so the full operating budget is allocated to specific functions.

Operating Expenditures by Function

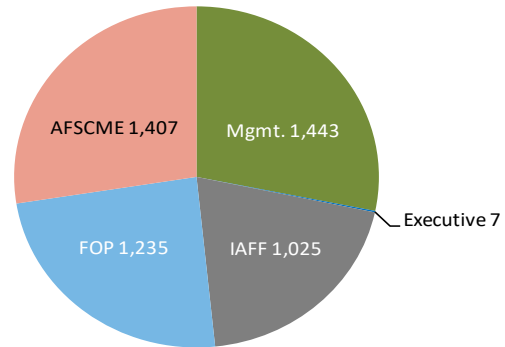


BUDGETED POSITIONS

The FY25 Budget contains authorization for 5,117 positions throughout the City. This is an increase of 9 positions (0.2%) from the FY24 adopted budget. The table on the following page shows the changes on a department-by-department basis.

The City’s workforce is comprised of five basic groups. The American Federation of State, County, and Municipal Employees (AFSCME) represent the general pay plan or non-management employees of the City. This is the largest group at 1,407 positions. The Fraternal Order of Police (FOP) represents all sworn positions within the Police Department. The adopted budget includes 1,235 FOP positions.

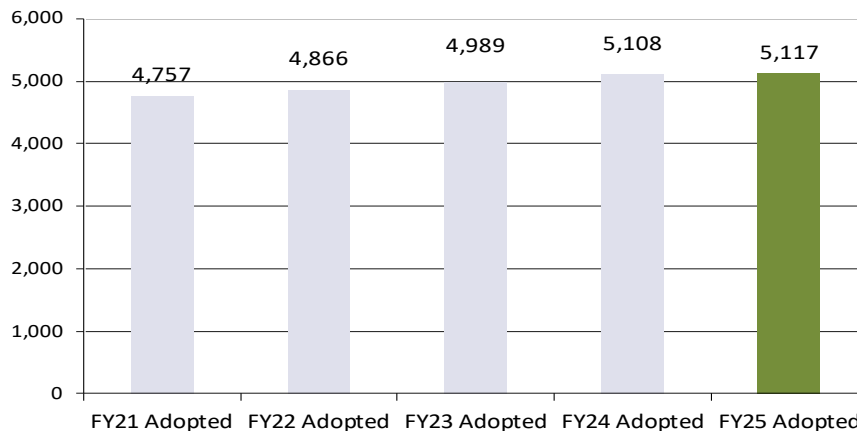
Positions by Category



The International Association of Firefighters (IAFF) represents all of the uniformed positions within the Fire Department. The adopted budget contains 1,025 uniformed Fire positions. Management includes employees on the Management, Auditors, and Legal pay plans. Each pay plan includes administrative support, professional, and managerial positions. In addition, those employees who report directly to the City Manager are included as Management. This group totals 1,443 positions in the adopted budget.

The executive category includes only positions that report directly to City Council: the City Manager, City Attorney, City Auditor and four Municipal Judges.

Budgeted Positions History



BUDGETED POSITIONS BY DEPARTMENT

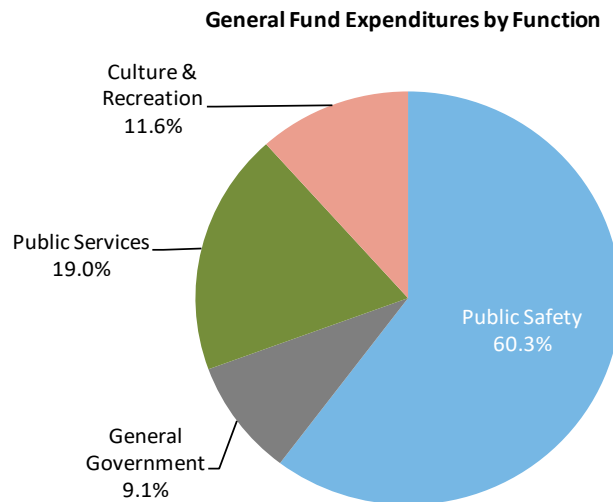
Department	FY23 Adopted	FY24 Adopted	FY25 Adopted	Change	%
Airports	144.00	149.00	149.00	0.00	0.0%
City Auditor	8.00	8.00	8.00	0.00	0.0%
City Clerk	10.00	10.00	10.00	0.00	0.0%
City Manager	52.40	56.40	56.40	0.00	0.0%
Development Services	190.00	195.00	192.00	(3.00)	(1.5%)
Finance	90.00	91.00	89.00	(2.00)	(2.2%)
Fire	1,061.00	1,111.00	1,133.00	22.00	2.0%
Fire Grants	0.00	0.00	0.00	0.00	N/A
General Services	80.00	80.00	79.00	(1.00)	(1.3%)
Human Resources	34.00	36.00	36.00	0.00	0.0%
Information Technology	123.00	131.00	130.00	(1.00)	(0.8%)
Mayor and Council	6.60	6.60	6.60	0.00	0.0%
Municipal Counselor	58.00	61.00	62.00	1.00	1.6%
Municipal Court	65.00	65.00	63.00	(2.00)	(3.1%)
Parks and Recreation	186.00	187.00	190.00	3.00	1.6%
Planning	38.7	39.80	43.55	3.75	9.4%
Planning Grants	21.3	21.20	17.45	(3.75)	(17.7%)
Police	1,564.00	1,578.35	1,577.00	(1.35)	(0.1%)
Police Grants	3.00	2.65	1.00	(1.65)	(62.3%)
Public Transportation and Parking	46.00	50.00	49.00	(1.00)	(2.0%)
Public Works	400.00	404.00	399.00	(5.00)	(1.2%)
Utilities	808.00	825.00	826.00	1.00	0.1%
Subtotal	4,989.00	5,108.00	5,117.00	9.00	0.2%

THE GENERAL FUND

The General Fund is the largest fund within the City budget and makes up \$615,174,258 of the City's total operating budget. The General Fund serves as the mechanism from which many of the core services of the City are primarily funded. The General Fund also has the most flexibility on how funds can be spent. The special revenue and enterprise funds, mostly operating funds, have specific purposes required for the expenditure of those funds. Within the General Fund, however, there is more latitude to direct the spending priorities of the City. Using the same functions that were defined before, the focus on Public Safety is even more pronounced in the General Fund as approximately 60.3% of the total budget is expended in this area.

Public Services is the second largest area of spending at 19.0%. However, its share of the General Fund is significantly smaller than in the operating budget because a large portion of Public Service funding comes from Enterprise Funds (such as Airports and Utilities).

General Government makes up 9.1% of the General Fund because general government functions, such as Finance and Human Resources, do not have a funding source outside the General Fund.



Culture and Recreation at 11.6% is a smaller portion of the General Fund than of the operating budget, as a whole, because major revenue sources for Culture and Recreation, such as MAPS 3, the Zoo Sales Tax and the Hotel/Motel Tax, are outside the General Fund.

A comparison of the General Fund Budget at the department level provides a useful comparison of how priorities are allocated and how the costs for providing services are changing relative to the other departments. The next page provides a breakdown of the General Fund budget by department.

GENERAL FUND BUDGET BY DEPARTMENT

	Actual FY23	Adopted FY24	Adopted FY25
General Fund Expenses			
City Auditor	\$1,344,704	\$1,516,654	\$1,563,162
City Clerk	1,307,085	1,361,120	1,458,617
City Manager	4,236,727	5,027,807	5,398,781
Development Services	20,002,288	20,958,706	21,559,019
Finance	9,645,238	10,557,143	11,076,154
Fire	123,368,111	125,327,769	130,779,584
General Services	5,605,405	6,291,581	6,250,380
Human Resources	4,891,525	5,204,837	5,640,891
Mayor & Council	1,193,203	1,348,785	1,386,556
Municipal Counselor	9,255,961	9,365,030	10,106,089
Municipal Court	8,476,983	9,476,559	9,833,998
Non-Departmental Operating	111,676,856	118,838,392	96,729,173
Parks & Recreation	35,044,807	42,974,668	47,293,179
Planning	6,621,275	7,216,784	7,309,098
Police	171,674,195	173,311,759	179,903,792
Public Transportation and Parking	30,952,366	38,723,253	42,074,118
Public Works	37,216,275	39,508,653	36,811,667
Total Expenses	\$582,513,005	\$617,009,500	\$615,174,258

EXPENDITURE SUMMARY TABLE

	Actual FY23	Adopted FY24	Adopted FY25
Operating Funds			
General Operating Funds			
General Fund*	\$582,513,005	\$617,009,500	\$615,174,258
Internal Service Fund*	62,210,320	78,948,418	81,819,491
Total General Operating Funds	\$644,723,325	\$695,957,918	\$696,993,749
Special Revenue Funds			
Court Admin. and Training Fund	\$137,463	\$129,106	\$127,000
Emergency Management Fund	8,898,621	10,597,040	11,281,886
Fire Sales Tax Fund	48,886,177	58,197,713	59,432,997
Hotel/Motel Tax Fund*	14,872,318	14,740,995	17,047,810
MAPS 3 Use Tax Fund*	309,028	459,465	1,244,883
MAPS 4 Use Tax Fund*	3,638,272	17,642,288	11,622,727
Medical Service Program Fund	6,008,811	14,106,352	12,062,835
OCMAPS Sales Tax Fund	0	49,944	3,247
Police Sales Tax Fund*	44,645,488	53,831,019	54,484,073
Zoo Sales Tax Fund	18,023,302	19,087,397	18,578,026
Total Special Revenue Funds	\$145,419,479	\$188,841,319	\$185,885,484
Enterprise Funds			
Airports Fund	\$21,041,718	\$25,426,196	\$27,145,332
Stormwater Drainage Utility Fund*	17,491,547	23,446,111	22,985,542
Public Trans. and Parking Fund	5,083,436	6,955,634	7,270,250
Utilities Fund	118,527,381	109,819,072	112,769,203
Total Enterprise Funds	\$162,144,082	\$165,647,013	\$170,170,327
Subtotal Operating Funds	\$952,286,886	\$1,050,446,250	\$1,053,049,560
Less Interfund Transfers (1)	(116,658,570)	(129,274,717)	(134,908,451)
Total Operating Funds	\$835,628,316	\$921,171,533	\$918,141,109

EXPENDITURES

	Actual FY23	Adopted FY24	Adopted FY25
Non-Operating Funds			
Capital Improvement Funds			
Better Streets, Safer City Sales Tax Fund	\$17,741,558	\$83,120,189	\$67,991,428
Better Streets, Safer City Use Tax Fund	7,728,889	2,281,115	1,485,362
Capital Improvement Projects Fund	46,932,297	152,144,095	122,240,472
City and Sch Cap Proj Use Tax Fund	689,315	2,739,300	2,012,834
Hotel/Motel Tax Fund*	12,289,268	17,519,417	12,330,010
Impact Fees Fund	3,418,768	57,570,386	77,524,888
Internal Service Funds*	670,178	5,000,033	7,862,330
MAPS Operations Fund*	0	4,387,491	4,017,456
MAPS Sales Tax Fund	0	328,290	179,081
MAPS 3 Sales Tax Fund	20,527,079	45,747,733	34,556,171
MAPS 3 Use Tax Fund*	612,587	3,492,097	2,468,892
MAPS 4 Program Fund	66,959,620	225,340,754	367,601,374
MAPS 4 Use Tax Fund*	7,142,726	77,732,048	80,204,019
OCMAPS Sales Tax Fund	140,400	31,341	32,097
OKC Sports Facilities Sales Tax Fund	0	24,160	24,978
OKC Sports Facilities Use Tax Fund	0	3,793	3,907
OKC Tax Increment Financing Fund	909,658	5,800,000	3,986,368
Police Sales Tax Fund*	2,271,324	4,422,853	9,590,618
Police/Fire Cap Equip Sales Tax Fund	561,228	1,543,495	1,405,858
Stormwater Drainage Utility Fund*	1,637,520	16,630,675	19,233,581
Street and Alley Fund	0	100	102
Total Capital Improvement Funds	\$190,232,414	\$705,859,365	\$814,751,826
Other Non-Operating Funds			
Asset Forfeiture Fund	\$2,551,078	\$3,283,251	\$2,856,103
Debt Service Fund	122,528,449	160,578,216	149,519,311
General Fund - MAPS 4*	131,318,473	145,775,659	147,981,719
Grants Management Fund	65,963,751	108,356,382	90,224,894
OKC Improv. and Special Assess Dist.	4,500,210	6,045,519	6,978,438
Special Assessment Districts Fund	1,395,268	1,997,000	1,947,000
Special Purpose Fund	5,240,439	27,131,955	24,804,342
Total Other Non-Operating Funds	\$333,497,668	\$453,167,982	\$424,311,807
Total Non-Operating Funds	\$523,730,082	\$1,159,027,347	\$1,239,063,633
Subtotal All Funds	\$1,359,358,398	\$2,080,198,880	\$2,157,204,742
Less Interfund Transfers (2)	(183,185,502)	(159,829,576)	(151,912,168)
Total All Funds	\$1,176,172,896	\$1,920,369,304	\$2,005,292,574

* Indicates the Fund has both an Operating and Non-Operating component

	Actual FY23	Adopted FY24	Adopted FY25
(1) Transfers between Operating Funds			
Gen Fund Transfer to Emerg Mgmt	\$2,540,240	\$3,095,854	\$3,260,927
Gen Fund to Transit Fund via COTPA	3,947,937	5,004,696	5,329,426
Various Funds to Internal Service Fund	65,283,509	78,087,674	81,554,685
Fire Sales Tax to General Fund	12,770,848	13,153,973	13,311,821
Grants Funds to General Fund	4,819,701	525,694	611,890
General Fund to Parking Cash Fund	1,114,426	1,146,999	1,204,785
Various Funds Pmts to Gen Fund	(556)	1,653	0
Police Sales Tax to General Fund	9,805,560	10,099,726	10,220,926
Various Funds Admin Pmts to Gen Fund	16,376,906	18,158,448	19,413,991
Total	\$116,658,570	\$129,274,717	\$134,908,451
(2) Transfers to Non-Operating Funds			
Gen Fund Transfer to MAPS 4 Prog Fund	\$131,351,129	\$145,775,659	\$145,775,659
Various to CIP Fund	51,492,316	13,809,679	5,903,341
Various Funds to Special Purpose	125,000	111,431	100,361
Various Funds to Grant Funds	217,058	132,807	132,807
Total	\$183,185,502	\$159,829,576	\$151,912,168

LONG RANGE FINANCIAL SUMMARY

The Five-Year Financial Forecast is presented each February to the City Council and Mayor through a Council Workshop, to which the public and local media are invited. Although only a summary is provided here which focuses on the General Fund, the full forecast is available on the City's website at:

<https://www.okc.gov/departments/finance/financial-and-budget-reports>



Regular financial evaluations help ensure stability

Evaluating the City's financial condition on a regular basis can help ensure stability so that programs and services meet the community's needs.

PURPOSE OF LONG-RANGE FINANCIAL PLAN

The purpose of the Five-Year Financial Forecast is to evaluate the City's financial condition as it relates to programs and services. With accurate, timely, and objective information about the City's financial condition, elected officials can help ensure the stability of Oklahoma City's general and other municipal funds. With continued financial viability and service demand forecasting, the City can anticipate and meet community needs, enable additional economic diversification, and promote growth for years to come. This forecast focuses on operating revenues and expenditures associated with the General Fund, which finances a diverse spectrum of programs to meet the community's needs. With this in mind, the Five-Year Financial Forecast serves three purposes.

1. **Compliance.** Providing the forecast helps the City comply with city financial policies and practices designed to ensure the responsible utilization of public resources.
2. **Strategy.** The forecast provides the Mayor and City Council with information to formulate long-term strategies to ensure city services are available at a level appropriate to the actual needs of the community. Annual budgeting alone can fail to serve the long-term public interest if short-term priorities reduce resources that may be required to meet imminent needs that fall beyond the one-year budget scope.
3. **Accountability.** The forecast serves as a resource for the general citizenry and the business community by providing a snapshot of the City's current and projected financial well-being. It provides citizens and business leaders with an overview of the City's ability to meet community needs over time. This document also demonstrates the City's financial planning process and strengthens local government's accountability to the community.



LONG RANGE FINANCIAL SUMMARY

By identifying long-term issues and assessing resources, the Five-Year Financial Forecast provides the Mayor and City Council with the necessary information to create continuity between annual budget cycles and long term needs of the City. The forecast is a valuable tool for identifying potential problems and for policy makers to incrementally address such problems in a manner that provides seamless continuation of core services.

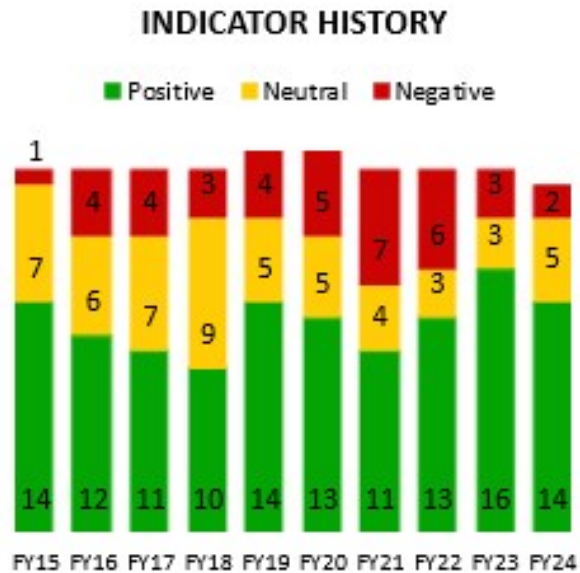
SUMMARY

Overall, the City is in a strong good position in Fiscal Year 2024 (FY24) although growth is expected to diminish in the latter half of the fiscal year, General Fund revenue is expected to exceed projections and end the year at 1.5% growth over FY23 levels. The City has worked with Dr. Russell Evans, Partner and Chief Economist at the Thorberg Collectorate, to develop the economic outlook for the coming year. Dr. Evans’ expectation for sales tax growth for 2024 is 2.3% and between 0.70% and 2.1% for 2025. Although consumer spending has remained consistent over last year, it is beginning to show signs of weakness as both interest rates and unemployment have gradually risen. Although inflation continues to moderate, household spending is unlikely to keep pace and the record high revenue growth the City has experienced in recent years from high sales and use tax collections can be expected to continue to diminish in the year ahead.

FINANCIAL EVALUATION TOOLS

In developing the five-year outlook, staff used two financial evaluations tools, the Financial Trend Monitoring System (FTMS) and forecast issues provided by department staff. FTMS is designed to give City leaders and residents a simple method for evaluating the City’s financial condition on a year-to-year basis. Adapted from *Evaluating Financial Condition: A Handbook for Local Government*, published by the International City/County Managers Association, this method identifies the trends in various financial and environmental areas and rates them as positive, neutral or negative. A final “score” can then be developed showing how many of the trends fall in each category. This system provides the City with a more comprehensive evaluation of financial condition rather than focusing on individual indicators, such as fund balance. The overall results of the FTMS indicator ratings were 67% positive, 24% neutral and 10% negative was a decline from last year where 73% indicators trended positive. Here were two key indicators that trended neutral from being positive last year, hotel tax revenue and average weekly earnings. Before the COVID-19 pandemic in FY19, growth continued at 3.2%, but then had a drastic decline of -20.7% in FY20 and -34.8% in FY21 due to the COVID-19 pandemic. Collections rebounded in FY23, increasing 11.1% year-over-year. In the past five years, hotel tax has grown 17.3% in nominal dollars, but decreased 1.8% in real dollars adjusted for inflation. Given the real world dollars increasing gap with reported revenue, this indicator was rated at neutral.

There were two indicators trending negative: percentage of General Fund revenues from sales tax and office vacancy rates. The City has grown more reliant on sales tax in recent years, and this trend was exacerbated over the past couple years by



LONG RANGE FINANCIAL SUMMARY

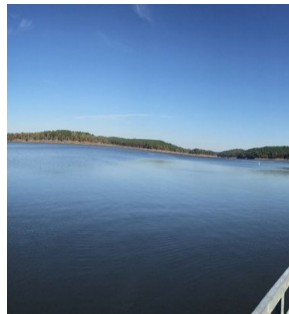
increased consumer spending in the wake of the COVID-19 pandemic and high price inflation. As a result, sales tax revenue made up 71.2% of General Fund revenues in FY23. Office vacancy rates in the Central Business District and citywide both grew at around 3% from mid-year 2022 to 2023.

The second financial evaluation tool is forecast issues which provide an overview of major issues facing City departments. These identified issues provide an “early warning system” to the City Manager and City Council of significant items that are beyond the scope of the annual budget process. Strategies and priorities are set to address the issues over the long-term. A total of 53 issues were identified in the forecast with the seven most significant issues highlighted:



Capital Planning and Infrastructure Funding

The City supports a large network of infrastructure and capital equipment. Historically, these needs have been funded through both pay-as-you-go financing such as sales and use taxes, and debt financing such as General Obligation (GO) Bonds. Many of these sources provide for the acquisition of new assets, but not maintenance and repair.



Long-Term Water Issues

Securing additional water supplies for Central Oklahoma until 2060 is a strategic priority for the Utilities Department, relying on two key pipeline projects. The construction of a one-hundred-mile pipeline from Lake Atoka to Lake Stanley Draper is underway, while Oklahoma City Water Utilities Trust (OCWUT) will soon determine the alignment and design of the 33-mile Kiamichi pipeline.



Increasing Demand for Technology

The City continues to strive to provide high-quality and efficient services to residents which requires a dedicated staff with high levels of skill. Staffing levels have not kept pace with increased demands and the current pay plan is not commensurate with industry competition.



Public Safety Partnership

In August 2023, the OKC Public Safety Partnership was announced in a continued effort to enhance crisis intervention, refine de-escalation, and promote community engagement in law enforcement policies. The Partnership is a collaboration among City Council Members, city leaders, OKC Police and Fire Departments, community members, subject matter experts, and other stakeholders. A consultant provided 39 recommendations for policing improvements to the City.

LONG RANGE FINANCIAL SUMMARY



Public Transportation System Improvements

Strategic investment is needed in transit planning, system and facility design, and environmental work to compete for federal funds made available through the Infrastructure Investment and Jobs Act (IIJA)

- The resulting work will allow the City to compete for more federal funding to lessen the



Homelessness

The City launched several initiatives in 2022, including an employment program, A Better Way, that targets people who are panhandling; a Homeless Street Outreach program that coordinates with emergency responders and law enforcement on mental health responses; and a Youth Homelessness Demonstration program



Employee Recruitment, Engagement and Retention Strategies

The City has experienced difficulties in filling and retaining employees. While most City positions have increased in pay, there are many positions for which compensation is below market. Preliminary results from the Classification and Compensation Study will not be available until early 2023

The forecast document contains in-depth descriptions along with possible direction or next steps to resolve the issues which include options such as negotiating agreements with private partners, rate adjustments, temporary sales and use taxes, new taxes or tax increases, user fees, facility charges, sponsorships, expanding the sales tax base, changing state law to allow property taxes to be used for municipal operations, commissioning studies, training, and exploring cost reductions.

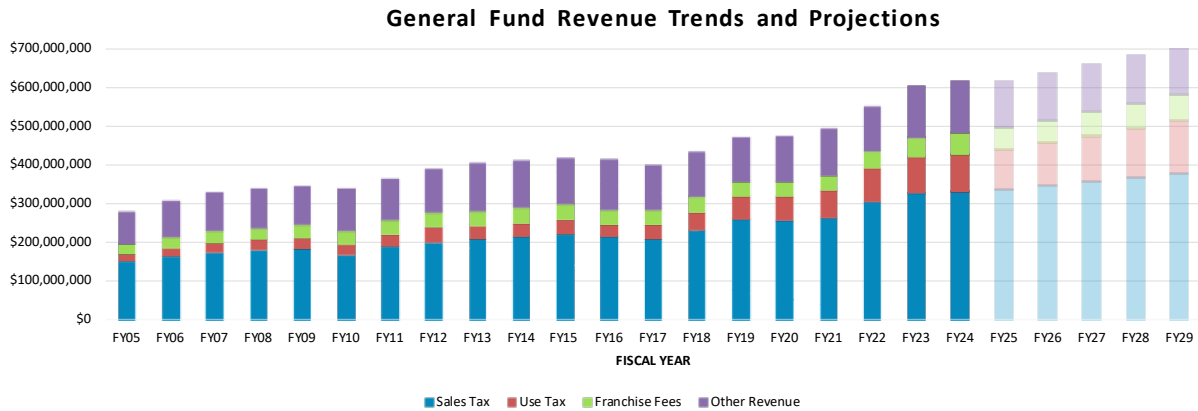
The forecast also closed the communication loop on three previously identified issues that were resolved with successful outcomes including EMBARK Rapid NW Grand Opening, improved Fire station sleep quarters, and supplemental EMS transport.

GENERAL FUND IN-DEPTH

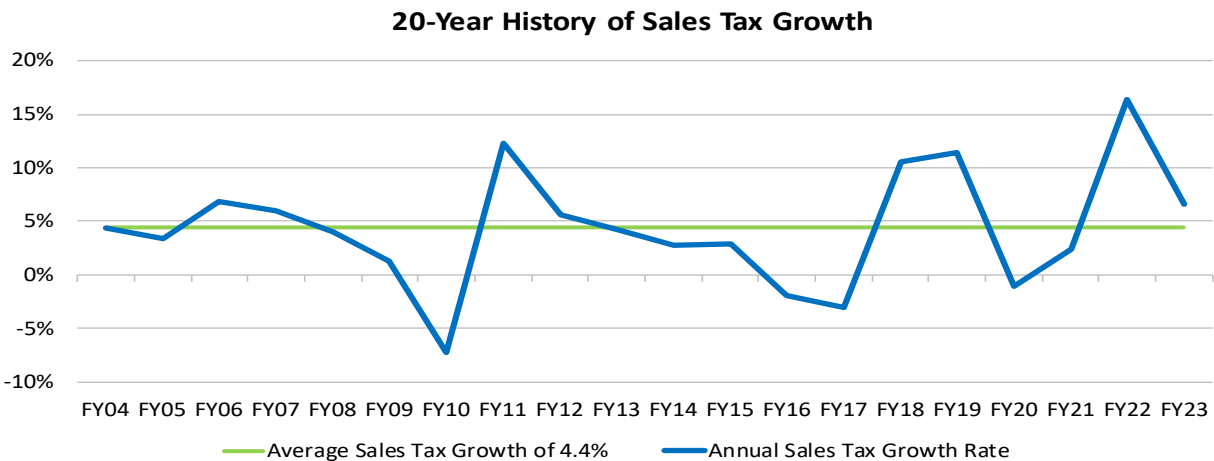
The General Fund is the largest fund within the City and serves as the mechanism from which many of the core services are primarily funded.

General Fund Revenue. There are hundreds of individual revenue sources that contribute to the General Fund and therefore they are combined into similar categories for ease of discussion. When all of the categories are combined, the General Fund is expected to grow at an average of 2.9% per year over the next five years and reach \$710.5 million in FY29.

LONG RANGE FINANCIAL SUMMARY



With the current revenue mix, sales tax accounts for more than half of General Fund revenue. Continued stability of the General Fund is contingent upon conservative financial management because sales tax revenue growth can be volatile as shown in the chart below.

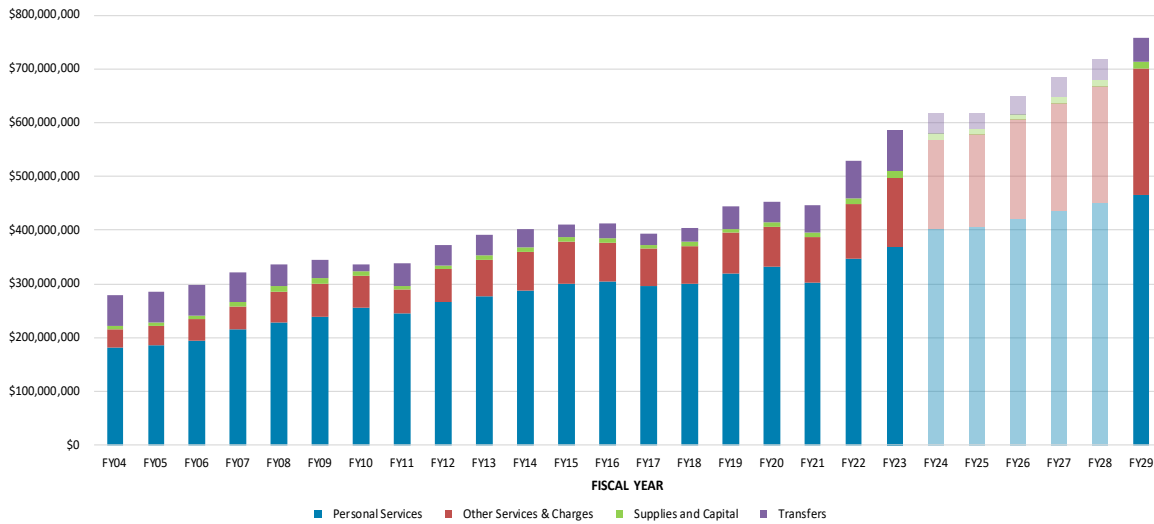


General Fund Expenditures. City expenditures encompass a variety of goods and services, including personal services, other services, supplies and capital, and transfers. Growth is due primarily to personal services expenditures, including salaries and benefits as full-time budgeted positions have grown by 785 or 18.2% over the last 20 years. Besides normal historical growth, additional capital, operating and/or maintenance costs were added, which include increases for pay plans and retirement funding, the implementation of Bus Rapid Transit, the subsidy to operate and maintain the Riversport facility, electricity and natural gas costs, and increases for providing risk management services to departments. Overall, General Fund expenditures are projected to have annual growth of 4.2% and reach \$762.7 million in FY29.

Projected Revenue/Expenditure Gap. Over the next five years, a gap between General Fund revenues and expenses is expected as new capital projects are completed and new services are implemented that require funds for annual operating and maintenance costs. The revenue growth projections re-

LONG RANGE FINANCIAL SUMMARY

General Fund Expense Trends and Projections

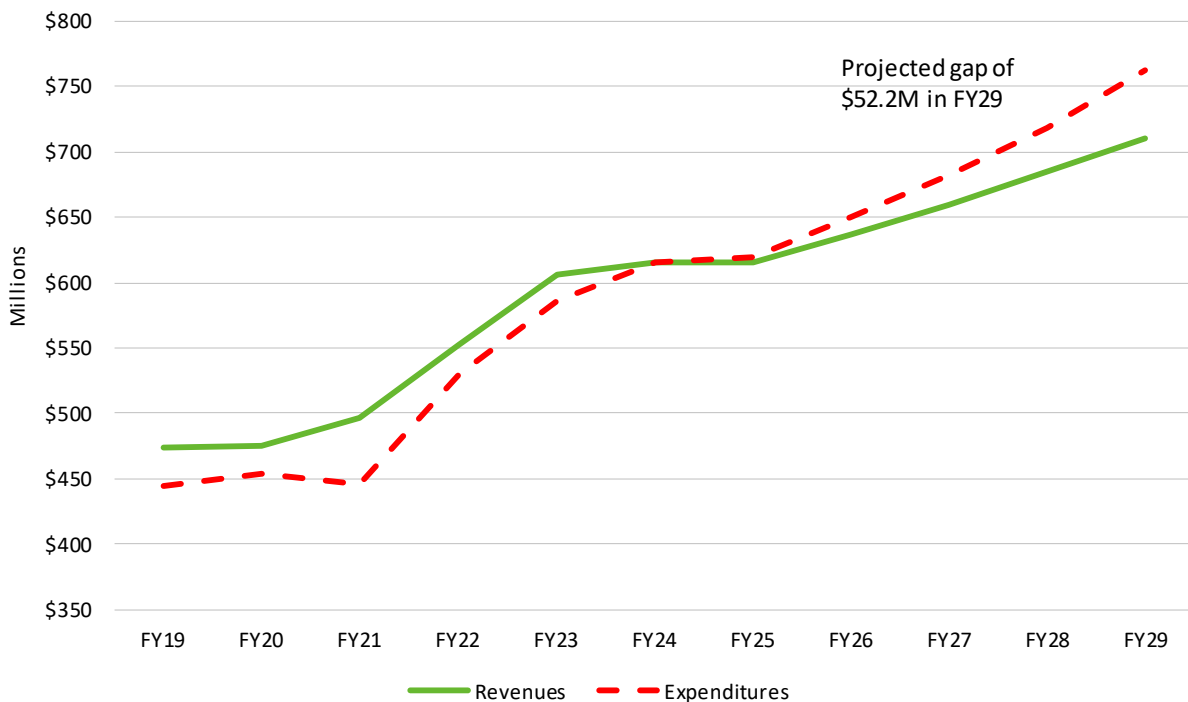


flect an average annual growth rate of 2.9%, while expenses were projected to grow at an average of 4.2% annually. Known increases to expenses, such as Bus Rapid Transit and the MAPS 3 downtown public park, were added to the projection. The imbalance in revenue and expenditure growth patterns means the General Fund has a projected gap of \$52.2 million by FY29.

GENERAL FUND OUTLOOK GOING FORWARD

Closing the Gap. Historically, the City’s financial forecasts have projected a revenue/expenditure gap. In order to close the gap and fund operations at a level desired by residents, revenue collections would

General Fund Revenues and Expenditures



LONG RANGE FINANCIAL SUMMARY

need to increase through new revenue sources, an expanded sales tax base, and continued growth in the local economy. However, expenditure control is the area where the City has the most flexibility and the most power to close the gap. Since Personal Services are the majority of City costs, controlling the growth in this area will be key to maintaining financial balance. The most effective means to achieve a balance between controlling personnel costs while maintaining competitive salary and benefit packages for employees will be to limit salary and benefit growth to within the approximate growth rates of City revenues. Improved efficiency in operations is also an avenue for controlling expenditure growth. Tight budgets have necessitated that departments continually look for ways to do more with less, thereby driving many efficiency gains, but have resulted in some reductions in service levels in the past. Another option for the future is for City leaders to continue reprioritizing City services. Over time, City needs and priorities change. Programs and services may be added or reduced based on community needs. Not every situation can be anticipated, but cyclical economic changes are to be expected over a long period of time. The City must continue to monitor legislation that can affect either

revenues or expenditures and work to diversify Oklahoma City's revenue base. Through calculated, combined efforts, the City's projected General Fund financial gap can be addressed. Continued sound financial management will be the key to ensure the City will be able to live within available resources during the next few years.

