

City of Broken Arrow

Fiscal Year 2021

Municipal Budget Public Hearing

By Michael Spurgeon, City Manager
and Cindy Arnold, Finance Director



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City of Broken Arrow

FY-2021

Budget Workshop

Recap



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FY-2021

The City of Broken Arrow
operates on a Fiscal Year
Budget Cycle:

July 1 – June 30



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- The Municipal Budget serves the following purposes:
 - A “blueprint” for providing municipal services;
 - Budget consists of – Personnel, Operating, and Capital expenses
 - Matches available resources with community needs; and
 - The Executive Summary outlines the work plan and priorities for the organization.



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- The City has the following priorities:
 - Maintaining fiscal soundness;
 - Great City service with emphasis on Public Safety and Emergency Management preparedness;
 - Comprehensive economic development administration;
 - Affordable public utilities;
 - Ongoing investments in public infrastructure.



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Budget Concerns and Challenges

- #1 Challenge - over-dependency on sales tax;
- #2 We must implement a sustainable revenue source for public safety operations;
- #3 Manage the budget during COVID-19 recovery; and
- #4 Utility Department – implementation of new rate model and complete CIP.



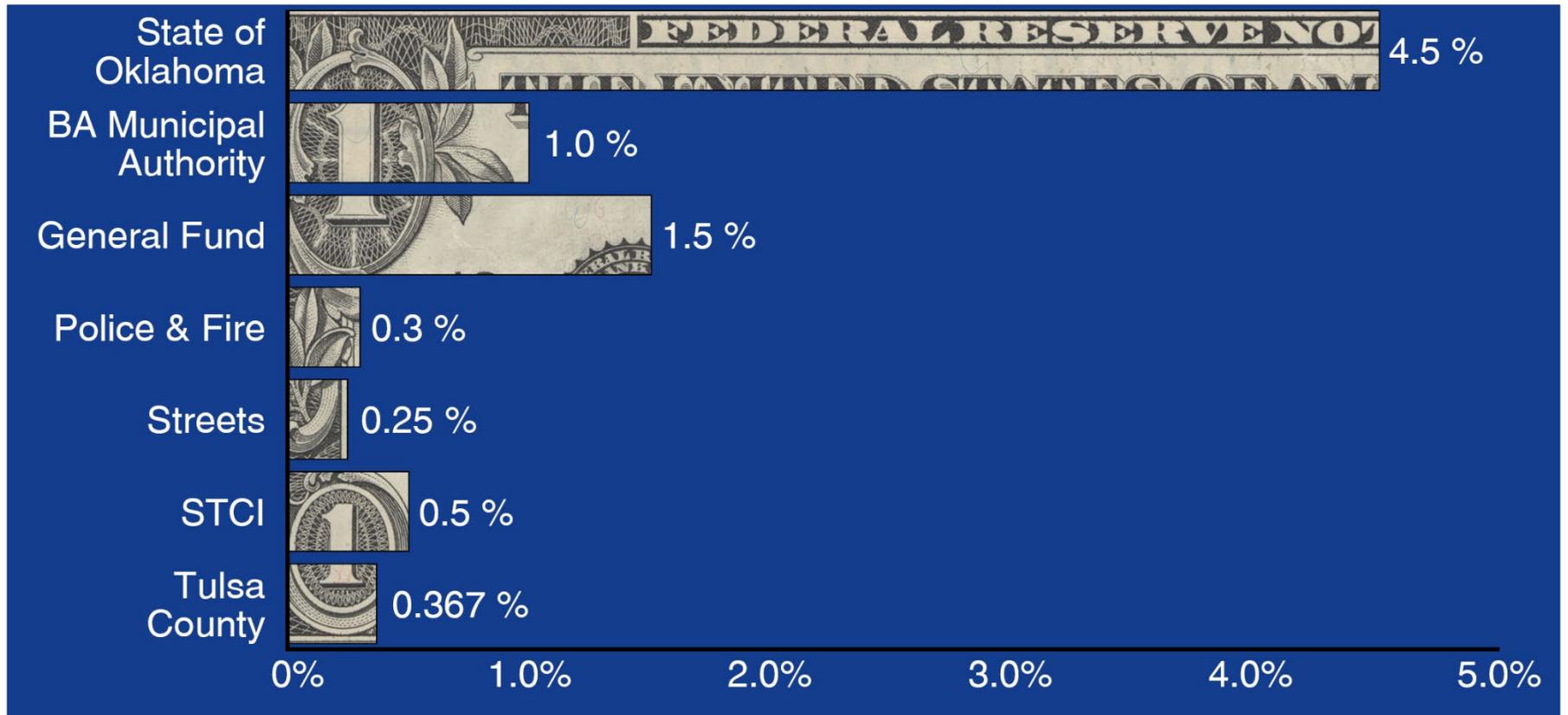
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Sales Tax Breakdown

Current Sales Tax rates

Tulsa County: 8.417% (detail shown below)

Wagoner County: 8.80%



City of Broken Arrow

FY-2021

Municipal Budget



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FY-2021 General Fund Revenue Projections:

- A decrease in overall revenues of \$1,904,466 or 3% from last year's budget but \$3,651,729 or 5.6% lower than estimated year end
- Sales tax – projected decrease 6.5%
- Use Tax was based on actual year end estimates
- All other current revenues – projected decrease of 4.9%
- All revenues combined – projected decrease 5.9%



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FY-2021 Proposed Municipal
Budget: \$292,568,533

\$15,077,639 or 4.9% decrease
compared to FY-2020

\$307,646,172



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Breakdown on FY-2021 Expenses:

- Operational - \$122,973,622
- Capital Outlay - \$137,600,281
- Debt Service - \$31,994,630

Total: \$292,568,533

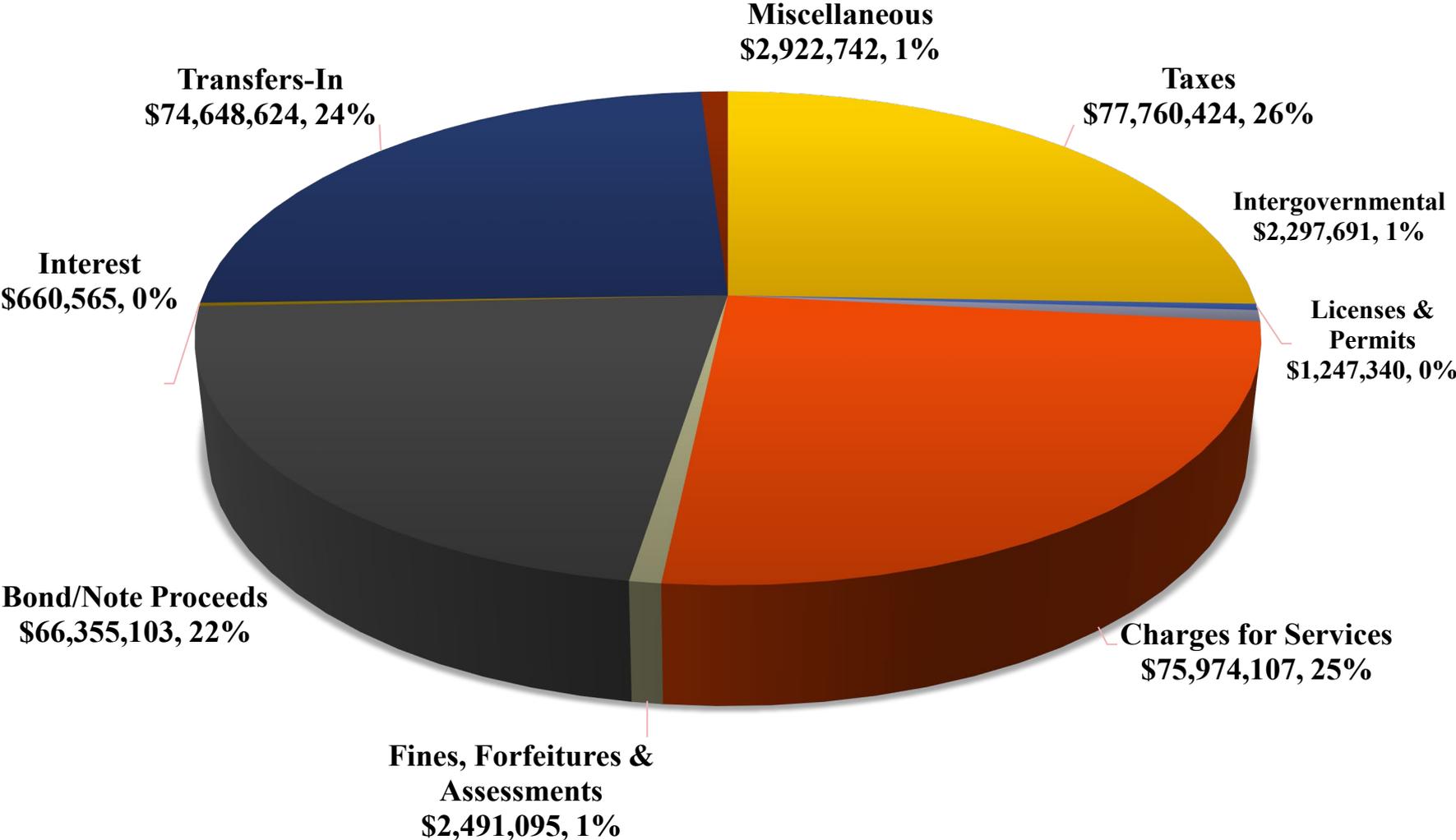


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City of Broken Arrow Revenue Sources

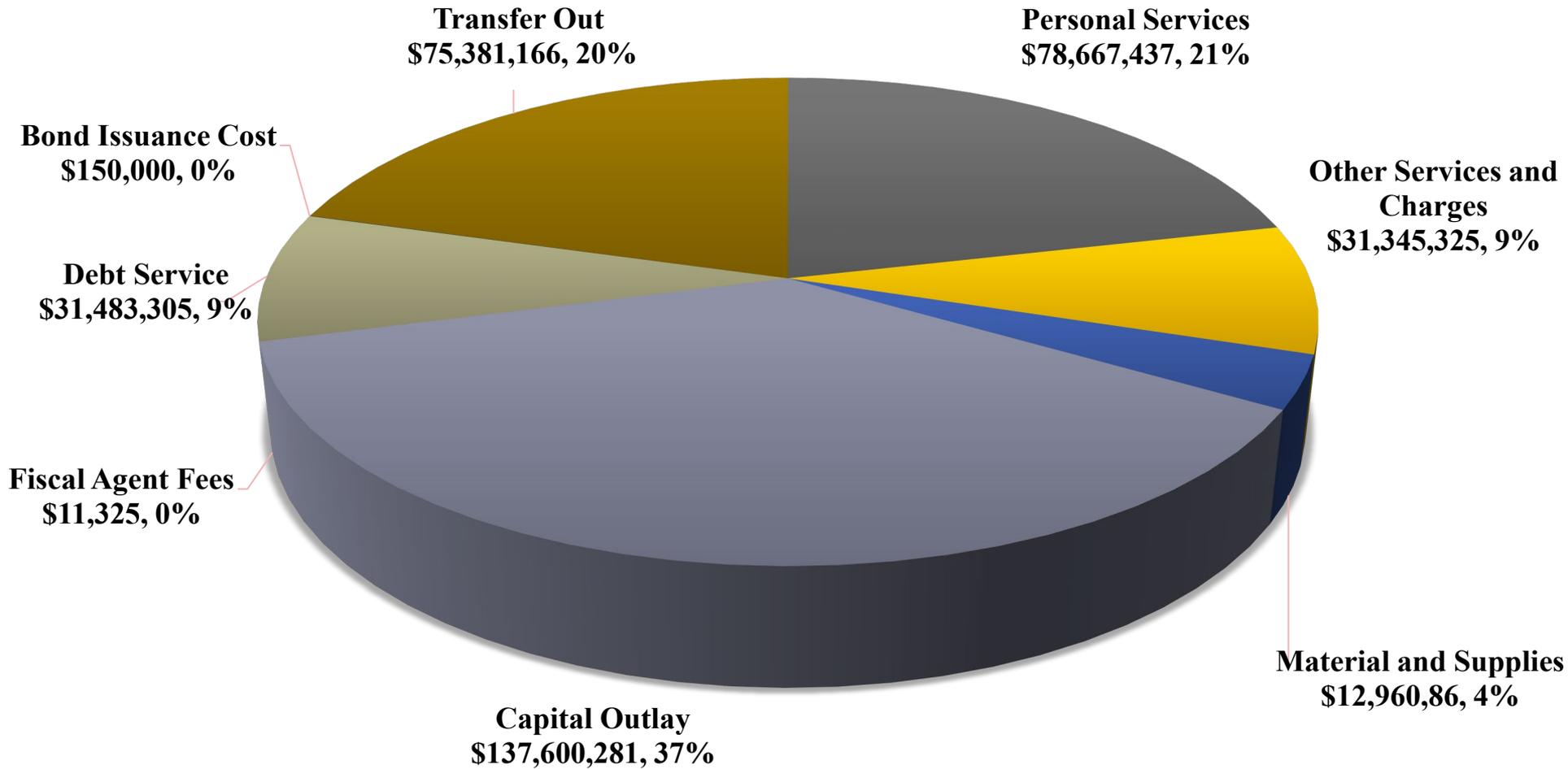
Fiscal Year 2021

Where does the \$\$\$ Come from?



City of Broken Arrow Budget Expenditures – FY 2021

What does the \$\$\$ pay for?



City of Broken Arrow

FY-2021 General Fund

\$90,867,106

- Includes: Expenditures, transfers out, ending fund balance

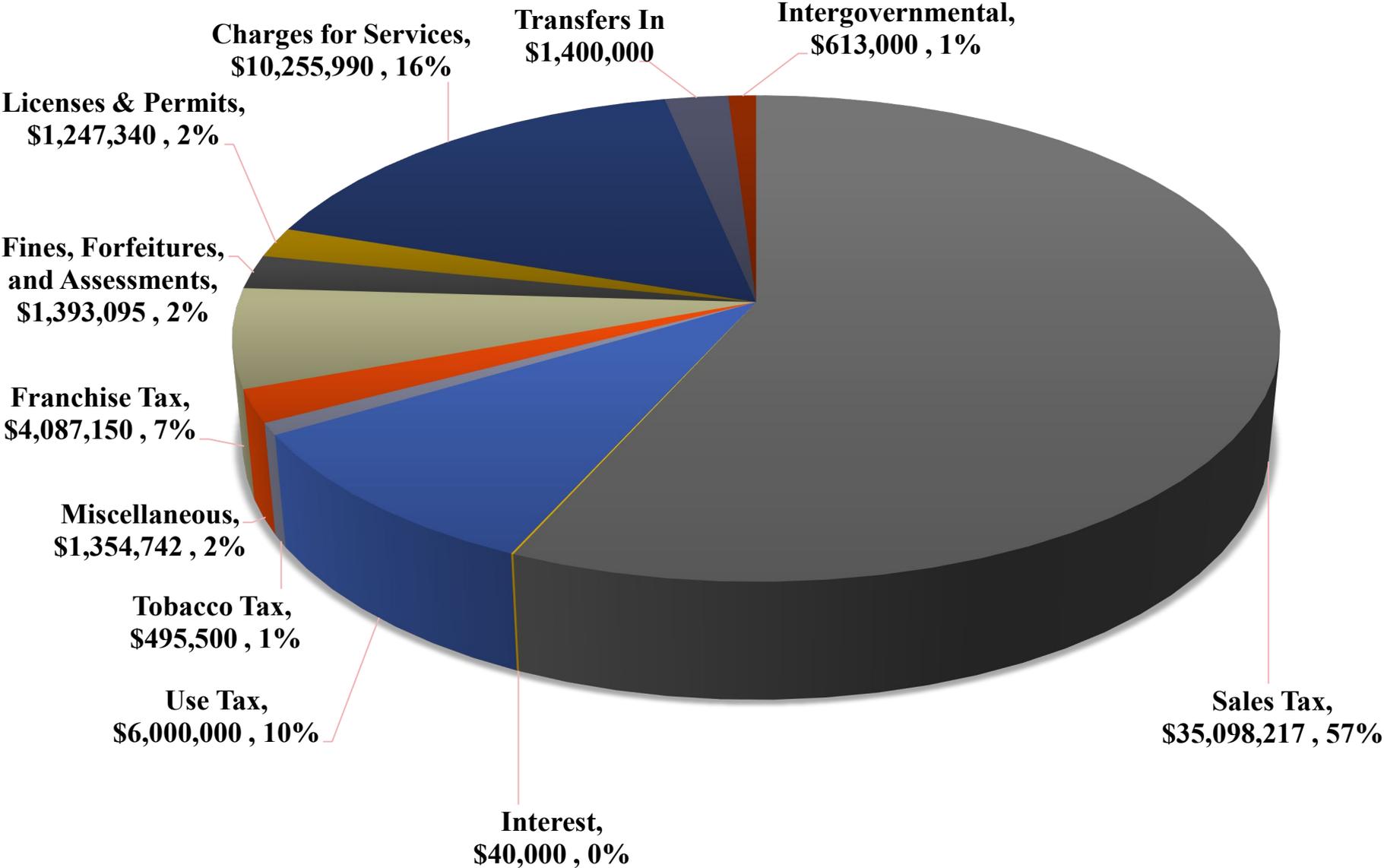
FY-2020 General Fund: \$95,043,520

- Decrease of 4.4% in operating costs, transfers out (public safety sales tax funds), and reserved fund balances

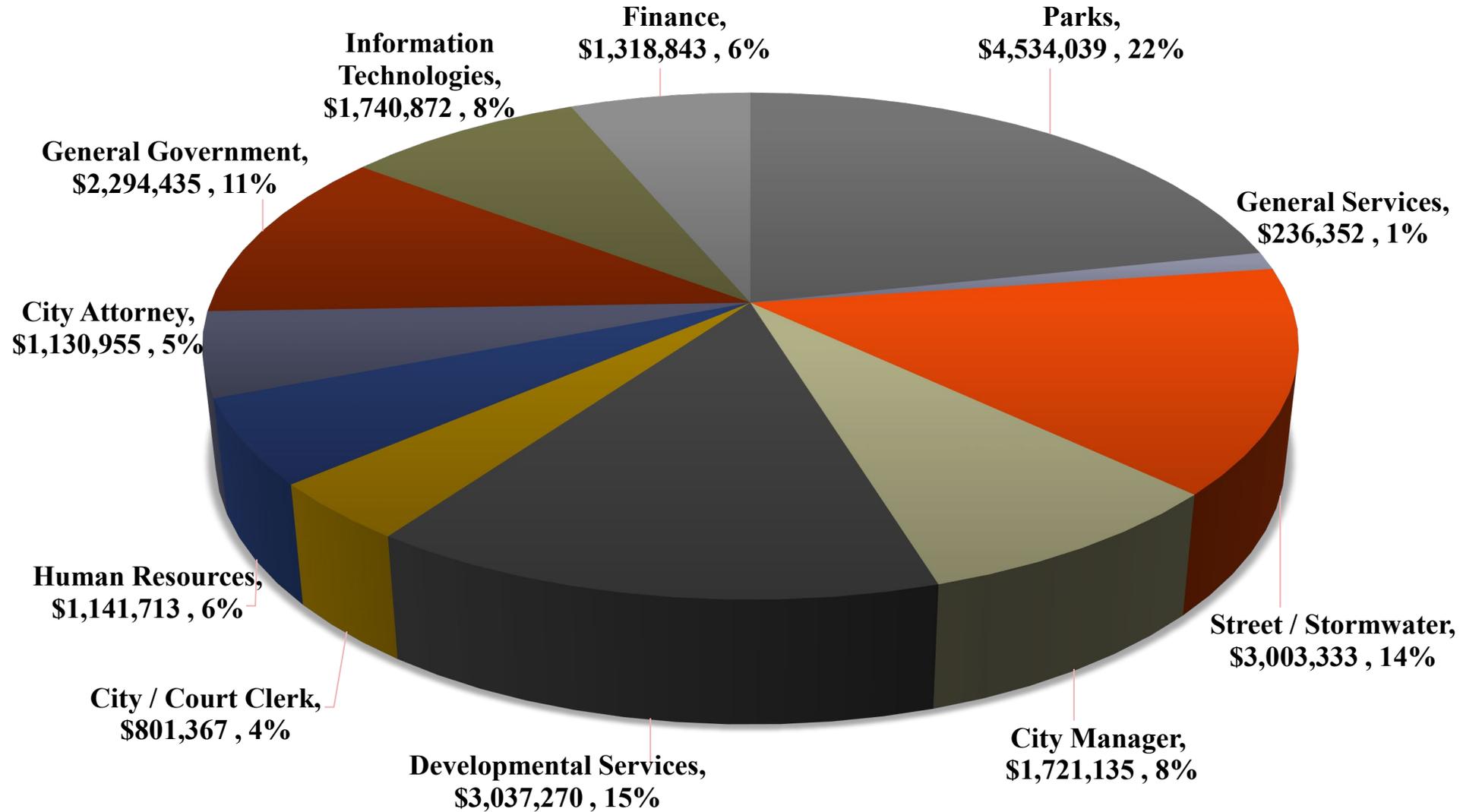


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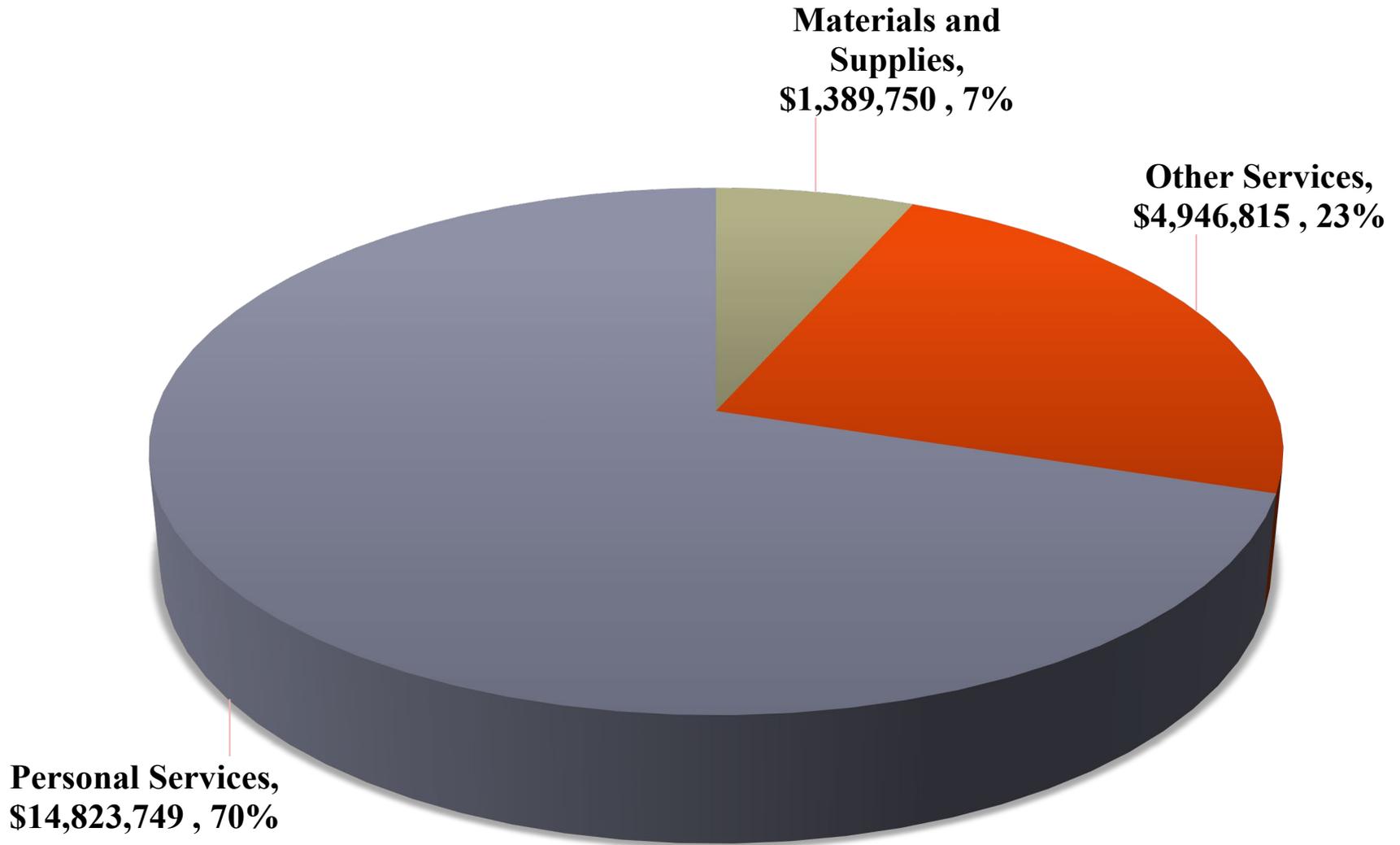
General Fund Budget Resources FY 2021



General Fund Expense By Department FY 2021



General Fund Expense By Classification FY 2021



City of Broken Arrow

FY-2021

Broken Arrow Municipal
Authority (BAMA)

Budget



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City of Broken Arrow

FY-2021 BAMA Budget

\$124,447,923

- Includes: Expenditures, transfers out, ending fund balance, capital outlay, and debt service

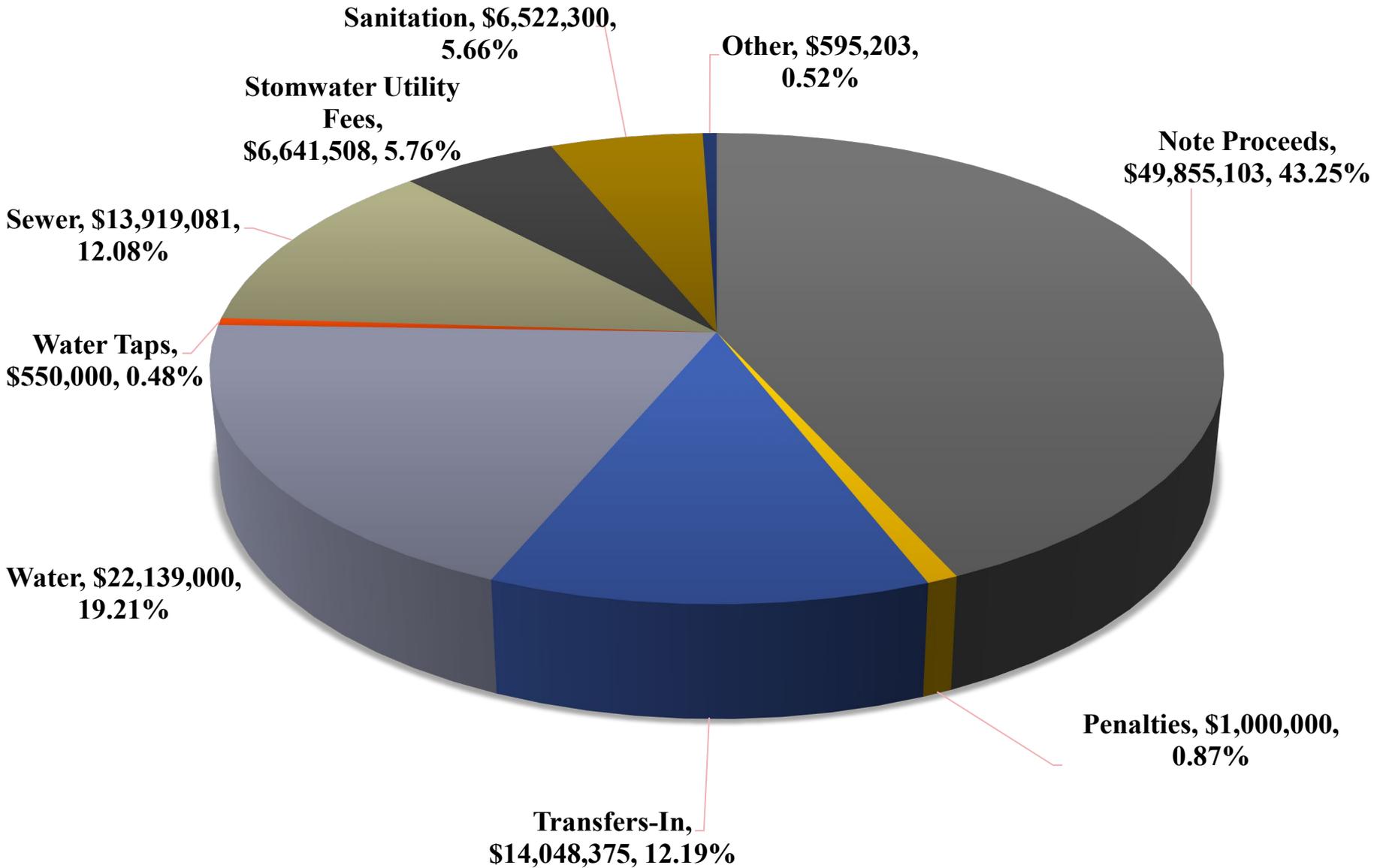
FY-2020 BAMA Budget: \$139,437,975

- Decrease of 10.75% in operating costs, capital outlay (5 year CIP implementation), reserved fund balances, and debt service (OWRB loans)

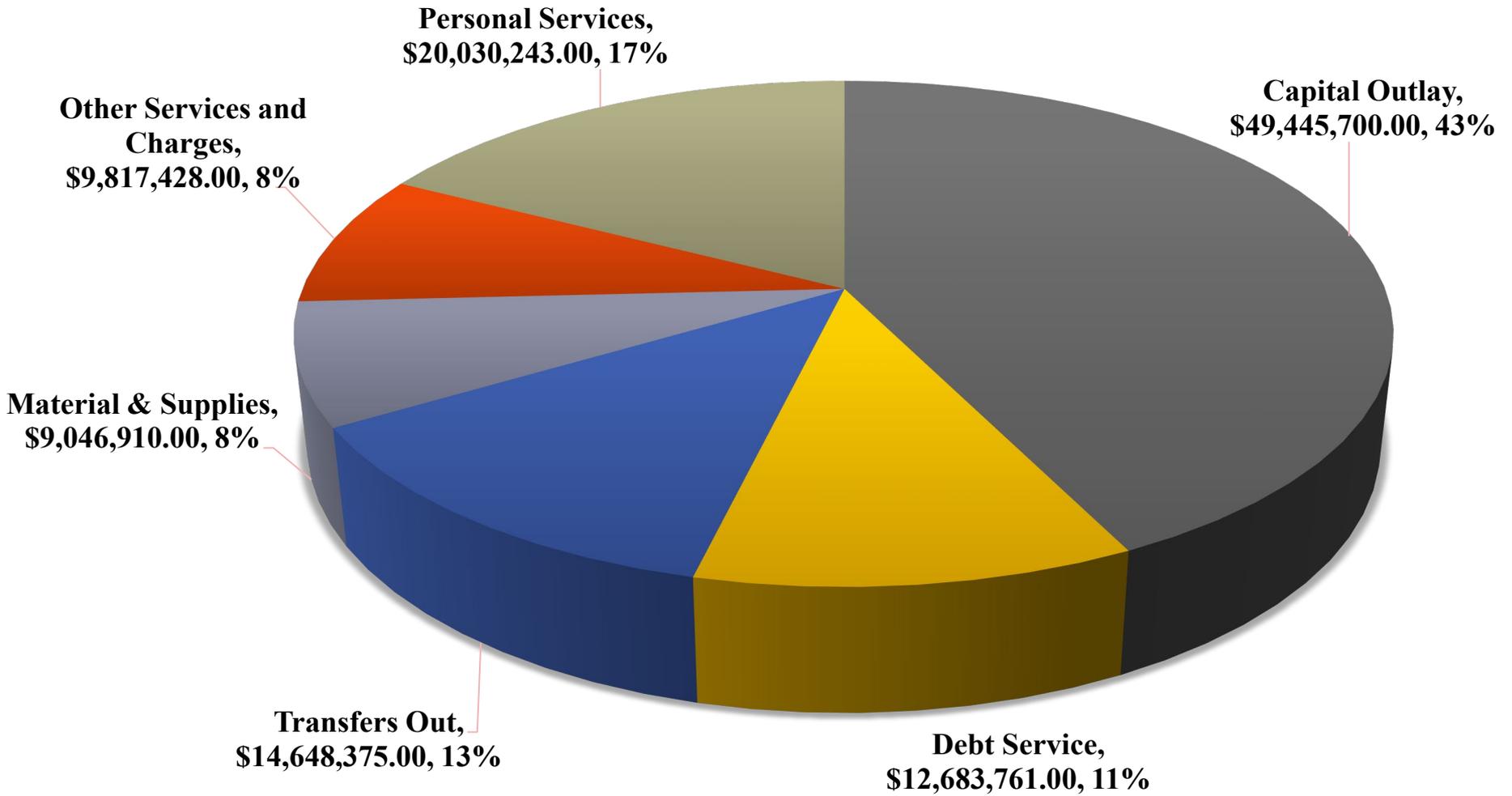


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Broken Arrow Municipal Authority Revenue Resources FY 2021



Broken Arrow Municipal Authority Expenses By Classification FY 2021



City of Broken Arrow

Sales Tax Capital Improvement Fund (STCI)



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FY-2021 STCI

- 0.5% of 3.55% of City's sales tax for STCI
- Revenues estimated at \$7,024,188
- Fund used primarily for “pay as you go” capital expenses



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STCI Highlights

- \$120,000 for equipment and repairs at Battle Creek
- \$700,000 for new police vehicles
- \$30,000 for the Korean War Memorial
- \$871,000 for City Property Roofs and A/C units
- \$110,000 for the Neighborhood Improvement Plan
- \$30,000 for the Community Garden Initiative
- Annual Bass Pro debt service payment of \$1.9 million



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General Obligation Bonds Projects

- \$67,000,000 in current FY 2011, FY 2014, and FY 2018 GOB Projects
- Proposed GO Bond Sale in FY 2021
\$16,500,000



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BAMA CIP

- \$46,900,000 in OWRB projects underway
- \$1,641,500 for new utility vehicles and equipment
- \$3,593,000 for Recycling/Trash Carts
- \$900,000 for 3 Refuse Trucks



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FY-2021 Work Plan

(CM Budget message pages 10-15)

- Communications and transparency
- Economic Development Administration
- Street maintenance program (Vision 2025 funds)
- GO Bond Program
- Various programs and initiatives, new and ongoing



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Conclusion

Our number one focus this year will be the recovery from the effects of the COVID-19 Pandemic. We've built a conservative focus that will help ensure Broken Arrow continues to provide the level of services that residents desire, while maintaining the modest tax implications taxpayers have come to expect. I believe that the initiatives and spending priorities recommended in this budget submission reflect not only the goals of the City Council, but also the priorities of the residents and taxpayers of BA.



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Recognitions



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Questions



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