

APPENDIX

Equipment Management Department

Established in 1981

Mission

To serve Tulsa's citizens by supporting City departments in the performance of their responsibilities with quality maintenance, repair, and services that insures maximum utilization of the City's equipment.

Definition

Equipment Management Department (EMD) is staffed with 83 professionals, specializing in a variety of roles needed to maintain the City's fleet of 2,700 vehicles. They maintain and repair all vehicles owned and operated by the City of Tulsa. EMD also stores and dispenses fuel and oil to those vehicles.

Scope of Services Provided

EMD provides a centralized maintenance program for City vehicles and equipment. This program provides regular preventive maintenance as well as unscheduled repairs through internal maintenance operations and contracted services with commercial vendors. In addition, the department is responsible for providing fuel to all on-road and off-road City equipment and provides on-site maintenance services for off-road and heavy equipment. Other responsibilities include collision repairs, vehicle washes, motor pool vehicles and fleet management services.

Successes/Accomplishments

- EMD leverages the latest technologies. Alternative fuel programs are being pursued aggressively. Compressed natural gas, hybrid technologies, and bio-diesel are some technologies EMD is researching to gain efficiencies.
- Several programs have been implemented to protect the environment, including the use of ultra-low emissions vehicles, alternative motor fuels, EPA Stage II vapor recovery fuel systems, and fuel consumption reduction efforts.
- EMD not only provides services that support the traditional public safety department's vehicles, but also the specialized and unique equipment utilized by Police and Fire.

Future Challenges and Opportunities

- EMD will implement recruiting programs designed to employ individuals from a shrinking pool of trades career students.
- Pursue environmental protection and energy savings by reducing the City's dependence on petroleum fuels by expanding the use of alternative fuels. EMD will employ a combination of alternative fuel strategies and fuel conservation efforts.
- Equipment Management provides the latest diagnostic equipment, software support, and advanced training for its technicians. The knowledge gained allows EMD to continue providing excellent services to an increasingly sophisticated City fleet.

Annual Budget

EMD operations budget is \$12 million.



(Published in the Tulsa Daily Commerce
and Legal News
July 2, 2007)

ORDINANCE NO. 21568

AN ORDINANCE ADOPTING THE ANNUAL BUDGET OF THE CITY OF TULSA FOR THE FISCAL YEAR 2007-2008; ORDERING THE TRANSFER OF ENTERPRISE INCOME TO THE GENERAL FUND; APPROPRIATING UNEXPENDED BALANCES FOR GRANT FUNDS AND CAPITAL PROJECT FUNDS FOR FISCAL YEAR 2006-2007; ORDERING AND DIRECTING THE COMPUTATION AND FILING OF LEVY REQUIREMENTS FOR THE 2007-2008 SINKING FUND OF THE CITY OF TULSA, OKLAHOMA; APPROVING AN EMERGENCY TELEPHONE FEE OF FIVE PER CENT (5%) FOR CALENDAR YEAR 2008; ORDERING THE FILING OF THE CITY OF TULSA BUDGET, FISCAL YEAR 2007-2008 WITH THE STATE AUDITOR AND INSPECTOR OF THE STATE OF OKLAHOMA; AND ORDERING THIS ORDINANCE TO TAKE EFFECT IMMEDIATELY FROM AND AFTER ITS ADOPTION AND APPROVAL.

BE IT ORDAINED BY THE CITY OF TULSA:

Section 1. That the annual budget of the City of Tulsa, Oklahoma, for Fiscal Year 2007-2008 be and is hereby adopted under the Municipal Budget Act, 11 O.S. 2001, §§ 17-201, *et seq.*, as amended.

Section 2. That the transfer of seven and one-half percent (7.5%) of Water, Sewer, Stormwater, and TARE/Solid Waste rate income to the General Fund of the City of Tulsa, Oklahoma, be and is hereby approved and ordered.

Section 3. That the unexpended appropriation balances and encumbrances for grant funds and capital project funds for Fiscal Year 2006-2007 be and the same are hereby appropriated to the same funds, accounts and for the same purposes for Fiscal Year 2007-2008 unless the project is designated to be closed.

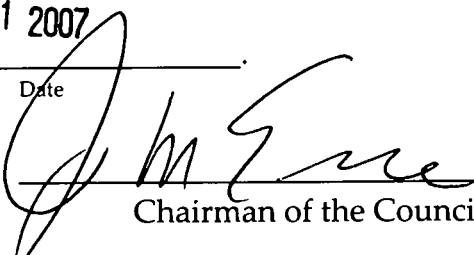
Section 4. That the Mayor shall compute the levy requirements for the 2007-2008 Sinking Fund of the City of Tulsa, Oklahoma, utilizing a reserve of ten percent (10%) for

delinquent taxes and cause the same to be filed with the Excise Board of Tulsa County, Oklahoma.

Section 5. That an Emergency Telephone Fee (E-911) of five percent (5%) of the tariff rate be and the same is hereby approved and ordered for calendar year 2008, in the City of Tulsa, Oklahoma.

Section 6. That three (3) copies of the adopted budget, being marked and designated as "City of Tulsa Budget, Fiscal Year 2007-2008" be and the same are herewith ordered to be filed in the Office of the City Clerk of the City of Tulsa, Oklahoma, on the ____ day of June, 2007, and one (1) copy with the State Auditor and Inspector of the State of Oklahoma.

Section 7. That this ordinance shall take effect immediately after its adoption and approval.

ADOPTED by the Council _____
Date JUN 21 2007

Chairman of the Council

OFFICE OF THE MAYOR

Received by the Mayor: _____, at _____
Date Time

Kathy Taylor, Mayor

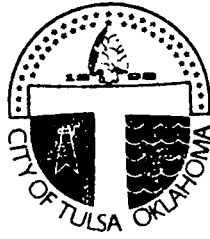
By: _____
Secretary

JUN 25 2007

APPROVED by the Mayor of the City of Tulsa, Oklahoma:

Date

at 2:00 p.m.
Time



(Seal)
ATTEST:

Thomas L. Baker
Mayor **PRO-TEM**

Michael P. How

City Clerk

APPROVED:

Dundre O. Ruffin

Interim City Attorney

ADOPTED by the Council this 21st day of June, 2007

John Eagleton, Chairman of the Council

APPROVED by the Mayor Pro-Tem of the City of Tulsa, Oklahoma, this 25th day of June at 2:00 o'clock p.m.

Thomas Baker, Mayor Pro-Tem



ATTEST: Michael P. Kier, City Clerk

APPROVED: Deidre O. Dexter, Interim City Attorney

(Published in the Tulsa Daily Commerce
and Legal News

July 2, 2007)

ORDINANCE NO. 21569

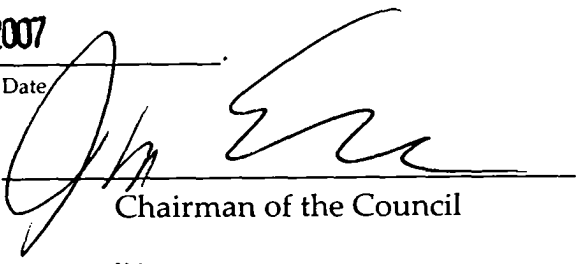
AN ORDINANCE APPROVING AND ADOPTING THE CAPITAL IMPROVEMENTS PLAN OF THE CITY OF TULSA, OKLAHOMA, FOR THE FISCAL YEARS 2008-2012; ORDERING THE FILING OF DOCUMENTS WITH THE CITY CLERK; AND DECLARING AN EMERGENCY.

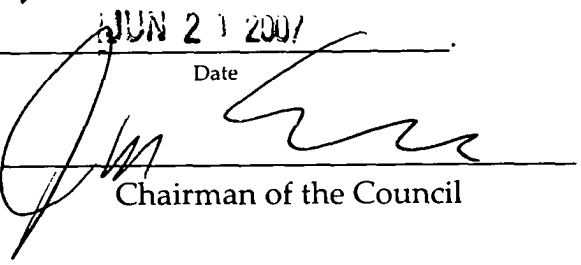
BE IT ORDAINED BY THE CITY OF TULSA:

Section 1. That the Capital Improvements Plan of the City of Tulsa, Oklahoma, for Fiscal Years 2008-2012 be and is hereby approved and adopted in accordance with Title 4, Chapter 4, City of Tulsa, Oklahoma, Revised Ordinances.

Section 2. That three (3) copies of the approved and adopted capital plan, being marked and designated as "City of Tulsa Capital Improvements Plan, Fiscal Years 2008-2012," be and the same are herewith ordered to be filed in the Office of the City Clerk of the City of Tulsa, Oklahoma, on the _____ day of June, 2007.

Section 3. That an emergency is hereby declared to exist for the preservation of the public peace, health, and safety, by reason whereof this Ordinance shall take effect immediately upon its adoption and approval.

ADOPTED by the Council JUN 21 2007
Date

Chairman of the Council

ADOPTED as an emergency measure JUN 21 2007
Date

Chairman of the Council

OFFICE OF THE MAYOR

Received by the Mayor: _____, at _____.

Date

Time

Kathy Taylor, Mayor

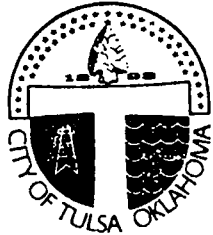
By: _____

Secretary

APPROVED by the Mayor of the City of Tulsa, Oklahoma: JUN 25 2007

Date

at 2:00 p.m.
Time



(Seal)
ATTEST:

I. Donald L. Baker
Mayor **PRO-TEM**

Michael D. [Signature]
City Clerk

APPROVED:
[Signature]
Interim City Attorney

ADOPTED by the Council this 21st day of June, 2007

ADOPTED as an emergency measure this 21st day of June, 2007

John Eagleton, Chairman of the Council

APPROVED by the Mayor Pro-Tem of the City of Tulsa, Oklahoma, this 25th day of June at 2:00 o'clock p.m.

Thomas Baker, Mayor Pro-Tem



ATTEST: Michael P. Kier, City Clerk

APPROVED: Deidre O. Dexter, Interim City Attorney

CITY OF TULSA

FINANCIAL POLICIES

1. STRATEGIC PLANNING

- a. All planning activities, strategies, and studies should be comprehensive and integrated on a City-wide basis.
- b. Plans, strategies, and studies shall encompass multi-year time frames and be updated annually.

2. OPERATING BUDGET

- a. The City of Tulsa shall comply with the provisions of the Oklahoma Municipal Budget Act, 11 O.S. Supp. 1979, Sections 17-201 through 17-216. It shall be the responsibility of the Mayor through the Department of Finance to ensure compliance and the timely preparation of the City of Tulsa's annual budget.
- b. The budget will provide for adequate maintenance of the capital plant and equipment and for their orderly replacement.
- c. The City will maintain a budgetary control system to help it adhere to the budget.
- d. The City administration will prepare regular reports comparing actual revenues and expenditures to budgeted amounts.
- e. Each year the City will update revenue and expenditure projections for the next five years. Projections will include estimated operating costs of future capital improvements that are included in the capital budget.
- f. The City will integrate key performance measurement and productivity indicators within the budget.
- g. The City will project its equipment replacement and maintenance needs for the next several years and will update this projection each year. From this projection a maintenance and replacement schedule will be developed and followed.
- h. It shall be the goal of the City that current operating revenues will be sufficient to support current operating expenses and in no case shall more than five percent (5%) of the operating budget be supported by the use of prior year's fund balances.
- i. Adjustments to Water, Sewer, Stormwater, and Solid Waste Disposal service rates and fees shall be examined on an annual basis as an integral part of the City's budgetary process.

3. RISK MANAGEMENT

- a. The City will operate a risk management program to provide for protection against loss and a reduction in exposure to liability. Such program shall include an employee safety training program to minimize financial losses to the City.
- b. The City will establish a self-insurance program to provide for protection against major losses and will purchase excess coverage insurance to cover catastrophic losses where appropriate.

4. PROCUREMENT AND PURCHASING

- a. The City of Tulsa shall operate a consolidated purchasing and procurement system.
- b. The City's Purchasing and Procurement System shall encourage full and open competition on all purchases and sales.
- c. The operation of the City's Purchasing and Procurement System and Surplus Property Disposal System shall be based upon competitive bidding whenever possible.

5. REVENUES

- a. The City will estimate its annual revenues by an objective and analytical process.
- b. It shall be the goal of the City that all Enterprise Funds shall be self-supporting.
- c. The City will establish all user charges and fees at a level related to the cost of providing the services.
- d. Credit and Collection
 1. The City of Tulsa will neither begin business activity nor continue to engage in business activity with an entity that owes the City funds from a delinquent debt.
 2. Extended credit may be granted by the City for certain obligations. If payment is not timely, the City reserves the right to refuse future credit as well as take necessary legal action to obtain payment of the debt and collection costs.
- e. The City will try to maintain a diversified and stable revenue system to shelter it from short-run fluctuations in any one revenue source.

- f. Categorical federal and state grant revenues shall only be used to finance limited-time-period operations and/or one-time capital.
- g. Five and one-half percent (5 ½%) of Enterprise Fund revenues will be transferred annually to the General Fund for in-lieu tax payments.

6. CAPITAL BUDGET AND IMPROVEMENTS

- a. The City of Tulsa's Capital Improvements Program shall be a five-year program and shall be updated annually. All departments' needs shall be considered in the plan.
- b. The City shall maintain a balanced mix of financing for funding capital projects, including pay-as-you-go, grants and debt, without excessive reliance on any one source.
- c. No capital project shall be funded which does not comply with the provisions of and is not contained in the currently approved Capital Improvements Program.
- d. The City will coordinate development of the capital improvement budget with development of the operating budget. Future operating costs associated with new capital improvements will be projected and included in operating budget forecasts.
- e. Capital projects will be scheduled based on the following criteria:
 1. The project has been certified by the Planning Commission as being in accordance with City plans.
 2. The project will alleviate a service deficiency or replace a deteriorated and/or non-functioning facility.
 3. Federal or state law requires it to be done.
 4. Federal or state matching funds are available for the project.
 5. A Federal or state agency will construct the facility at no cost to the City.
 6. The project will encourage economic development.
 7. The project is needed to solve an emergency situation.
 8. The project will improve the quality of life in the City's neighborhoods.
- f. Public hearings will be held before deciding what projects to include in any multi-year capital program which requires approval by the electorate.

7. LONG-TERM BORROWING

- a. General Obligation and Revenue Bonds shall only be issued for capital improvements and maintenance or

expenditures related thereto. Revenue bonds shall be used to finance capital improvements wherever possible. No operating expenses shall be funded using any form of long-term financing.

- b. Bond borrowing shall be planned and the details of the plan shall be incorporated into the five-year Capital Improvements Program.
- c. The outstanding indebtedness of the City of Tulsa shall in total not exceed such levels as to cause the City's credit rating to be impaired and in all cases the City shall take such actions and adopt such policies and procedures as are necessary to maintain a rating equal to at least AA for general obligation debt, but in no event shall the Net General Obligation Debt of Tulsa exceed twenty-five percent (25%) of the net assessed market valuation of the taxable property of the City of Tulsa, as established by the County Assessor.
- d. Projects financed through the issuance of debt shall not be financed for a period that exceeds the expected useful life of the project and in no event shall the term of any debt exceed twenty-five (25) years.
- e. Refunding of outstanding debt shall only be considered when present value savings of at least four percent (4%) of the principal amount of the refunded bonds are produced, unless a restructuring or bond covenant revisions are necessary in order to facilitate the ability to provide services or issue additional debt in accordance with established debt policy and limitations.
- f. Bond sales shall be structured to achieve level debt service payments to the extent possible taking into consideration the costs of such financings. Either variable or fixed rate financing may be used, subject to applicable laws, depending on the cost benefit to the City of each option.
- g. Interest earnings from general obligation bond proceeds shall be deposited in the General Fund.
- h. Competitive sale shall be used for all general obligation debt issuances of the City of Tulsa. Negotiated or competitive sale may be used for revenue bonds.

8. INVESTMENTS AND DEPOSITS

- a. It shall be the objective of the City of Tulsa to pool and invest public funds in accordance with current legislation and the Charter of the City of Tulsa. Criteria for investing shall adhere to the following order of priority: (1) Safety, (2) Liquidity, (3) Yield.
- b. Responsibility for the investment program of the City shall be vested with the Director of Finance

who shall establish an investment program consistent with an adopted investment policy.

- c. The City will establish a cash flow management system which includes the preparation of a cash flow analysis of all funds on a regular basis. Disbursement, collections, and deposit of all funds will be scheduled to ensure maximum investment return and cash availability subject to the City's investment policies. The cash flow management system shall ensure the City can offset significant downturns in revenues which could not have been reasonably foreseen and provide sufficient working capital and cash for daily financial needs.
- d. The City will make arrangements with banks on a contractual basis for a specified period of time with specified fees for each service rendered.

9. RESERVES

- a. The City shall establish and maintain an operating reserve in the General Fund to provide for unanticipated expenditures of a non-recurring nature, or to meet unexpected increases in service delivery costs. The reserve will be budgeted at approximately five percent (5%) of the General Fund expenditure estimated for the fiscal year. Prior to allocating funds from this reserve, the Mayor shall prepare an analysis of the proposed expenditure and present it to the City Council.
- b. The City may establish and maintain operating reserves in its enterprise funds to pay for expenses caused by unforeseen emergencies or for shortfalls caused by revenue declines.

10. ACCOUNTING

- a. The City of Tulsa's accounting systems shall be operated and maintained in accordance with generally accepted principles and standards as promulgated by the Governmental Accounting Standards Board.
- b. The City's accounting and financial transactions shall be audited annually by a recognized independ-

ent certified public accounting firm and such audit results shall include a management letter detailing areas where improvement is needed. A firm to perform such audit shall be chosen not more than once every five (5) years.

- c. The City shall prepare and issue an official Comprehensive Annual Financial Report no later than six (6) months following the fiscal year-end in accordance with Government Finance Officer's Association and Governmental Accounting Standards Board principles and standards.
- d. The City of Tulsa shall establish and maintain an accounting control environment to help ensure proper authorization for financial transactions and proper procedures for safeguarding assets.
- e. The City will comply with bonded debt covenants requiring yield restrictions on certain investments and accounts in compliance with Internal Revenue Code, Section 148 - Arbitrage.

11. TRUSTS AND AUTHORITIES

Unless otherwise provided by the operation of law, all Trusts and Public Authorities which receive funding from the City of Tulsa shall conform to the City's Financial Policies and procedures where applicable.

12. PENSION FUNDS

- a. The pension funds of the Municipal Employees' Retirement Plan shall be managed by the Pension Board as set forth in City Ordinance and Oklahoma Statute.
- b. The City's annual budget will provide for adequate funding for the Municipal Employees' Retirement System.
- c. Investments shall be made in conformance with an investment policy adopted by the Municipal Employees' Pension Board.

GENERAL INFORMATION

ABOUT THE CITY OF TULSA BUDGET

The word "budget" originated from bougette which was a leather bag carried by the monarch's treasurer to the medieval English Parliament. It contained documents surveying the kingdom's needs and listed the realm's resources. Today's budgets are an annual plan for financial operations and incorporate an estimate of proposed expenditures and revenues. The budget represents the process through which policy is made and implemented.

• BUDGETING •

BUDGET

There are two annual budgets in the City of Tulsa - the Operating Budget and the Capital Budget.

Operating Budget: This sets the plan for the day-to-day operations of the City. The City's annual operating budget is based on historical expenditures, priorities set forth by the elected officials, and available revenues. Sales tax and utility billing charges provide the majority of resources used in the Operating Budget.

Capital Budget: The City's Capital Improvements budget is the first year of its Five Year Capital Plan. The Plan is updated annually to include new requests and to reflect ever-changing field and financing conditions. The Third Penny Sales Tax and bonds finance nearly all of the City's major capital needs.

• LEGISLATION •

MUNICIPAL BUDGET ACT

Since FY 81, the City has produced its budget under the provisions of the Oklahoma Municipal Budget Act, 11 O.S. Supp. 1979, Sections 17-201 through 17-216. Municipal governments can use it to write their annual budgets. The Act establishes fiscal procedures, requirements for financial disclosure, and generally accepted standards for financial management.

The Act is more flexible than the old law and imposes fewer restrictions on municipalities when they estimate revenues, appropriate money, and make expenditures. The Act also provides for greater financial disclosure and for the implementation of generally accepted accounting principles. Both of these provisions increase the City's ability to obtain a favorable bond rating, give the City a better investment position, and improve compliance with federal grant requirements.

The Act stipulates time deadlines for submitting budget requests, holding public hearings, and filing adopted budgets. It also prescribes the general content of the budget and requires expenditures to be grouped into five categories:

- Personal Services
- Materials and Supplies
- Other Services and Charges
- Capital Outlay
- Debt Service

OPEN RECORDS ACT

The Oklahoma Open Records Act 501.S, 1985 Section 24A, became effective November 1, 1985. Section 24A.9 states:

"Prior to taking action, including making a recommendation or issuing a report, a public official may keep confidential his or her personal notes and personally created materials other than departmental budget requests of a public body. . ."

This means that individual budget requests are public information, including any notes or other materials used for budget preparation or budget recommendation.

• REVENUE •

Revenue is the yield from sources of income (such as taxes, licenses, fines, user fees, etc.) that the City collects for public use. Revenues increase the assets of a fund, while not increasing a liability, or representing a repayment of expenditure, a cancellation of a liability, or an increase in contributed capital.

TYPES AND SOURCES

The City classifies its 200 plus sources of income into nine revenue categories. (For more information, see the Operating Fund Summaries section, page 4-1; and City of Tulsa Major Revenue Sources, in the Appendix.)

PROJECTING INCOME

The Budget and Planning Division of the Finance Department is responsible for estimating the City's yearly income and monitoring actual collections on a monthly basis. Annual estimates of collections from the various sources are made using time series and deterministic methodologies. Departments whose activities generate income may be asked by the Budget and Planning Division to help

make estimates or explain differences between estimates and actual collections.

• GOVERNMENTAL FUNDS •

The Oklahoma Municipal Budget Act defines a **fund** as:

“an independent fiscal and accounting entity with a self-balancing set of accounts to record cash and other financial resources, together with all liabilities, which are segregated for the purpose of carrying on specific activities or attaining certain objectives.”

In other words, separate records of all income and expenditures are maintained for each fund - they are analogous to individual checking accounts. Income and expenditures are recorded and it is illegal to spend more than has been authorized by the City Council. The “fund balance” within the fund would be similar to a savings account - money set aside for the future and not currently appropriated.

TYPES OF FUNDS

The eight major fund types used by the City are described below along with examples of some of the individual funds within each type.

General Fund - In conformance with the Oklahoma Municipal Budget Act, the General Fund is the City’s principal operating fund. Approximately two-thirds of its revenue comes from sales and use taxes - all of the revenue derived from the City’s permanent two percent sales tax is credited to this fund. With franchise and other taxes, the percentage of income from taxes for this fund is 74 percent. The remaining 26 percent comes from user charges, license fees, intergovernmental shared revenue, fines from court operations, and interest income.

General Fund resources may be used to provide any service that the City has legal authority to provide under its charter and state laws. All general operations not accounted for otherwise are financed from this primary operating fund. It finances numerous and diverse activities such as police and fire protection, street maintenance, park operations, event facilities, and legal, information, and financial services.

Special Revenue Funds - These funds are used to account for certain specific revenue sources for which expenditures are legally restricted to a specific function or activity of the City.

Examples of Special Revenue Funds:

- The Short-Term Capital Fund (ordinance dedicated revenue from the Third Penny Sales Tax designated for “short-term” capital improvements, consisting of assets having a useful life of ten years or less);
- The Convention Fund (ordinance dedicated revenue from the Hotel/Motel Tax); and

- Federal and State Grant Funds (accounts for financial assistance received from Federal and State agencies.)

Debt Service Fund - The Debt Service or Sinking Fund is used to account for the payment of principal, interest, and other related costs of the City’s general obligation bonds and certain other long-term debt.

Capital Projects Funds - A Capital Project Fund accounts for all resources used for the acquisition and/or construction of permanent facilities other than those financed by a special assessment or operating enterprise funds. The various sales tax funds, bond funds and the Capital Cost Recovery Fund are Capital Projects Funds.

Special Assessment Funds - This type of fund is used to account for revenues received for financing public improvements or services deemed to benefit the specific properties against which special assessments are levied. The Downtown Tulsa Improvement District Fund is a Special Assessment Fund.

Enterprise Funds (Proprietary Funds) - Enterprise Funds are established to account for the acquisition, operation, and maintenance of governmental facilities and services that are entirely or predominantly supported by user charges. Enterprise Funds are similar to private business enterprises in that they are accounted for in a manner as to show profit or loss. Examples of Enterprise Funds include the:

- Stormwater Enterprise Fund;
- TMUA-Water Operating Fund;
- TMUA-Sewer Operating Fund;
- Airport Operating Fund;
- TARE-Refuse Operating Fund; and
- Golf Course Operating Fund.

Internal Service Funds - An Internal Service Fund is used to account for the financing of goods or services provided by one department or agency of the City to other departments or agencies on a cost reimbursement basis. The Employee’s Insurance Service Fund, Equipment Management Service Fund, and Office Services Internal Service Fund are the City’s Internal Service Funds.

Trust and Agency Fund (Fiduciary Funds)- These funds are used to account for assets held by the City in a trustee capacity or as an agency for individuals, private organizations, and other governmental units, entities, or funds. Examples of trust and agency funds are:

- The Tulsa Performing Arts Center Trust Fund;
- Municipal Employees Retirement Plan Fund; and
- The Employee Deferred Compensation Plan Fund.

FUND CATEGORIES

<u>Fund #</u>	<u>Fund Name</u>
1080	General Fund
2000	Special Revenue
3000	Trust & Agency Enterprise (some)
4100	Special Assessment
4306	Debt Service
5000	Special Revenue (Grants)
6000	Capital Projects
7000	Enterprise
8000	Internal Service

• CITY ORGANIZATIONAL STRUCTURE •

The City has six divisions within its Chief Executive Office: Policy Research and Performance, Operations, Community Development and Educational Initiative, Economic Development and Real Estate Management, Technology, Communications and General Counsel. All City departments report to one of these officers, with the notable exceptions of Fire, Legal, Finance, and Police. The directors of these departments report to the Mayor. All other department directors report to one of the six officers, all of whom report to the Mayor. All Authorities, Boards, and Commissions report to the Mayor directly. Listed below are the six divisions and corresponding departments assigned to them. The Planning Department is shared by two divisions

POLICY RESEARCH AND PERFORMANCE DIVISION

Human Resources
Human Rights

OPERATIONS DIVISION

Public Works
Equipment Management

COMMUNITY DEVELOPMENT AND EDUCATIONAL INITIATIVES DIVISION

Working in Neighborhoods
Performing Arts Center
Parks and Recreation Department
Gilcrease Museum
Planning
BOK Center Arena and Maxwell Convention Center

ECONOMIC DEVELOPMENT AND REAL ESTATE MANAGEMENT DIVISION

Planning
Real Estate Management
Workforce Development
Airport
Development Services

TECHNOLOGY DIVISION

Information Technology

COMMUNICATIONS DIVISION

Community Affairs
Mayor's Action Center

GENERAL COUNSEL DIVISION

Municipal Court

• CAPITAL IMPROVEMENTS •

A **Capital Improvement Project** is any significant acquisition, construction, replacement, or improvement to a City service delivery system that has a cost greater than \$100,000 and a minimum useful life of five years. To be funded, a project must be part of the City's Five Year Capital Improvements Plan (CIP). The **Capital Plan** is a five-year schedule of specific projects and accompanying revenue allocations. The plan is updated annually through the **Capital Budget**. The **Capital Improvements Program** incorporates the planning, monitoring, programming, and budgeting processes used to allocate the City's capital moneys.

CAPITAL BUDGET PROCESS

Capital projects are processed through the Capital Improvements Program which is managed by the Budget and Planning Division. Specific policies for this program are included in the Finance Department's *Financial Policies* under the heading "Capital Budget and Improvements" section.

Budget and Planning coordinates the budgeting of capital improvement projects included in the upcoming fiscal year's budget. A list of the new and active capital improvement projects is reviewed and scheduled in the updated five-year Capital Improvements Plan (CIP). The Capital Fund Summaries section of the *Annual Budget* lists the project allocations by capital fund. Any project receiving increases or decreases in funding, and projects slated for closure during the upcoming fiscal year are also listed.

• BUDGET REVIEW •

Upon receipt of departmental and agency budget requests, the Budget and Planning Division budget analysts begin the review process for their assigned departments and agencies and develop recommendations for the elected officials. Several factors influence the review and recommendation process. Some of the questions examined include:

1. Does the request meet established guidelines?
2. Are the requested allocations in line with providing the associated service?

3. Does the request fall within the inflationary parameters expected in the upcoming fiscal year?
4. Does the current level request seem reasonable compared to historical expenditures?
5. How does the expansion request compare to the anticipated increase in service?
6. Does the request meet City policies and priorities?
7. What amount of revenue is expected within the next fiscal year?
8. What are the departments' internal priorities for providing proper service levels?

Analysts meet with the Budget and Planning Division Manager and Finance Director to receive specific instructions for developing their departmental and agency budget recommendations. The analysts also meet with their assigned departments and agencies during the process to obtain clarifications and further information as needed.

Each department makes a presentation to the Budget and Planning Division Manager, Director of Finance, and/or Mayor to provide additional information or clarification, or to discuss service levels.

The Mayor begins the formal budget review process and develops a proposed budget for the next fiscal year operations. The City Charter requires the proposal be submitted to the City Council by May 1. The Council further reviews, refines, changes, and adopts it according to the policies and priorities it wishes to have implemented during the next fiscal year. State law requires the budget be adopted by the City Council seven days before the end of the City's fiscal year, which is June 30.

• BUDGET ADOPTION •

The Oklahoma Municipal Budget Act, states:
“. . . At least seven (7) days prior to the beginning of the budget year, the governing body shall adopt the budget by resolution, or as any charter may require, at the level of classification as defined in Section 17-213. . . . The governing body may add or increase items or delete or decrease items in the budget. In all cases the proposed expenditures shall not exceed the estimated revenues for any fund.”

• BUDGET CHANGES •

There are two methods of changing the adopted budget during the course of the fiscal year: **Budgetary Transfers** and **Budget Ordinances**. Most often these actions originate in the departments and are sent to Budget and

Planning for review, approval, and processing to the Mayor and/or Council.

BUDGETARY TRANSFERS

The Oklahoma Municipal Budget Act, Section 17-215 states:

“The chief executive officer, or designee, as authorized by the governing body, may transfer any unexpended and unencumbered appropriation or any portion thereof from one account to another within the same department or from one department to another within the same fund; except that no appropriation for debt service or other appropriation required by law or ordinance may be reduced below the minimums required.”

An **Administrative Transfer (AT)** is a transfer of funds within the same expenditure account group, department, fund, and project. The Mayor allows the Budget and Planning Division Manager to approve or deny Administrative Transfers.

Currently, the City Council has given the Mayor the authority to approve or deny requests to transfer funds totaling less than one hundred thousand dollars from one expenditure account group to another account group or from one project to another project within the same department and fund. This type of transfer is known as a **Mayoral Transfer (MT)**.

The third type of transfer is a **Council Transfer (CT)**. The Council has reserved the right to approve or deny the transfer of funds from one department to another for the establishment of a new capital project, or transfers in excess of one hundred thousand dollars between account groups in a department. This type of action requires a budget ordinance.

BUDGET ORDINANCES

A **Budget Ordinance** is the legal means to amend the adopted budget through recognizing revenue increases or decreases; transferring appropriations from one department to another; establishing new capital projects; decreasing appropriations in a fund or department; or providing supplemental appropriations to a department.

The Oklahoma Municipal Budget Act, Sections 17-206, 17-215 and 17-216 allows for the City Council to transfer funds or to make supplemental appropriations. The last paragraph of section 17-216 provides the legal framework to amend budgets, stating:

“A budget amendment as provided in this section authorizing supplemental appropriations or a decrease or change in appropriation or funds shall be adopted at a meeting of the governing body and filed with the municipal clerk and the State Auditor and Inspector.”

READER'S GUIDE TO FUND SUMMARIES

The Operating Fund Summary section and the Capital Fund Summary section are the only sections of the budget document that are adopted by ordinance by the City Council. A numerical listing of the funds and their names can be found in the Table of Contents; an alphabetical listing is located in the Index. Each fund summary contains the following information:

A box in the upper corner indicates the fund number and the Basis of Budgeting. The Basis of Budgeting refers to the basis of accounting used to estimate financing sources and uses in the budget. This generally takes one of three forms:

- GAAP—uniform standards for financial accounting and recording;
- cash basis—transactions are recognized only when cash is increased or decreased; or
- modified accrual basis—expenditures other than accrued interest on general long-term debt are recorded at the time liabilities are

incurred and revenues are recorded when received in cash except for material and/or available revenues, which should be accrued to reflect properly the taxes levied and revenue earned.

The **Budget Overview** provides general information on the purpose of the fund, and the fund's basis for budgeting. Information in the **Budget Summary** is specific to the proposed or adopted budget. Where appropriate, **charts and graphs** visually enhance the reader's understanding of each fund's revenue and expenditure characteristics, and **supporting tables** follow.

Below is a general outline of the revenue and expenditure categories included in the budget and reflected in the Fund Summaries. Not all funds will utilize each type of revenue, and expenditure types will vary by fund.

REVENUES BY CATEGORY

The revenue types supporting the funds are divided into nine categories as follows:

Taxes	These revenues represent franchise, sales, and use taxes. The primary contributor to this category is sales tax, which typically generates about 75% of this category's revenue in the General Fund.
Licenses and Permits	These revenues come from the City's efforts to provide licenses to business and inspection services to enforce compliance with minimum code requirements for building and operating safety.
Intergovernmental Revenue	This category represents grants from other governmental entities.
Shared Revenue	Taxes collected by the state are distributed, in part, back to the cities within the state in proportion to their population. This apportionment is determined by the census conducted every ten years.
Charges for Services	These revenues represent revenue received by the City for services performed by the City for general services. Some services are performed for governmental entities, including the City, and some are performed for the private sector.
Fines and Forfeits	This source consists primarily of fines from the Municipal Court, but also includes utility penalties and other smaller penalty revenues.
Miscellaneous Revenue	This category is comprised of revenue sources that do not fit the other categories.
Interest Income	This category represents the interest generated by the City's pooled portfolio. Also included is interest earned on an interim basis from money that is the City's, but is delayed in remittance.
Transfers In	Amounts transferred from another fund to assist in financing the services for the recipient fund.

EXPENDITURES BY CATEGORY

The categories of expenditures group departments with similar function and/or customers. They are as follows:

Public Safety and Protection	This category contains Municipal Court, Police, Fire, Emergency Management, Emergency Medical, and Information Technology. Police has the largest budget in this category, followed by Fire.
Cultural Development/Recreation	Park and Recreation, Gilcrease Museum, Performing Arts Center, and River Parks make up the departments in this category.
Social/Economic Development	Economic Development Commission. Economic Development & Real Estate Management, Working in Neighborhoods, Development Services, and Planning are included in this category.
Public Works/Transportation	Tulsa Transit, Airports, Air Force Plant 3, and the Public Works Department comprise this category. Public Works' budget makes up the large majority of this category.
Administrative/Support Services	This category contains the budgets for the City's elected officials: the Mayor, City Council, and City Auditor. Human Rights, Legal, Human Resources, Workers' Compensation, Employee Insurance Administration, General Government, Finance, Indian Nations Council of Governments (INCOG), Finance, Communications and Equipment Management make up the remainder of the departments within this category.
Transfers to Other Funds	Amounts transferred to another fund to assist in financing the services for the recipient fund.

EXPENDITURES CLASSIFICATIONS

Each fund is made up of accounts for classifying expenditures, as follows:

Personal Services	May include expenses for salaries, wages, and related employee benefits, paid to any officer or employee for services rendered or for employment.
Materials and Supplies	May include articles and commodities which are consumed or materially altered when used, such as office supplies, operating supplies, and repair and maintenance supplies, and all items of expense to any person, firm or corporation rendering a service in connection with repair, sale or trade of such articles or commodities.
Other Services and Charges	Used to account for the purchase of contractual services and other intangible products such as security, temporary employment, professional and landscaping services, leases, utilities and communications, and employee education and travel.
Capital Outlays	Fixed assets which have a value of \$1,000 or more and have a useful economic lifetime of more than one year; or assets of any value if the nature of the item is such that it must be controlled for custody purposes as a fixed asset.
Debt Service	The cost of paying principal and interest on borrowed money according to a predetermined payment schedule.
Fund Transfers	Amounts transferred from one fund to another to assist in financing the services for the recipient fund.

GLOSSARY

—A—

Account

An entity for recording specific revenues or expenditures, or for grouping related or similar classes of revenues and expenditures and recording them within a fund or department.

Accounting System

The total set of records and procedures that are used to record, classify, and report information on the financial status and operations of the entity. (Also see Accrual Basis, Modified Accrual Basis, and Cash Basis.)

Accrual Basis

The method of accounting under which revenues are recorded when they are earned (whether or not cash is received at the time) and expenditures are recorded when goods and services are received (whether cash disbursements are made at the time or not).

Activity

Departmental efforts which contribute to the achievement of a specific set of program objectives; the smallest unit of the program budget.

Administrative Transfer (AT)

A Budgetary Transfer that allows for the movement of funds within the same expenditure account group within the same department, same fund, and same project. This action requires Budget and Planning Division Manager approval.

Ad Valorem Taxes

Commonly referred to as property taxes, levied on both real and personal property according to the property's valuation and the tax rate.

Annualize

Taking changes that occurred mid-year and calculating their cost for a full year, for the purpose of preparing an annual budget.

Appropriation

An authorization or allocation made by the legislative body that permits officials to incur obligations against, and to make expenditures of, governmental resources (revenues).

Appropriation Balance

The available appropriation remaining after expenditures, encumbrances, and commitments have been subtracted from the appropriation.

Assessed Valuation

The valuation set upon real estate and certain personal property by the Assessor as a basis for levying property taxes.

Assessment Ratio

The ratio at which the tax rate is applied to the tax base.

Asset

Resources owned or held by a government which have monetary value.

Attrition

A method of achieving a reduction in personnel by not refilling the positions vacated through resignation, reassignment, transfer, retirement, or means other than layoffs.

Authorized Positions

Employee positions, which are authorized in the adopted budget, to be filled during the year.

Available (Undesignated and Unreserved) Fund Balance

This refers to the funds remaining from the prior year, after reserves and designations are made, which are available for appropriation and expenditure in the current year.

—B—

Base Budget

Cost of continuing the existing levels of service in the current budget year.

Bond

A long-term IOU or promise to pay. It is a promise to repay a specified amount of money (the face amount of the bond) on a particular date (the maturity date). Bonds are primarily used to finance capital projects.

General Obligation (G.O.) Bond This type of bond is backed by the full faith, credit and taxing power of the government.

Revenue Bond This type of bond is backed only by the revenues from a specific enterprise or project, such as a golf course or water system.

Bond Refinancing

The payoff and re-issuance of bonds, to obtain better interest rates and/or bond conditions.

Budget

A plan of financial activity for a fiscal year indicating all planned revenues and expenses for the budget period. The City of Tulsa's fiscal year is July 1 through June 30.

Budget Amendment

Legal means by which an adopted estimated revenue or expenditure authorization limit is increased or decreased.

Budgetary Basis

This refers to the basis of accounting used to estimate financing sources and uses in the budget. It is different from GAAP basis of accounting.

Budget Calendar

The schedule of key dates which a government follows in the preparation and adoption of the budget.

Budgetary Control

The control or management of a government in accordance with the approved budget for the purpose of keeping expenditures within the limitations of available appropriations and resources.

Budget Ordinance

The legal means to amend the adopted budget through recognizing revenue increases or decreases; transferring funding from one department to another, or from an existing capital project to a new capital project; decreasing funding of a fund or department; or providing supplemental funding to a fund or department or for the establishment of a new capital project. The City Council adopts or rejects all budget ordinances.

Budgetary Transfer

One of two means of amending the budget during the course of the fiscal year. The other means is a budget ordinance. Three types of budgetary transfers exist:

Administrative Transfer (AT)—allows for the movement of funds within the same expenditure account group (i.e. moving funds from #5313101 to #5315501) within the same department, same fund, and same project. This action only requires Budget and Planning Division Manager approval.

Mayoral Transfer (MT)—allows for the movement of up to \$100,000 from one expenditure account group to another account group (i.e. moving funds from #5222101 to #5311103) or from one current project to another current project within the same department and fund. This action requires approval by the Mayor.

Council Transfer (CT)—allows for movement of money from one department to another, or for the establishment of a new capital project. A budget ordinance accompanies this kind of transfer and this requires approval by the City Council.

Building Permit Management System (BPMS)

- Also known as the Permit and Licensing System (PALS) - a subsidiary system of the City's General Ledger system. It tracks building/construction permits and licenses issued by the City through the Public Works Department. It also is used as the tracking system for the Mayor's Action Center.

—C—

Capital Assets

Assets of significant value and having a useful life of ten years. Capital assets are also called fixed assets.

Capital Budget

The appropriation of bonds or other revenue for improvements to facilities, and other infrastructure.

The City budgets for Capital based on a Five-Year Capital Plan and updates the Plan annually to include expanded capital projects or new capital projects. Approval of capital projects is granted through the Capital Improvements Program. The Third Penny Sales Tax and Bonds account for the majority of financing resources of capital projects.

Capital Improvement

Any significant physical acquisition, construction, replacement, or improvement to a City service delivery system that has a cost greater than \$100,000 and a minimum useful life of five years.

Capital Improvements Program (CIP)

The process of planning, monitoring, programming, and budgeting over a multi-year period used to allocate the City's capital monies.

Capital Outlay

One of five expenditure account categories used to account for the purchase of any item whose value exceeds \$1,000 with a useful life greater than one year, but generally less than ten years. Included are vehicles, heavy equipment, other equipment, personal computers, and some office furniture. These purchases are typically funded through the Short-Term Capital Fund which receives revenue from the Third Penny Sales Tax designated for "short-term capital improvements." The costs of capital projects are also reflected in the Capital Outlay account category.

Capital Plan

The adopted capital improvements plan that is based on a five-year schedule of specific projects and accompanying revenue allocations. The plan is updated annually through the Capital Budget.

Capital Project

Major construction, acquisition, or renovation activities which add value to a government's physical assets or significantly increase their useful lives. Also called capital improvements. Each individually funded capital improvement request has to be part of the City of Tulsa Five-Year Capital Improvements Plan.

Capital Reserve

An account used to segregate a portion of the government's equity to be used for future capital program expenditures. The amount of capital reserve is roughly equal to the government's annual equipment depreciation and an amount identified as being needed for future capital acquisitions.

Carryover

Appropriated funds that are encumbered at the end of a fiscal year are allowed to be retained in the budget to be expended in the next fiscal year for the purpose designated.

Cash Basis

A basis of accounting in which transactions are recognized only when cash is increased or decreased.

Charges for Services

Revenues received by the City for services performed by the City for services delivered. Some services are performed for governmental entities, including the City, and some are performed for the private sector.

Collective Bargaining Agreement

A legal contract between the employer and a verified representative of a recognized bargaining unit for specific terms and conditions of employment (e.g., hours, working conditions, salary, fringe benefits, and matters affecting health and safety of employees).

Commodities

Expendable items that are consumable or have a short life span. Examples include office supplies, gasoline, minor equipment, and road salt.

Constant or Real Dollars

The presentation of dollar amounts adjusted for inflation to reflect the real purchasing power of money when compared to a certain point of time in the past.

Consumer Price Index (CPI)

A statistical description of price levels provided by the U. S. Department of Labor. The index is used as a measure of the increase in the cost of living (i.e., economic inflation).

Contingency

A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

Contractual Services

Services rendered to a government by private firms, individuals, or other governmental agencies. Examples include utilities, rent, maintenance agreements, and professional consulting services.

Cost-of-Living Adjustment (COLA)

An increase in salaries to offset the adverse effect of inflation on compensation.

Council Transfer (CT)

A Budgetary Transfer that allows for movement of money from one department to another, or for the establishment of a new capital project. A budget ordinance accompanies this kind of transfer and this requires approval by the City Council.

Current Budget

The original budget as approved by the City Council, along with any carryover encumbrances from the prior fiscal year, and any transfers or amendments that have been made since July 1.

Debt Service

The cost of paying principal and interest on borrowed money according to a predetermined payment schedule.

Dedicated Tax

A tax levied to support a specific government program or purpose.

Deficit

The excess of an entity's liabilities over its assets or the excess of expenses over revenues during a single accounting period.

Department

The basic organizational unit of government which is functionally unique in its delivery of services.

Depreciation

Expiration in the service life of capital assets, attributable to wear and tear, deterioration, action of the physical elements, inadequacy or obsolescence.

Development-related Fees

Those fees and charges generated by building, development and growth in a community. Included are building and street permits, development review fees, and zoning, platting and subdivision fees.

Disbursement

The expenditure of monies from an account.

Distinguished Budget Presentation Awards Program

A voluntary awards program administered by the Government Finance Officers Association to encourage governments to prepare effective budget documents.

Division

A sub-unit of a department which encompasses a substantial portion of the duties assigned to a department. May consist of several activities.

Employee Benefits

Contributions made by a government to meet commitments or obligations for employee fringe benefits. Included are the government's share of costs for Social Security and the various pension, medical and life insurance plans.

Encumbrance

Obligations in the form of purchase orders or contracts that are chargeable to an appropriation and for which a part of the appropriation is reserved. These cease to be encumbrances once the obligations are paid or otherwise liquidated.

Enterprise Funds

Established to account for revenues and expenditures generated by City functions for which customers are charged a fee. Used for seven service areas: Solid waste management through the Tulsa Authority for the Recovery of Energy (TARE); Tulsa Metropolitan Utility Authority (TMUA) Water Utility; TMUA Sanitary Sewer Utility; Stormwater; Airport Operations; Golf Operations; and Tulsa Parking Authority.

Entitlements

Payments to which local governmental units are entitled, pursuant to an allocation formula determined by the agency providing the monies, usually the state or the federal government.

Expenditure

The payment of cash on the transfer of property or services for the purpose of acquiring an asset, service or settling a loss.

Where accounts are kept on the accrual or modified accrual basis of accounting, the cost of goods received or services rendered whether cash payments have been made or not. Where accounts are kept on a cash basis, expenditures are recognized only when the cash payments for the above purposes are made.

Expense

Charges incurred (whether paid immediately or unpaid) for operations, maintenance, interest or other charges.

—F—

Fines and Forfeitures

A revenue source that consists primarily of fines from the Municipal Court.

Fiscal Policy

A government's policies with respect to revenues, spending and debt management as these relate to government services, programs and capital investment. Fiscal policy provides an agreed-upon set of principles for the planning and programming of government budgets and their funding.

Fiscal Year

A twelve-month period designated as the operating year for accounting and budgeting purposes in an organization. The City of Tulsa's fiscal year is July 1 through June 30.

Fixed Assets

Assets of long-term character that are intended to continue to be held or used, such as land, buildings, machinery, furniture, and other equipment. Capital assets are also called fixed assets

Full Faith and Credit

A pledge of a government's taxing power to repay debt obligations.

Full-time Equivalent Position (FTE)

A part-time position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time typist working for 20 hours per week would be the equivalent to .5 of a full-time position.

Function

A group of related activities aimed at accomplishing a major service or regulatory program for which a government is responsible (e.g., public safety).

Fund

An independent accounting entity with a self-balancing set of accounts for recording all revenues and all related liabilities and residual equities or balances, along with any changes to the above. In other words, each fund is separate from every other fund and maintains records of all income and expenditures for the fund. By law, expenditures cannot exceed the revenues. As an example, a fund is like an individual checking account. Income is recorded in, expenditures are recorded out, and one cannot spend more than one has available in the account.

Fund Balance

The excess of the assets of a fund over its liabilities, reserves, and carryover.

—G—

GAAP

Generally Accepted Accounting Principles. Uniform minimum standards for financial accounting and recording, encompassing the conventions, rules, and procedures that define accepted accounting principles.

General Fund

Serves as the primary operating fund for the City of Tulsa. All general operations that are not accounted for otherwise are financed from this primary operating fund.

Goal

A statement of broad direction, purpose or intent based on the needs of the community. A goal is general and timeless.

Grants

A contribution by a government or other organization to support a particular function. Grants may be classified as either operational or capital, depending upon the grantee.

—H—

Hourly

An employee who fills a temporary or short-term position. Such employees provide contingency staffing for government operations during peak workloads, or to address temporary staffing needs. Hourly employees are paid on a per-hour basis, and receive limited benefits.

—I—

Indirect Cost

A cost necessary for the functioning of the organization as a whole, but which cannot be directly assigned to one service.

Infrastructure

The physical assets of a government (streets, waterlines, sewers, public buildings, parks, etc.).

Interfund Transfers'

The movement of monies between funds of the same governmental entity.

Intergovernmental Revenue

Funds received from federal, state and other local government sources in the form of grants, shared revenues, and payments in lieu of taxes.

Internal Service Charges

The charges to user departments for internal services provided by another government agency, such as data processing, or insurance funded from a central pool.

Internal Service Funds

Funds used to account for Internal Service charges and expenditures.

—L—

Lapsing Appropriation

An appropriation made for a certain period of time, generally for the budget year. At the end of the specified period, any unexpected or unencumbered balance lapses or ends, unless otherwise provided by law. Most operating funds are lapsing funds.

Levy

To impose taxes for the support of government activities.

Licenses and Permits

Revenues that come from the City's efforts to provide licenses to business and inspection services to enforce compliance with minimum code requirements for building and operating safety.

Line-item Budget

A budget prepared along departmental lines that focuses on what is to be bought.

Longevity

Employee compensation payments made in recognition of a certain minimum number of years employed full time with the same entity.

Long-term Debt

Debt with a maturity of more than one year after the date of issuance.

—M—

Materials and Supplies

May include articles and commodities which are consumed or materially altered when used, such as office supplies, operating supplies, and repair and maintenance supplies, and all items of expense to any person, firm or corporation rendering a service in connection with repair, sale or trade of such articles or commodities.

Mayoral Transfer (MT)

A Budgetary Transfer that allows for the movement of up to \$100,000 from one **expenditure** account group to another account group (i.e. moving funds from #5222101 to #5311103) or from one current project to another current project within the same department and fund. This action requires approval by the Mayor.

Mill

The property tax rate which is based on the valuation of property. A tax rate of one mill produces one dollar of taxes on each \$1,000 of net assessed property valuation.

Miscellaneous Revenue

A revenue category that is comprised of revenue sources that do not fit the other categories of Taxes, Licenses and Permits, Intergovernmental Revenue, Shared Revenue, Charges for Services, Fines and Forfeits, and Interest Income.

Modified Accrual Basis of Accounting

The method of accounting under which expenditures other than accrued interest on general long-term debt are recorded at the time liabilities are incurred and revenues are recorded when received in cash except for material and/or available revenues, which should be accrued to reflect properly the taxes levied and revenue earned.

—N—

Net Budget

The legally adopted budget less all interfund transfers and inter-departmental charges.

Nominal Dollars

The presentation of dollar amounts not adjusted for inflation. Adjusting for inflation would be done to reflect the real purchasing power of money today.

Non-Lapsing Fund

A fund whose unencumbered appropriation balance remains available for expenditure after the end of the fiscal year. A non-lapsing fund remains open and available for use until all appropriations are expended, transferred, or closed by budgetary action. Grants and Capital Funds normally operate as non-lapsing funds.

Object of Expenditure

An expenditure classification, referring to the lowest and most detailed level of classification, such as electricity, office supplies, asphalt, and furniture.

Objective

Something to be accomplished in specific, well-defined, and measurable terms and that is achievable within a specific time frame.

Obligations

Amounts which a government may be legally required to meet out of its resources. They include not only actual liabilities, but also encumbrances not yet paid.

Operating Budget

This sets the plan for the day-to-day operations of the City. The City budgets operating funds annually, based on historical expenditures, priorities set forth by the elected officials, and economic conditions. Sales Tax Revenues and Utility Billing Charges provide the majority of the resources available for use within the Operating Budget.

Operating Expenses

The cost of personnel, materials and equipment required for a department to function.

Operating Revenue

Funds that the government receives as income to pay for ongoing operations. It includes such items as taxes, fees from specific services, interest earnings, and grant revenues. Operating revenues are used to pay for day-to-day services.

Operating Transfer

Part of the Other Services and Charges expenditure account category used to account for the transfer of funds within the primary government, to component units, and to primary government. This is typically budgeted in the Transfers to Other Funds organizational unit.

Original Budget

The adopted budget as approved by the City Council before the start of a new fiscal year.

Other Services and Charges

One of five expenditure account categories used to account for the purchase of contractual services and other intangible products such as security, temporary employment, professional and landscaping services, leases, utilities and communications, and employee education and travel.

Output Indicator

A unit of work accomplished, without reference to the resources required to do the work (e.g., number of permits issued, number of refuse collections made, or number of burglary arrests made). Output indicators do not reflect the effectiveness or efficiency of the work performed.

Pay-as-you-go Basis

A term used to describe a financial policy by which capital outlays are financed from current revenues rather than through borrowing.

Performance Budget

A budget wherein expenditures are based primarily upon measurable performance of activities and work programs.

Performance Indicators

Specific quantitative and qualitative measures of work performed as an objective of specific departments or programs.

Performance Measures

Data collected to determine how effective or efficient a program is in achieving its objectives.

Permit and Licensing System (PALS)

Also known as the Building Permit Management System (BPMS) - a subsidiary system of the City's General Ledger system. It tracks building/construction permits and licenses issued by the City through the Public Works Department. It also is used as the tracking system for the Mayor's Action Center.

Personal Computer

Any computer workstation, terminal, or laptop with components.

Personal Services

One of five expenditure account categories used to account for all cost related to compensating employees, including employee benefits such as pension, social security, uniform allowance, long-term disability, insurance, workers' compensation, etc.

Prior-Year Encumbrances

Obligations from previous fiscal years in the form of purchase orders or contracts which are chargeable to an appropriation, and for which a part of the appropriation is reserved. They cease to be encumbrances when the obligations are paid or otherwise terminated.

Program

A group of related activities performed by one or more organizational units for the purpose of accomplishing a function for which the government is responsible.

Program Budget

A budget which allocates money to the functions or activities of a government rather than to specific items of cost or to specific departments.

Program Performance Budget

A method of budgeting whereby the services provided to the residents are broken down in identifiable service programs or performance units. A unit can be a department, a division, or a workgroup. Each program has an identifiable service or output and objectives to effectively provide the service. The effectiveness and efficiency of providing the service by the program is measured by performance indicators.

Program Revenue (Income)

Revenues earned by a program, including fees for services, license and permit fees, and fines.

Project Number

Used to identify any special activity, especially where specific reporting requirements exist regarding the activity. These numbers are always used with capital projects and grants.

Purpose

A broad statement of the goals, in terms of meeting public service needs, that a department is organized to meet.

—R—

Reserve

A portion of fund equity legally restricted for a specific purpose or not available for appropriation and subsequent spending. It is normally a set aside of funds for emergencies or unforeseen expenditures not otherwise budgeted.

Resolution

A special or temporary order of a legislative body; an order of a legislative body requiring less legal formality than an ordinance or statute.

Resources

Total amounts available for appropriation including estimated revenues, fund transfers, and beginning balances.

Revenue

The yield from sources of income (such as taxes, licenses, fines, etc.) that the City collects and receives into the treasury for public use. Revenue increases the assets of a fund, while not increasing a liability, or representing a repayment of expenditure, a cancellation of a liability, or an increase in contributed capital.

Revenue Estimates

Projected revenue using both time series analyses and deterministic methods.

—S—

Service Lease

A lease under which the lessor maintains and services the asset.

Service Level

Services or products which comprise actual or expected output of a given program. Focus is on results, not measures of workload.

Shared Revenue

Taxes collected by the state are distributed, in part, back to the cities within the state in proportion to their population. This apportionment is determined by the census conducted every ten years.

Sinking Fund

Established to pay for General Obligation Bond debt and judgments against the City.

Site-based Budgeting

A decentralized budget process whereby budget preparation and development are based on individual departmental sites.

Source of Revenue

Revenues are classified according to their source or point of origin.

Supplemental Appropriation

An additional appropriation made by the governing body after the budget year has started.

Supplemental Requests

Programs and services which departments would like to have added (in priority order) over their target budget, or if revenue received is greater than anticipated.

—T—

Target Budget

Desirable expenditure levels provided to departments in developing the coming year's recommended budget. Based on the prior year's adopted budget, excluding one-time expenditures, projected revenues, and reserve requirements.

Tax Levy

The resultant product when the tax rate per one hundred dollars is multiplied by the tax base.

Tulsa Metropolitan Statistical Area (TMSA)

An area made up of Creek, Okmulgee, Osage, Pawnee, Rogers, Tulsa, and Wagoner counties. Often used for analysis, as the data at the MSA level are better indicators of the number of persons and the amount of income in the Tulsa labor market.

Taxes

Compulsory charges levied by a government for the purpose of financing services performed for the common benefit of the people. This term does not include specific charges made against particular persons or property for current or permanent benefit, such as special assessments. Examples of tax revenues to the City of Tulsa are franchise, sales, and use taxes.

Transfers In/Out

Amounts transferred from one fund to another to assist in financing the services for the recipient fund.

—U—**Unencumbered Balance**

The amount of an appropriation that is neither expended nor encumbered. It is essentially the amount of money still available for future purposes.

Unreserved and Undesignated Fund Balance

The portion of a fund's balance that is not restricted for a specific purpose and is available for general appropriation.

User Charges

The payment of a fee for direct receipt of a public service by the party who benefits from the service.

—V—**Variable Cost**

A cost that increases/decreases with increases/decreases in the amount of service provided.

—W—**Working Cash**

Excess of readily available assets over current liabilities. Or cash on hand equivalents which may be used to satisfy cash flow needs.

Workload Indicator

A unit of work to be done (e.g., number of permit applications received, the number of households receiving refuse collection service, or the number of burglaries to be investigated).

Work Years

The amount of personnel resources required for a program expressed in terms of the "full-time equivalent" number of employees. One "work year" is equal to one full-time, year-round employee. For most categories, this equals 2,080 hours year (40 hours per week times 52 weeks). The number of hours a part-time employee is budgeted to work during the year is divided by 2,080 to arrive at the equivalent number of "work years" for the position.

APPENDIX OF ABBREVIATIONS

\$FYI	City program to provide monetary awards for employees' cost-saving ideas
ADA	Americans with Disabilities Act
BOA	Board of Adjustment
BPMS	Building Permit Management System
CBD	Central Business District
CIP	Capital Improvements Plan
City	(When capitalized) City of Tulsa, Oklahoma Municipal Government
E-911	Enhanced 911 emergency telephone number system (Police, Fire, and Ambulance services)
EDA	Economic Development Administration
EDC	Economic Development Commission
E-Mail	Electronic Mail (via computer)
EMD	Equipment Management Department
EMIS	Equipment Management Information System
EMS	Emergency Medical Service
EMSA	Emergency Medical Services Authority
EOC	Emergency Operations Center
EPA	U.S. Environmental Protection Agency
FIRE	Finance, Insurance, & Real Estate (see Chart 2 in the Introduction: Executive Summary)
FMLA	Family and Medical Leave Act
FY	Fiscal Year (July 1 through June 30)
GAAP	Generally Accepted Accounting Principles
GASB	Governmental Accounting Standards Board
GFOA	The Government Finance Officers Association of the U.S. and Canada
GO	General Obligation Bonds
HMO	Health Maintenance Organization
HOT	Home Ownership Tulsa
HUD	Department of Housing & Urban Development
HVAC	Heating, ventilation and air-conditioning
INCOG	Indian Nation Council of Governments
IDL	Inner Dispersal Loop (circle of highways around downtown Tulsa)
IS	Information Services
IT	Information Technology

APPENDIX OF ABBREVIATIONS

(cont'd)

ITS	Intelligent Transportation Systems
MERP	Municipal Employees Retirement Plan
Met	Metropolitan Environmental Trust
MHz	Megahertz - one MHz represents one million cycles per second
M K & T	Missouri, Kansas, and Texas Railroad (River Parks trail)
MSA	Metropolitan Statistical Area
MTTA	Metropolitan Tulsa Transit Authority
NAGPRA	Native American Graves Protection and Repatriation Act
NHS	Neighborhood Housing Services
OWRB	Oklahoma Water Resource Board
PAC	Performing Arts Center (of Tulsa)
PALS	Permit and Licensing System
PCI	Pavement Condition Index
PERS	Public Employees Retirement System
POS	Point of Service
PSRC	Public Safety Response Center
RMUA	Regional Metropolitan Utility Authority
SIBRS	Statewide Incident Based Reporting System
TAEMA	Tulsa Area Emergency Management Agency
TAIT	Tulsa Airports Improvement Trust
TARE	Tulsa Authority for Recovery of Energy
TCC	Tulsa Convention Center
TISD	Telecommunications/Information Services Department
TMAPC	Tulsa Metropolitan Area Planning Commission
TMCC	Tulsa Metropolitan Chamber of Commerce
TMSA	Tulsa Metropolitan Statistical Area
TMUA	Tulsa Metropolitan Utility Authority
TPA	Tulsa Parking Authority
TPACT	Tulsa Performing Arts Center Trust
TPFA	Tulsa Public Facilities Authority
TSA	Transportation Security Administration
VoIP	Voice Over Internet Protocol
WiFi	Wireless Fidelity (IEEE 802.11b wireless networking)