



DATE:  
April 30, 2025

Thank you, Chairman Lakin.

Good evening, members of the City Council, City staff, and my fellow Tulsans.

If you're counting, I will have been mayor for 150 days tomorrow. Over the last 150 days, I've had a front row seat watching the public servants across the City working toward one common goal - the goal of serving the residents of Tulsa to the best of their abilities.

From our teams at City Hall, to the officers, firefighters, and 911 operators who keep us safe, to our crews who clear our streets and make sure the water that comes into our homes is clean and safe, they are truly what make the City of Tulsa run at the highest level.

I know many of the leaders of those departments are here with us tonight, so thank you for being here.

I would be remiss if I didn't thank members of the Finance Department and our City Administrator who probably had one of the hardest jobs getting us to where we are tonight - Mike Miller, Christy Basgall, Jarrod Moore, and the entire Budget Division team: thank you for being up to the task. And thank you, Councilors, for your continued commitment to this process.

Tonight's proposal is not flashy.

It does not fund a ton of new programs or add a bunch of new personnel; and it does not represent every hope and dream we have here at the City.

But what the budget tonight is, is one that provides the essential services that Tulsans expect to receive from the City; is one that protects the personnel we have and hits on our core priorities; and is a budget that ensures we make progress toward putting ourselves in a balanced and sustainable financial position.

As we navigate through this period of fiscal challenge, we must embrace it with clarity and purpose.

Now is a time to focus, to sharpen our priorities, and to direct every available resource toward what matters most: service to the residents of Tulsa.

That's why this proposed budget is not about pulling back. It's about investing wisely. It's about placing our trust in the programs and partnerships that deliver real and measurable outcomes. And it's about controlling what we can control, which is our spending.

Right now, all of the economic predictions we have tell us that Tulsa is in a position to experience low-to-moderate growth in 2026.

But as I stand here tonight, revenues are tightening and costs are rising. From inflation to tariffs, people are generally pulling back on spending and being more cautious. And over the last several months, our sales tax receipts have come in lower than expected.



And while Use Tax has performed well in FY25, sales tax revenue for FY25 is now projected to finish just below the original forecast, with FY26 expected to see only minimal growth.

For the last three years, the City of Tulsa has had record hiring, bringing in 267 new employees.

This surge in employment has significantly increased our costs, but it is delivering the services that Tulsans have come to expect. But at this point with the unique pressures we are facing, we must adjust to ensure we keep our costs down.

It should be noted that these economic pressures aren't unique to Tulsa. Cities all around the country are feeling the pressure of these economic conditions.

Earlier this month, the City of Los Angeles proposed 1,600 personnel cuts to their budget and Oklahoma City has had a hiring freeze for the majority of this year.

And recent news just came out about less than stellar sales tax receipts across the State of Oklahoma. Tulsa is not the only city experiencing these challenges, but we are also not backing down on delivering for those whom we serve.

So now, I want to walk you through this year's proposed budget.

The total proposed budget for Fiscal Year 2026 is \$1.117 Billion. While this is an increase from the Fiscal Year 2025, it is primarily due to capital projects and \$9 million in carryover obligations from last fiscal year.

Our expenditures over this last fiscal year have exceeded 2025 projected revenues. This was something we talked about in our Mayor/Council retreat. These numbers show us that the City of Tulsa has been in deficit spending, having to use unreserved fund balances to offset our everyday operations and expenses - not a practice we want to continue.

Given these conditions, we must look at ways to either increase our revenues or reduce expenses.

Today's focus primarily centers on our General Fund, which this year is budgeted at \$419 million. As you may know, nearly 60 percent of our General Fund goes toward public safety. And then we have around 40 percent for all other City operations and personnel.

In years past, the City has been fortunate to provide some much needed pay increases to our employees, which has helped bring jobs closer to market rate.

Though we do not have employee pay increases in this budget due to our financial outlook, we are offsetting some employee expenses through an increase in the City's contribution for the employee health insurance plan, and an increase in the retirement contributions to the Oklahoma Police Pension and Retirement System.

As for our General Fund Emergency Operating Reserve, it is being increased from 8.29 percent to 10 percent, fully restoring the reserve after the draw from the 2023 Father's Day Storm.



This operating reserve is in addition to the Rainy Day Fund, which is expected to have a fund balance of \$28.8 million by the end of FY26.

So, this budget is one that reflects our commitment to bringing down our spending in line with current projections while at the same time meeting the goals and priorities that we identified together at the Mayor/Council retreat so that we can maximize the impact of our General Fund.

In short, we are ensuring that we continue our focus on housing and homelessness; we are solidifying our commitment to making Tulsa the safest big city in the country; we are providing the necessary resources for us to focus on our youth and families; we are creating an opportunity economy that protects our workforce and our ability to deliver essential services; and we are doing all of this while aiming to finish what we started as a community on the capital side.

The first thing I want to highlight in this budget is the funding for Housing and Homelessness initiatives.

This was the main topic of discussion at our Mayor/Council Retreat, it was a focus of the 3H Task Force Recommendations, and it was the focus of two recent Executive Orders.

If we want to make a dent in our path to end homelessness by 2030, we must face these issues with urgency, compassion, and a strong funding commitment – not just in the future, but right now.

When I took office, knowing the challenges that faced us, I appointed Gene Bulmash and Emily Hall to lead on the issues of housing and homelessness.

And through the organizational restructure, a collective and dedicated team is working side by side to meet our mayor and council efforts to help our city have a laser focus on these issues.

As we work to increase shelter capacity, including our Winter Weather Shelter, this budget funds the continuation of approximately \$1 million for Right of Way Cleanup and \$500,000 additional dollars to continue the Center for Employment Opportunities crew site cleanup. This funding is tied to our shared goal of decreasing the number of encampments, improving outcomes for those living on our streets, and beautifying our city.

This budget commits targeted funding for transitional and permanent housing. And it also commits the first allocation of funds from the third Improve Our Tulsa capital package for Housing initiatives, which total \$75 million over the five years of funding. These funds will focus on the needs identified from the Tulsa Housing Strategy such as a Housing Grant Fund, monies for housing infrastructure, a Housing Investment Fund, and a Housing Acquisition Fund – all priorities you laid out in a Council resolution last year.

I appreciate the council's focus on this issue and the partnership we've enjoyed with the Council Administrator. Tulsans are counting on us to get this right and we will make good on our collective promise to our constituents.

This proposal also allows the City's Development Services team to better meet the demand for new housing permits in a timely fashion.



There are very few positions proposed this year outside of new fire and police cadets. Two of the positions we have identified are the addition of two new Plans Examiner positions to help speed up our permitting processes at City Hall and help re-initiate our Residential Fast-Track permitting.

We've all heard from the business community about these needs, and we are acting to empower our partners as they work with us to meet this community challenge to increase our housing stock.

I've talked a lot about the desire to make Tulsa the safest big city in the country. I know you share in that goal and want to ensure that our public safety teams have the most support they need with the proper resources.

That is why when I came into office, I created the Commissioner of Public Safety position and appointed Laurel Roberts, a 29-year veteran of the Tulsa Police Department. She's the glue to help create a strong, cohesive, and comprehensive approach to public safety, bringing together our fire and police departments, 911, EMSA, Tulsa Area Emergency Management Agency, Municipal Court and Animal Services.

The Police Department budget includes funding for two police academies totaling 55 new cadets. And the Fire Department budget includes funding for a class of 24 new firefighters to ensure the department remains fully staffed.

Now that we have academies in place, we know that Tulsa has not been immune from the recruiting challenges for law enforcement personnel, so the budget before you continues to fund recruitment efforts and funds additional overtime needed to keep citizens safe.

While this year's budget maintains these necessary services, it represents our shared commitment to investing in alternative response models like our Community and Alternative Response Teams, which pair mental health professionals with our teams in the field to get people the right kind of response for the right kind of situation.

The work and support of the City Council has been critical to our new mental health partnership at the 911 Center, which is already paying dividends by helping those in mental health crises receive the care they need.

Our dedicated team at 911 takes over a million calls a year, and from March 1 – April 16, our 911/COPES team handled nearly 1,000 calls and diverted 858 away from public safety resources and to mental health clinicians.

We are saving lives and saving money, which is a huge win for Tulsans and I can't tell you how much this program has helped our public safety teams in the field. There is more left to do, but our city is leading in this area!

Now, when it comes to another aspect of public safety, I know the impact of stray animals in our community is not lost on anyone here and the proposal before you today also reflects the reorganization of the Tulsa Animal Services Department into a stand-alone department.

In doing this, we align the Department's focus with the broader public safety needs that Tulsans expect in their neighborhoods while providing more spay and neutering options.



I'm also proud to say that construction is formally starting on our shelter in the coming weeks. And as a shameless plug, we are still taking donations to add even more state-of-the-art add-ons to our shelter. For those interested, you can go to [cityoftulsa.org/TAS](http://cityoftulsa.org/TAS) to learn more.

To round out our public safety operations, this budget includes funding to move two previously grant funded positions to the general fund – a Municipal Court Supervisor and a public defender. These positions are currently staffed and are essential services that need to continue as the grant funds from the American Rescue Plan Act expire.

One thing every Tulsan can agree on is our obligation to invest in the next generation. We must do our part to make an impact for our young people.

This Council has been instrumental in our shared promise of strengthening families and supporting our youth and children here in Tulsa and this budget funds the continued operation of our newly established Office of Children, Youth, and Families led by our Deputy Mayor Krystal Reyes.

As we work to put more than 15,000 Tulsa children on a pathway to economic mobility, we will also be kicking off our Children's Cabinet next month, getting experts from across the community together to engage in this work.

This proposed budget also supports families through the financial counseling work of the Financial Empowerment Center.

Previously, the Tulsa Financial Empowerment Center was grant-funded and this budget brings those operations into the General Fund as those grants were expiring. I'm proud to report that up to this point, our Financial Empowerment Center has helped nearly 6,000 people save more than \$650,000 and reduce their non-mortgage debt by \$2 million.

From economic empowerment to economic development, we must invest in our future if we want to compete at an international level.

With that in mind, we are providing capital funding of nearly \$60 million over four years that will provide funds for wastewater and other infrastructure improvements that are necessary to spur new economic developments within the city.

As part of this process, we have identified priority lift station improvements to the Haikey Creek Service Area and at Tulsa International Airport to support new growth; we have identified infrastructure improvements to support Downtown infill development; we have identified the need for service expansion out east, including investments being made at the Fair Oaks property; and we are also looking to replace old City infrastructure in North Tulsa, including our work to usher in the next phases of the Kirkpatrick Heights Master Plan and bring about more economic opportunity to the Greenwood District.

When it's all said and done, the investments we make today are paving the way for more economic activity, more industry, commercial developments, and ultimately – more housing of all types to support our growing economy and workforce. We are making sure that the resources our citizens



invest reaps a return, and we are focused on maximizing that return on investment for the Tulsa taxpayer.

When it comes to celebrating our current assets and as the Capital of Route 66, Tulsa will be celebrating the Route 66 Centennial in May of next year.

To meet our stated economic development goals during our retreat, one-time funding from the Vision 2025 sales tax will help support planning and marketing activities around the celebration that will provide an economic boost to our city.

Capitalizing on the greatness of our city is not limited to our celebration commemorating the 100th anniversary of Route 66. It is something we want to lean into.

Currently, our city is missing out on major events to larger cities that have a convention center hotel, and it's time we step up to the plate. I'm proud of our partnership with the Tulsa Chamber and so many visionary citizens to make this a reality. Now, the road toward our new \$400 million anchor hotel has started through the release of a request for proposals and submittals are due back to the City by the end of June.

We will also begin the task of moving our police and fire headquarters, along with our Mingo Valley Division, into the new Public Safety Center by 2027 - a move that must coincide with the development of an anchor hotel.

When I took office, I vowed to get us out of the courtroom as we worked to repair relationships with our tribal nations. As the largest city in America wholly situated within Indian reservations, I believe it is critical that we lean into our partnerships with those who inhabited our city before it was a city.

Over the last 150 days, we have demonstrated that we can stand proudly on the side of Tribal Sovereignty while also ensuring our city is safe.

I also can't underscore enough what is possible when we have partnerships in place with our tribal nations. As the intersecting city of the Cherokee, Osage and Muscogee nations, we must engage and collaborate with our native partners.

Our legal department, along with our City's first director of tribal policy and partnerships are leading us into a new era of collaboration with tribes, grounded in a trust-based partnership that will ensure Tulsa is both safe and economically strong for years to come.

When it comes to essential services, the services that Tulsans expect from their City, this budget funds these necessary services while also incorporating proposed reductions in spending that were based on input from all departments.

Given the reality of our financial situation, earlier this year I asked all City Departments to identify proposed reductions in the amount of three-to-four percent so that we could prepare this budget in line with those realities.

It was a great exercise for departments to look at their mission and core services while looking at ways we can create further efficiencies and collaborate across departments.



The goal from this process was to work together to strike the right balance so we can make needed cuts and maintain the level of service Tulsans have come to expect and deserve.

So, what we are proposing is \$4.2 million in reductions from our non-sworn budgets. This reduction comes from the elimination of 14 full-time, vacant positions.

This is in addition to various other funding reductions for certain administrative services and supplies that would have the least impact on the services we are able to provide for our residents.

When we were going through our department presentation process, I also asked departments to come up with ways to offset our costs of doing business on the revenue side.

While some fees have not been adjusted in quite some time, I believe a review is necessary to ensure we cover the cost of doing business. Not to make money, but just to simply cover our costs in delivering those services as our own expenses have risen due to trends in the national economy.

Based on department recommendations, this budget includes the potential for \$2.6 million in cost recovery efforts. I look forward to discussing these with you in the coming weeks.

This proposal also funds City utility services at adjusted rates approved by the Tulsa Metropolitan Utility Authority and the Tulsa Authority for the Recovery of Energy. I want to thank the members of both Authorities for their thoughtful work to balance the need to invest in our infrastructure, while also reducing the amount of planned rate increases.

As part of these rate adjustments, the typical residential Tulsa utility customer can expect their bill to increase by about \$4.71 per month, or an average of \$56 extra a year.

I know it seems obvious, but we made a conscious effort to ensure that essential services continue and ensure that even in a tough budget year that we are building for the future by providing funding for our street maintenance crews; funding highway lighting and traffic synchronization; staffing the Mayor's Office to support our shared and major goals in housing, homelessness, public safety and tribal relations; and ensuring the upgrades across the entire Parks system continue at a time when Tulsa Parks is going through the largest improvements project in its history.

This budget also fulfills the Auditor's request to reestablish funding for a Deputy City Auditor and ensures we have the ability to keep our pools open, our animals cared for, our code enforcement teams funded, our seasonal day camps operating, and our school crossing guard positions funded.

Now, we've talked about a lot of things tonight, but when you look at this proposed budget in its entirety, it hits on all of the major goals we set for ourselves at the Mayor/Council retreat.

On Homelessness, this budget funds: the implementation of our 3H task force recommendations including the first phase of the \$75 million in Improve our Tulsa 3 funding; it funds dedicated staff to lead housing and homelessness initiatives, and; it provides funding for the transitional living facility, additional temporary transitional housing, and multiple other homelessness initiatives.



When it comes to Public Safety and making Tulsa the safest big city in America: it provides needed funding and resources for Tulsa Animal Services while allowing us to begin construction on our new animal shelter; it fully funds our police and fire academies, it funds dedicated staff for tribal partnerships; it provides funding for alternative response models and our 911 mental health partnership, and; it provides continued work on the capital side for public safety, including the move into the new public safety center.

In terms of Economic Development, this budget: funds nearly \$60 million over the next four years for wastewater infrastructure for housing and economic development; it provides staffing for new fast-track permitting processes to spur growth and reduce internal regulatory barriers, and; it provides funding for the Route 66 Centennial.

And when it comes to improving youth outcomes: it fully funds the Office of Children, Youth and Families; it provides funding for the Financial Empowerment Center; and it fully funds our crossing guards for the upcoming school year.

The budget I bring you tonight does all these things while cutting our use of reserve funds for operations in half - an important step toward our work in restoring structural balance to the City's finances.

While challenges remain, Tulsa is committed to responsible fiscal management and mitigating any negative service impacts to residents.

I want to sincerely thank each of you - our Councilors - for your dedication, insight, and continued commitment to serving our community. I also want to recognize and express, again, my deep appreciation for our incredible City team, whose hard work and expertise make this process possible.

As we move into the months ahead, I look forward to continued collaboration, open dialogue, and meeting the shared goals of our collective values and priorities. I know any member of our City team will be able to answer any questions you may have in the coming weeks.

And, together, I'm confident we can meet the challenges ahead and build a stronger future for everyone we serve.

It is my pleasure to serve as mayor and to partner with each one of you. We have an amazing city and although we face intense headwinds, we are still committed to ensure this city remains focused on winning the next decade.

Tonight, I humbly submit this budget to you for consideration.

Thank you.