

CITY OF BETHANY

2019 – 2020 MUNICIPAL BUDGET OUTLINE AND DISCUSSION



SIMPLE APPROACH TO GENERAL BUDGET DISCUSSION

- **PRACTICAL BUDGET EXPLANATION OF CITY BUDGET FOR CITIZENS AND CITY COUNCIL**
- **OPERATIONAL BUDGET STEP-THROUGH BY CATEGORY (DETAIL ALWAYS AVAILABLE UPON REQUEST)**
 - **OPERATIONAL REVENUES – SOURCES**
 - **CITY OF BETHANY UTILITIES AS SOURCE OF REVENUES**
 - **SALES TAX**
 - **OPERATIONAL EXPENSES BY CATEGORY**
 - **CITY OF BETHANY DEPARTMENTS**
 - **OPERATIONAL EXPENSES BY DEPARTMENT**
 - **OPERATIONAL EXPENSES BY PERSONNEL EXPENSES**
- **CITY OF BETHANY GENERAL FUND**
- **OTHER FUNDS OF THE CITY AND PUBLIC TRUSTS**
- **WHAT CAN PUBLIC EXPECT IN 2019/2020?**
- **CAPITAL AND INFRASTRUCTURE NEEDS AND COSTS**
- **CONCLUSION: NECESSITY OF SURPLUS UTILITY REVENUES FOR GENERAL FUND REQUIREMENTS**
- **QUESTIONS FROM COUNCIL AND PUBLIC**

BASELINE OF PUBLIC UNDERSTANDING

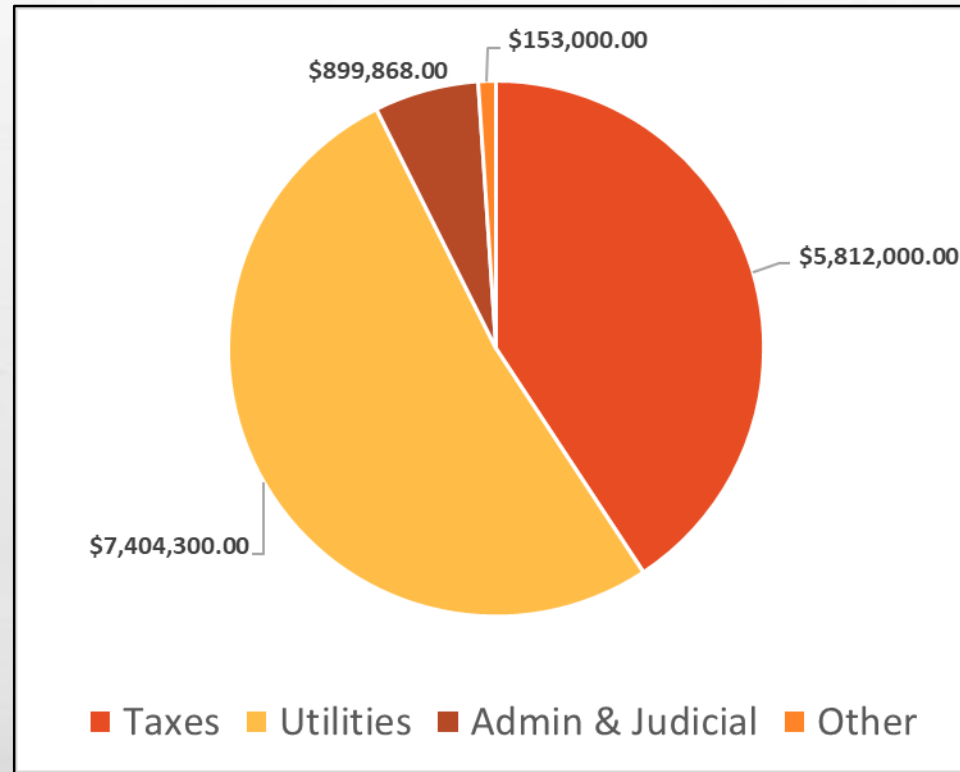
- **CITY BUDGET IS THE TAXPAYER'S BUDGET**
- **CITY BUDGET RECEIVES NO PROPERTY TAXES**
- **SALES TAXES ALONE INSUFFICIENT**
- **UTILITIES CONTRIBUTE TO CITY FUNDING**
- **BUDGETS MUST BE BALANCED – STATE STATUTE**
- **OPERATIONAL BUDGETS BUILT ON HISTORICAL**
- **COUNCIL AND MAYOR APPROVE BUDGETS**
- **CITY STAFF OPERATE FROM BUDGET LIMITS**
- **TAXPAYERS PARTICIPATION IS ENCOURAGED**
- **CAPITAL PROJECTS ARE PRIORITIZED BY FUNDING**
- **BUDGETS CAN BE ADJUSTED**
- **CONTINGENCY FUNDS FOR EXTRAORDINARY USE**

CITY OF BETHANY – REVENUE SOURCES

- **SALES TAXES**
- **JUDICIAL FINES**
- **LICENSE AND FEES AND OTHER FEES**
- **FRANCHISE INCOME (O.G.&E. AND COX COMMUNICATION)**
- **WATER TREATMENT & DISTRIBUTION**
- **SOLID WASTE DISPOSAL**
- **WASTEWATER COLLECTION AND TREATMENT**

OPERATIONAL BUDGET - REVENUES

Taxes	
Sales Tax (Includes CIP)	\$ 4,700,000.00
ONG & OGE Franchise	\$ 530,000.00
Cox Cable Franchise	\$ 207,000.00
Hotel Tax	\$ 75,000.00
Use Tax (internet sales tax)	\$ 300,000.00
	\$ 5,812,000.00
Utilities	
Water Utility	\$ 2,900,000.00
Wastewater Utility	\$ 2,300,000.00
Solid Waste Utility	\$ 2,204,300.00
	\$ 7,404,300.00



Admin and Judicial	
Admin Licenses and Permits	\$ 121,000.00
Judicial Fines	\$ 778,868.00
	\$ 899,868.00
Other Income	
Interest Income	\$ 38,000.00
Penalties & Collections	\$ 109,000.00
Taps (Water and Sewer)	\$ 4,000.00
Misc Income	\$ 2,000.00
	\$ 153,000.00

Total Revenues	\$ 14,589,168.00
-----------------------	-------------------------

CITY OF BETHANY UTILITIES

- **WATER TREATMENT AND DISTRIBUTION**
- **SOLID WASTE DISPOSAL**
- **SANITARY SEWER COLLECTION AND TREATMENT**
- **STORMWATER DRAINAGE SYSTEM**
- **COLLECTIVELY - SURPLUS UTILITY REVENUES OF APPROXIMATELY \$2,700,000 FOR NON-REVENUE GENERATING DEPARTMENTS**

WATER TREATMENT AND DISTRIBUTION

- **WELL FIELD CHALLENGES (12 OF 26 WELLS NOT SUITABLE)**
- **LIMITED WELL CAPACITY LIMITS THE DAILY WATER CAPACITY**
- **OKLAHOMA CITY WATER IS EXPENSIVE ON SHORT TERM BASIS**
- **DEVELOPING NEW WELLS AND COLLECTION LINES WILL BE EXPENSIVE**
- **MAYOR IS CREATING A WATER TASK FORCE TO EXPLORE OPTIONS AND TO DRAFT A STRATEGIC PLAN**
- **TASK FORCE WILL PRESENT THEIR FINDINGS AND PRESENT RECOMMENDATIONS**
- **REVENUES AVAILABLE TO SUPPORT THE GENERAL FUND IS DECREASING**

WASTEWATER COLLECTION AND TREATMENT

- **SANITARY LINES SERVE RESIDENTIAL, COMMERCIAL, INSTITUTIONAL, AND OTHER FACILITIES AND TRANSPORT WASTEWATER TO THE TREATMENT FACILITY**
- **SANITARY SEWER COLLECTION LINES ARE BETHANY'S RESPONSIBILITY**
- **WASTEWATER TREATMENT IS A TRUST PARTNERSHIP WITH CITY OF WARR ACRES**
- **BETHANY WASTEWATER UTILITY RATES WERE ADJUSTED IN 2017**
- **REVENUES AVAILABLE TO SUPPORT THE GENERAL FUND IS DECREASING**

SOLID WASTE UTILITIES

- **PUBLIC EXPECTS WEEKLY TRASH SERVICE, BIG TRASH 4X A YEAR, AND SEASONAL LEAF PICKUP AND DISPOSAL SERVICES**
- **OTHER MULTIPLE DISPOSAL SERVICES ARE DEMANDED BY THE PUBLIC**
- **NEW SOURCES OF DISPOSAL REVENUES IDENTIFIED**
- **UTILITY RATES WERE ADJUSTED IN 2011**
- **REVENUES AVAILABLE TO SUPPORT THE GENERAL FUND IS DECREASING**

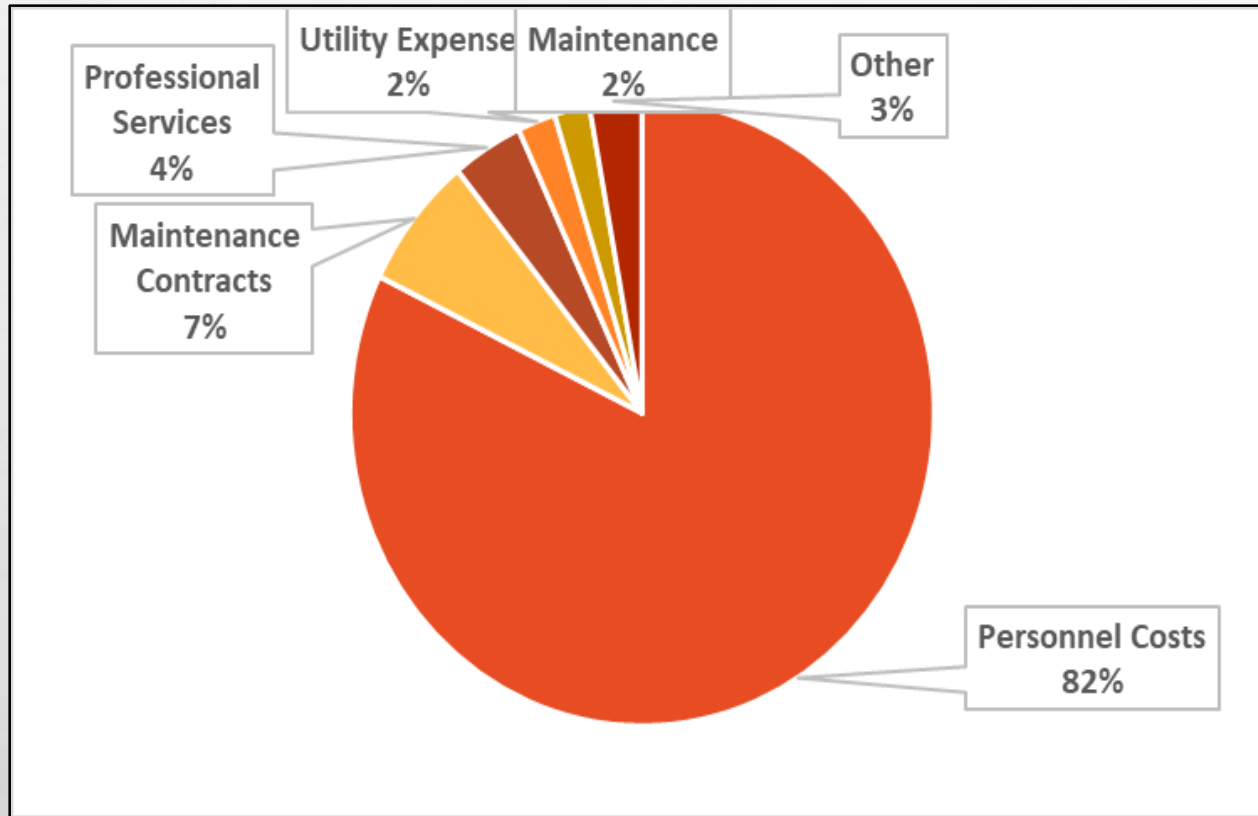
ECONOMIC DEVELOPMENT FOR SALES TAX IMPACT

ECONOMIC DEVELOPMENT FOCUSED ON CREATING NEW SALES TAX REVENUES – PROGRAMS INCLUDE:

- **BETHANY ECONOMIC DEVELOPMENT AUTHORITY - BUSINESS IMPROVEMENTS GRANTS (B.I.G.)**
- **PURCHASE AND RESALE OF THE CREMATORIUM PROPERTY**
- **SALES TAX INCENTIVE/REBATE AGREEMENT – 7-11 STORE**
- **TAX INCREMENT FINANCING INCENTIVES (23RD ST AND 39TH EXPRESSWAY)**
- **COMMERCIAL DEVELOPER RECRUITMENT**
- **HIRING OF ECONOMIC DEVELOPMENT DIRECTOR AND COMMERCIAL REAL ESTATE CONSULTANT**
- **OPERATIONAL EXPENSES NOT MET BY SALES TAX REVENUES ALONE**

Although we're seeing progress, it takes time to see substantial results

OPERATIONAL BUDGET – EXPENSES BY CATEGORY

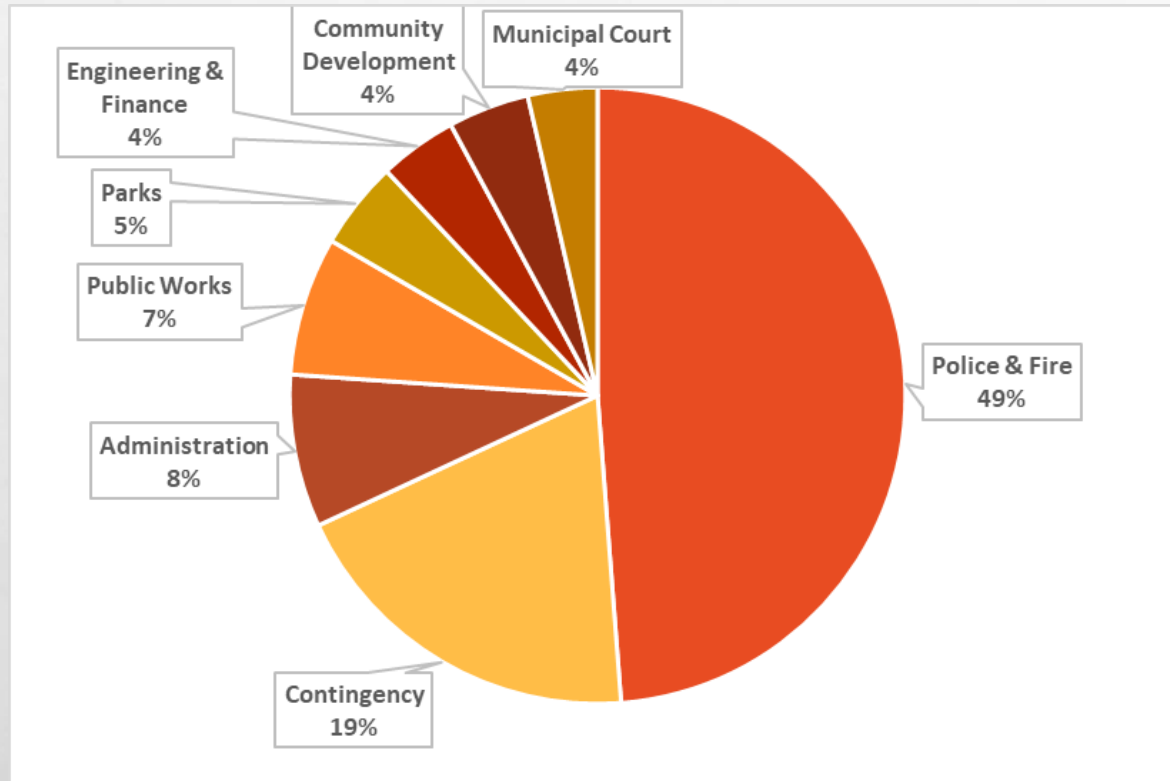


Personnel Costs	\$ 9,781,258.00
Office Supplies	\$ 95,290.00
Janitorial	\$ 11,925.00
Maintenance	\$ 232,300.00
Fuel	\$ 107,743.00
Chemicals	\$ 12,500.00
Tools	\$ 6,500.00
Professional Services	\$ 469,000.00
Utility Expense	\$ 249,980.00
Maintenance Contracts	\$ 823,750.00
Property Insurance	\$ 109,977.00
Total Expenditures	\$ 11,900,223.00

CITY OF BETHANY DEPARTMENTS

- **POLICE DEPARTMENT**
- **FIRE DEPARTMENT**
- **MUNICIPAL COURTS**
- **FINANCE**
- **COMMUNITY DEPARTMENT**
- **CONTINGENCY FUNDS**
- **ENGINEERING**
- **WATER UTILITY**
- **WASTEWATER UTILITY**
- **STREETS AND SIDEWALKS**
- **CITY FACILITY AND FLEET**
- **PARKS**

OPERATIONAL BUDGET – EXPENSES BY DEPARTMENT

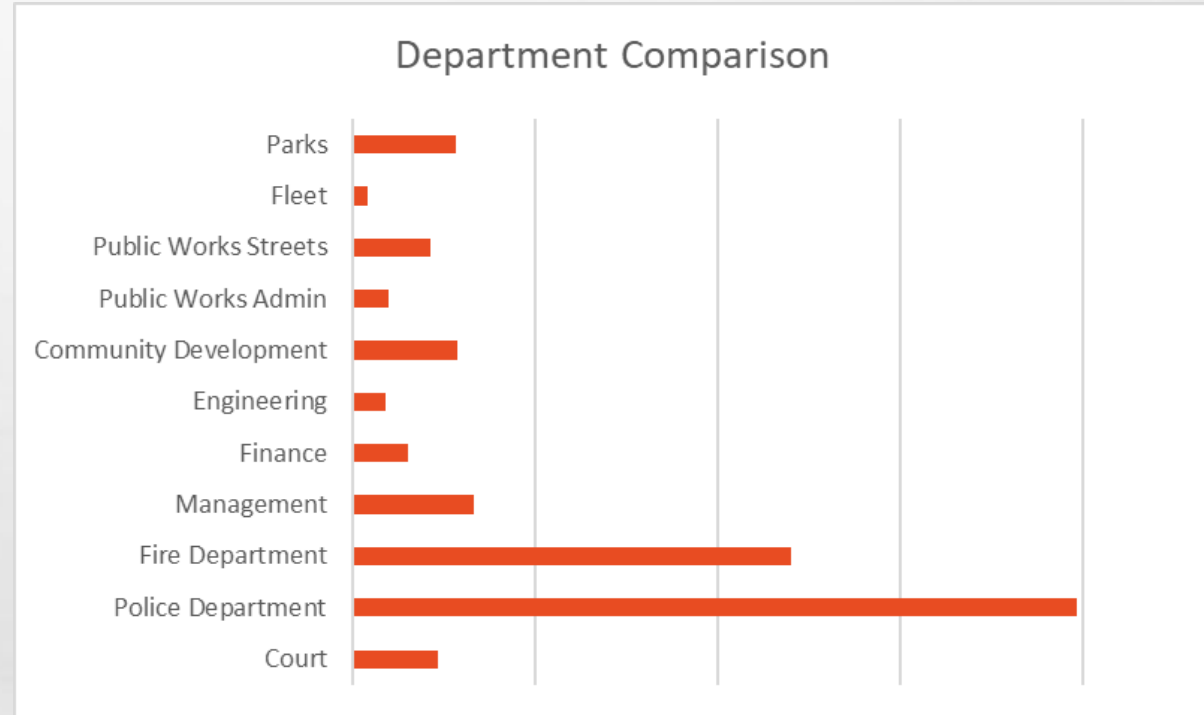


Police & Fire	\$	7,223,583.00
Contingency	\$	2,857,340.00
Administration	\$	1,188,250.00
Public Works	\$	1,077,542.00
Parks	\$	682,743.00
Engineering & Finance	\$	606,827.00
Community Development	\$	631,758.00
Municipal Court	\$	540,018.00
	\$	14,808,061.00

PERSONNEL BUDGET – DEPARTMENT COMPARISON

Personnel Costs by Department

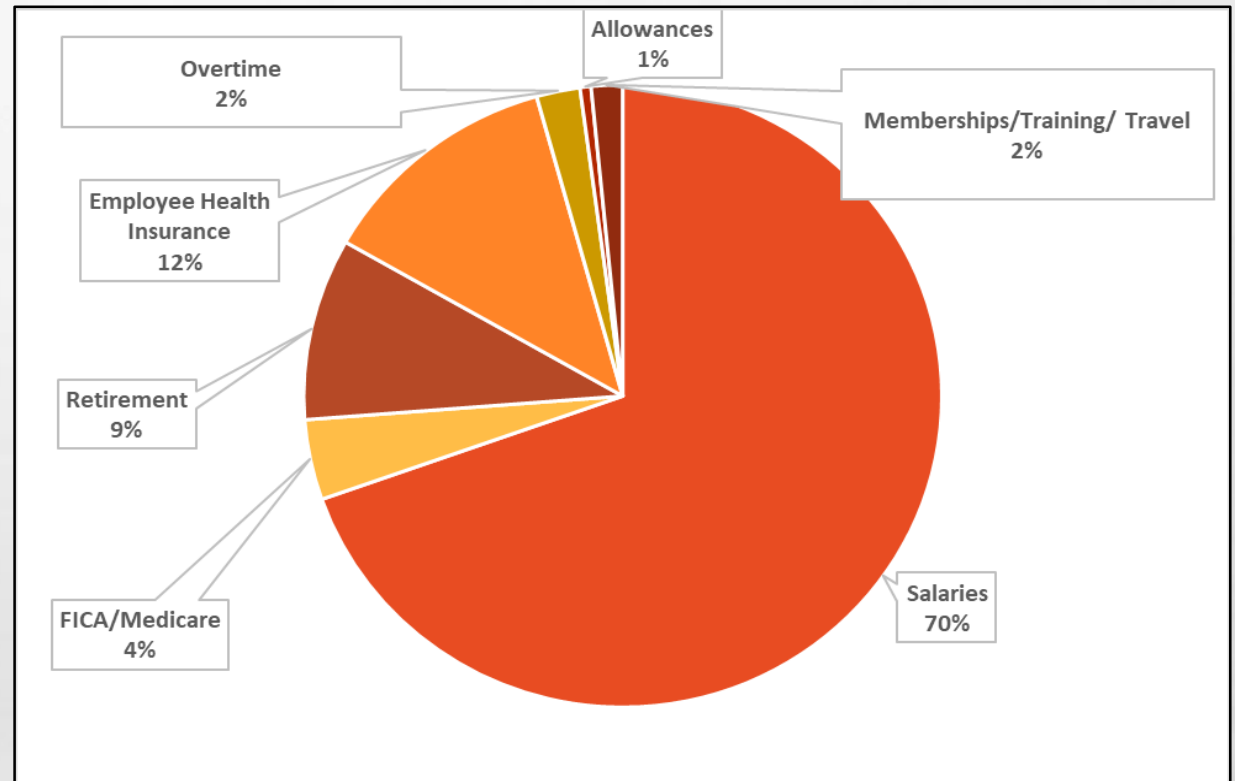
Parks	\$ 563,243.00
Fleet	\$ 80,704.00
Public Works Streets	\$ 420,139.00
Public Works Admin	\$ 195,499.00
Community Development	\$ 566,433.00
Engineering	\$ 176,822.00
Finance	\$ 297,752.00
Management	\$ 657,800.00
Fire Department	\$ 2,395,458.00
Police Department	\$ 3,964,208.00
Court	\$ 463,718.00
	\$ 9,781,776.00



OPERATIONAL BUDGET – PERSONNEL EXPENSES

Personnel Costs Only

Salaries	\$ 6,809,467.00
FICA/Medicare	\$ 407,780.00
Retirement	\$ 924,490.00
Employee Health Insurance	\$ 1,213,539.00
Overtime	\$ 216,036.00
Allowances	\$ 54,706.00
Memberships/Training/ Travel	\$ 155,240.00
TOTAL PERSONNEL COSTS	\$ 9,781,258.00



CITY OF BETHANY - GENERAL FUND

- **TRANSFERS ARE NOT REVENUES OR EXPENSES – JUST TRANSFER OF FUNDING AMOUNTS AND ACCOUNT BALANCES AS REQUIRED**
- **GENERAL FUNDS ALLOCATES FINANCE AMOUNTS FOR PROPER ACCOUNTING CLASSIFICATIONS**
- **GENERAL FUND COVERS NON-REVENUE DEPARTMENTS**
- **GENERAL FUNDS RECEIVES JUST UNDER 3 MILLION DOLLARS ANNUALLY FROM UTILITY SURPLUS – CONTRIBUTIONS TO GENERAL FUND ARE ON A DECREASING TREND**

OTHER FUNDS OF THE CITY AND ITS PUBLIC TRUSTS

- **BETHANY DEVELOPMENT AUTHORITY – CITY COUNCIL**
- **BETHANY ECONOMIC DEVELOPMENT AUTHORITY**
- **BETHANY HOSPITAL AUTHORITY – CITY COUNCIL**
- **BETHANY JUVENILE JUSTICE FUND**
- **BETHANY CEMETERY TRUST**
- **PUBLIC WORKS FUNDS**
- **CAPITAL IMPROVEMENT FUNDS (C.I.P.)**
- **PARKS AND STREET IMPROVEMENT FUNDS**
- **PUBLIC SAFETY FUNDS – GRANTS AND CONTINGENCY**
- **E-911 FUND**
- **DEBT SERVICE FUND**
- **BETHANY-WARR ACRES WASTEWATER TRUST**

WHAT CAN WE EXPECT IN 2019/2020

Based upon the current budget, we can reasonably expect:

- **CONTINUATION OF BASIC SERVICES**
- **CONTINUATION OF UTILITIES**
- **CURRENT STAFFING LEVELS**
- **NO STREET/SIDEWALK REPAVING PROJECTS**
- **PUBLIC SAFETY SERVICES MAINTAINED**

Based upon current budget, we cannot reasonably expect:

- **MAJOR STREET/SIDEWALK REPAVING PROJECTS**
- **SUBSTANTIAL PARK IMPROVEMENTS**
- **FULL ADA COMPLIANCE CITY WIDE WITHIN 1 YEAR**
- **SUBSTANTIAL UTILITY INFRASTRUCTURE UPGRADES**
- **CITY FACILITY UPGRADES**

CAPITAL INFRASTRUCTURE PROJECTS

- **WATER FIELD EXPANSION AND DEVELOPMENT - URGENT**
- **REQUIRED BUILDING AND CITYWIDE UPGRADES FOR ADA COMPLIANCE**
- **COMPREHENSIVE PLAN FOR SYSTEMATIC STREET REPLACEMENT AND UPGRADES**
- **COMPREHENSIVE PLAN FOR COHESIVE SIDEWALK EXPANSION AND REPLACEMENT**
- **PARK INFRASTRUCTURE IMPROVEMENTS**
- **WATER AND WASTEWATER DISTRIBUTION LINES EXTENSION AND REPLACEMENT**

CONCLUSION

- **THIS IS THE TAXPAYER'S BUDGET – COMMUNITY OF 20,000**
- **COUNCIL'S HAS STATUTORY FIDUCIARY RESPONSIBILITY FOR A BALANCED BUDGET**
- **PUBLIC UNDERSTANDING THAT UTILITY SURPLUS REVENUES SUPPORT ALL OF CITY'S OPERATIONS**
- **CONSISTENCY TO PROVIDE ADEQUATE REVENUES TO MEET THE COST DEMANDS OF CITY SERVICES WITHIN BALANCED BUDGET**
- **SERIOUS INFRASTRUCTURE PROJECTS ARE NEEDED TO ADDRESS AGING WATER/WASTEWATER SYSTEMS**
- **MUNICIPALITY ROLE IS TO PRESERVING THE QUALITY OF LIFE WITHIN BETHANY WITH A SHARED SENSE OF FINANCIAL RESPONSIBILITY FOR THE SERVICES PROVIDED.**

QUESTIONS AND ANSWERS

- **THANK YOU FOR THE OPPORTUNITY TO BRIEFLY DESCRIBE THE BETHANY CITY BUDGET FOR 2019-2020**
- **CITY STAFF IS ALWAYS AVAILABLE TO ANSWERS QUESTIONS**
- **QUESTIONS FROM CITY COUNCILORS**
- **QUESTIONS FROM CITIZENS**
- **CLOSING COMMENTS**