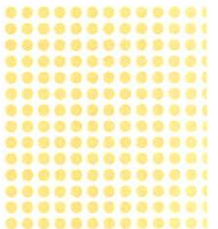


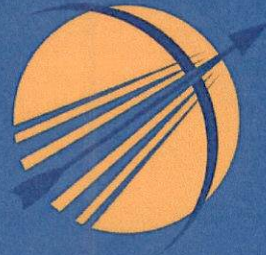
BROKEN ARROW

Where opportunity lives

CITY OF BROKEN ARROW

FISCAL YEAR
2026 ANNUAL BUDGET
2027 FINANCIAL PLAN





EXECUTIVE SUMMARY

CITY OF
BROKEN ARROW
BROKEN ARROW, OKLAHOMA

**FISCAL
YEAR 2026**

FISCAL YEAR 2026 EXECUTIVE SUMMARY

Every year the annual municipal budget process gives the Council and Administration the opportunity to do several things which include: (1) Review and confirm the priorities of local government; (2) Determine our service levels based on those priorities and sustainable resources available; and (3) Thoroughly plan our program of work and then implement within operations over the fiscal year (FY). As is mentioned in each executive summary, it is critical that our proposed actions build upon past successes and continue to advance our top priorities.

In the end, it's all about maintaining a great quality of life in Broken Arrow. To maintain the high standards that we have set for ourselves, we must have a solid financial foundation that sustains the operations we implement for the community. As mentioned on numerous occasions, it will be the Administration's #1 priority to build a municipal budget that meets the community's expectations and is financially sustainable. This approach includes both the short-term and long-term viability of the organization, and the proposed budget for the next fiscal year does continue to employ a prudent approach to maintaining the great quality of life that currently exists in Broken Arrow. Our focus will always be on vision, mission, and opportunities that will accomplish the plan by maintaining our pledge to our top six organizational priorities which are as follows:

1. Public safety services and the community's well-being.
2. Economic development administration focusing on growth and prosperity.
3. Innovative municipal government operations.
4. Fiscal sustainability and strategic public investments (capital improvement program).
5. Transformational initiatives that help us remain a thriving and healthy community.
6. Transparency and Communications.

The Finance team advises that our budget now has a total of 36 different funds. Included in the FY26 Budget Book is a breakdown on proposed expenditures and fund balances where applicable for each of these funds. The Finance team has done an excellent job of putting together a booklet that provides the governing body with great information on each fund in order to make informed decisions on the proposed budget.

MUNICIPAL BUDGET PROCESS

In full transparency, let me share some details about our annual budget process. It begins with a meeting in early January with the Finance team to discuss the upcoming fiscal year and to establish budget parameters (e.g., revenue projections for the year ending, preliminary revenue projections for the upcoming fiscal year, Council priorities, fund balances, etc.). This year we declared the week of March 10th, Budget Week. With this approach, it gives the Leadership team an overall picture of FY26 with the requests submitted. During the week, we spend many hours reviewing requests from directors on their needs for operations and capital improvements. We focus heavily on needs and how best to fund what is necessary to maintain a great quality of life. Adjustments were made when deemed essential to accomplish the goals and objectives and to focus on the areas on the following page.

- How we can we better serve the community through each respective department.
- Constantly seek opportunities to run the operations more efficiently and effectively.
- How do we manage our resources to ensure that our infrastructure is being maintained while preserving and enhancing our financial position?
- Update on our on-going development plans for employee training AND our succession planning efforts to prepare future organizational leaders and managers.

Once Budget Week was completed, my office works with the Finance team to begin balancing the budget with the resources available and then finalizing the plan for submission to the City Council for review, consideration and ultimately approval.

FY26 BUDGET CONSIDERATIONS AND CONCERNS

Overall, while we have seen a slow-down in sales and use tax receipts, the fiscal health of the city right now is very stable. Our over-arching goal will always be to balance operational needs with maintaining a conservative approach to the use of our available revenues. As stated in previous budget messages, every increase in “on-going” expenses are seriously evaluated since they will have an impact on future budgets. We will end FY25 strong but with a negative net income of \$3,812,919. We used net income and fund balance to fund a transfer to supplement the funding of the public infrastructure to support the amphitheater. Without the transfer, our estimated net income for FY25 would be just over \$1.8 million for the General Fund.

Next, the Administration is pleased to note that our reserves are adequate at this time to temporarily offset any unforeseen situation or circumstances we could face (e.g., natural or man-made disasters, a down-turn in the economy, unanticipated increases in the cost of doing business, etc.). However, our reserves are only temporary relief.

With regard to operating revenues and expenses, we anticipate that they will continue to be sustainable but must be watched closely. We expect the expenses of the public safety departments, to exceed available revenues in the early 2030s. Case in point, for FY 2026, the City must absorb an increase in our contributions to the police pension fund as a result of a Bill passed in 2024. The estimated cost for said increase is approximately \$185,000 for this fiscal year alone. When this happens, we will become overly reliant on fund reserves. We need to continually monitor this inevitability until additional revenue sources can be identified and implemented. This is why we need to continue to look for new sources of revenue and lobby the state legislature for implementing

a different municipal tax model to create more sustainable revenue sources. Honestly, this continues to be one of my main concerns for the long-term sustainability of the municipal budget.

Let me also mention that nearly everything continues to cost more. Inflation, supply-chain issues, and availability of supplies and materials is a huge challenge right now. This is why directors, finance officials, and city administration are continually scrutinizing the approved budget throughout the year to ensure our expenses are staying on-track with anticipated revenues.

Next, our bond rating remains unchanged which continues to demonstrate that Broken Arrow is a great investment. This is good news as it helps ensure that we get the best rates when we issue bonds. I am pleased to report that our expenditures through April 2025 are coming in below what we originally projected. This is largely due to our conservative approach and ability to prepare for the unknown.

Regarding our revenues, the Manual of Fees has slight increases proposed for certain user-related services, especially in our utilities. The rate model calls for small increases for services provided to cover the cost of operations, capital improvement investments, and debt-service for monies borrowed from the Oklahoma Water Resources Board. We are concerned about customers understanding the cost of operations and the rate we charge our customers for services. Personnel and department operational expenses (wages/benefits, utilities, gas, and even pens, pencils, and paper, etc.) are all higher than in the past and there doesn't seem to be any relief in sight. We will definitely be implementing a comprehensive education campaign on the cost of business and the services we provide.

Finally, as mentioned in all previous budget messages, Oklahoma is one of the last states in America that uses sales tax as the primary revenue source to fund General Fund operational expenses. It is enormously challenging to precisely estimate revenues in such an unpredictable system. Because our state continues to use this antiquated business model, we spend an excessive amount of time chasing sales tax type businesses to give our citizens more opportunities to shop local, therefore maintaining and growing our tax base.

FINANCIAL SUMMARY - PROPOSED FY 2026 MUNICIPAL BUDGET

The proposed FY26 Municipal Budget includes planned expenditures of \$454,000,499 a decrease of \$18,197,741 or 3.85% over FY25 originally budgeted expenditures of \$472,198,240. The primary reasons for the decrease from last year's approved budget is the anticipated bond sale for this FY is less than last year's sale, and many projects were completed this year. There are multiple capital projects that are in one phase or another of construction. The breakdown of the FY26 proposal are as follows:

- Operational Expenses: \$181,147,810 increase of \$15,703,123 or 9.49%
- Capital Outlay: \$230,759,433 decrease of \$36,401,370 or 13.62%
- Debt Service: \$42,093,256 increase of \$2,500,456 or 6.31%

GENERAL FUND

The total proposed budget for our General Fund, which includes expenditures, transfers out, and budgeted ending Reserve and Unreserved Fund balances is \$153,662,215. Proposed expenditures, including transfers:

- \$120,978,215, an increase of \$5,217,309 or 4.5% over the FY25 budget. The budget proposal shows a net income of \$553,848.
- Fund balance at the end of FY26 (June 30, 2026) is estimated to include \$20,755,574 in restricted fund balance (to meet our reserve policy and compensated absences) and \$11,928,426 unrestricted for a total of \$32,684,000 in fund balance.

PUBLIC SAFETY FUNDS

By ordinance (approved in 2015) we are required to ensure each department receives a dedicated portion (Police 36.7% and Fire 30.7%) of all available General Fund current operating revenues. Based on current total expenses for the police and fire departments, public safety consumes all operational sales tax we have available along with 25.2% of all other General Fund revenues available (e.g., franchise fees, permit fees, court, revenue, etc.) for all operations. This fact means that all other General Fund departments (e.g., Parks, Community Development, Economic Development, General Administration, etc.) must operate with the remaining 74.8% of General Fund revenue.

As noted in previous budget messages, because of the ever-increasing costs of collective bargaining and maintaining a high-level of service the community has come to expect, we must find an additional dedicated funding source for public safety. The following is the current status of the police and fire sales tax funds respectively:

POLICE SALES TAX FUND

I am pleased to report to Council that our Police Sales Tax Fund maintains a healthy fund balance. The anticipated fund balance ending June 30, 2025, is at \$29.5 million which is significantly higher than projected for FY25. This is a result of a conservative approach to revenue projections and approved expenditures. The Finance Department anticipates revenues for FY26 are approximately \$44,636,514 and expenses of \$40,373,399 leaving a fund balance projection of just over \$33.8 million as of June 30, 2026. Please note we are currently in collective bargaining negotiations with Fraternal Order of Police Lodge #121. The results of the negotiations could change what has been included for FY26 expenditures which will change the ending fund balance. 42% of the requested Police capital is reflected in their fund with the other remaining in the Sales Tax Capital Improvement Fund (STCI) or in the Vehicle Replacement Fund - total capital for FY26 is \$3,684,700. which includes 21 fully equipped police vehicles that will replace older high mileage patrol cars, and other miscellaneous projects.

FIRE SALES TAX FUND

The estimated fund balance ending June 30, 2025, is \$15,209,226. Anticipated revenues for FY26 are \$34,495,606 with expenses of \$32,558,002 leaving a fund balance in excess of \$17 million. Currently the city is in negotiations with International Association of Firefighters Local #2551 which could

change the anticipated expenditures and affect the ending fund balance. All capital, except the money that is a pass-through with Wagoner County comes out of STCI Fund or the Vehicle Replacement Fund. FY26 total capital is \$2,745,000 which includes: Training Center HVAC, remount two ambulances, cardiac monitor replacement, annual replacement of bunker gear, replacement of a staff vehicle and various miscellaneous equipment.

PERSONNEL

The most important resources we have are our employees. They continue to be the most critical piece of the organization’s success in serving our citizens and businesses. Currently, we have a total of 1,008 authorized positions. (Full-time 897, Part-time 13, and Seasonal 97). Of these 1,007 positions, 719 are in the Governmental Funds including Police and Fire Departments. A detailed analysis reveals that our personnel expenses make up 68% of the General Fund, 80.8% of Police Sales Tax Fund and 89.78% of the Fire Sales Tax Fund. Providing all the essential services necessary for the community to thrive is an extremely important responsibility, and we couldn’t accomplish this without the hard work and dedication of so many.

A cost-of-living adjustment has been included in the proposed budgets for all non-bargaining unit employees. Additionally, all non-public safety employees who meet their performance goals, are eligible to receive a merit increase within their salary ranges. Regarding the FOP Lodge #170 and IAFF Local #2551, negotiations are on-going for new agreements.

Each year, my office receives a multitude of requests for additional positions. These requests are evaluated very closely and then prioritized. My last step is to determine funds available to add any new positions. To ensure we meet the expectations the community has for our organization, as part of next year’s spending plan, my budget proposal includes adding 12 new positions in the various funds. The new positions proposed include:

NEW POSITIONS FOR FY26

General Fund

- | | |
|------------------------|--------------------------|
| Information Technology | Communication Technician |
| Parks and Recreation: | Irrigation Crew Leader |

Broken Arrow Municipal Authority (BAMA)

- | | |
|-------------------------|---|
| Streets and Stormwater: | Crew Chief Operator & Service Workers (2) |
| Utilities: | Crew Supervisor & Service Workers (2) |
| Water Quality Tech | |
| Engineering: | Project Engineer |

Public Safety

- | | |
|-------|---|
| Fire: | Warehouse and Medical Supply Technician |
|-------|---|

POLICE DEPARTMENT

The current authorized force is 156. A Needs Assessment was completed last year to help determine the strengths and operational opportunities needed in the future. The challenge will be identifying the sustainable funding needed to implement the findings of the study. Regarding uniformed police officers, there is no doubt in my mind that in the coming years we will need to increase the number of employees we have in the police department in both the officer and support staff. Currently we have been over-hiring officers to ensure we account for anticipated retirements. By continuing to do this we will hopefully be able to remain at full strength.

City administration is currently working with the leadership from Broken Arrow Public Schools to re-establish the School Resource Officer Program (SROs) back into the school system. The SROs serve as liaisons to community services that support the well-being of youth and their families. SROs help educate students on crime prevention, safety measures (e.g., school shooter drills), drug awareness, conflict resolution strategies, and insights into the legal system and law enforcement operations. Chief Arnold is working with his counterparts at the district on this initiative.

FIRE DEPARTMENT

For Fire personnel, last year Council approved, the Fire Chief to over-hire the current authorized strength by 12 firefighters/paramedics to help with day-to-day operations. I'll share more about these 12 positions in the Public Safety Services section. This resulted in four additional personnel on each shift or 57 employees per shift. The recommended personnel will give us some additional capacity to avoid falling below the agreed upon minimum staffing number of 40, which triggers the need for call-back overtime. The justification is there to continue the over-hiring plan.

FY26 WORK PLAN PRIORITIES

Maintaining a great quality of life in Broken Arrow is our focus. We do this by staying locked in on our six most important responsibilities. The executive summary highlights some examples of the Work Plan for FY 2026.

PUBLIC SAFETY SERVICES

Police Department

Our new Chief of Police, Lance Arnold, started work in early January 2025. Chief Arnold continues his orientation into the department and community. He is currently working on an update to the department's strategic plan or vision. I am excited to learn the outcomes from this process. I'd like to highlight two areas:

First, a major part of the Chief's orientation is reviewing and implementing the results of the Matrix Consulting Group's Comprehensive Needs Assessment completed for our Police Department. The results of the study were presented to the City Council in October 2024. This study was commissioned to provide an independent and objective assessment of the Police Department's staffing and organizational needs based on the work that staff was currently handling in each functional area as well as alternatives to existing practices. Importantly, the study was to include a review of current staffing, complaint handling, policies, management

systems and training.

Secondly, implementation of our Real Time Information Center (RTIC) initiative. The RTIC can be defined as a diversified approach to proactive policing using technology. I will be asking Chief Arnold to provide a more detailed update to the City Council and community this fall. Technology has advanced to the point at which a RTIC is a force multiplier. Future enhancements will include the ability for businesses, schools, and private entities to share video footage of public spaces if the need should arise for police involvement. The most notable scenario would be that of an active shooter. The school district, hospitals, or other entity would be able to share live footage to enable officers to quickly respond to the exact location and end the situation.

Fire Department

There are some exciting things in store for the Broken Arrow Fire Department (BAFD) in Fiscal Year 2026. The department has already begun another hiring process to maintain the 12 additional firefighters previously hired under the Staffing for Adequate Fire and Emergency Response (SAFER) grant awarded in January 2025. As a reminder, the federal SAFER grant is reimbursing the city for the salaries and benefits of 12 firefighters for three years provided Broken Arrow maintains a staffing level of approximately 187.

These additional firefighters will allow the city to offer more emergency response services to our citizens by operating additional ambulances (Squads 8, 9, and 10), as needed, during peak hours. The extra staffing will also reduce firefighter fatigue and nearly eliminate the need for mandatory overtime. Finally, the department will be able to allow more firefighters to attend internal and external training programs.

This fiscal year, we will move forward with Fire Station 8, which was funded by the 2018 GO BOND. The station will be co-located with the Fire and Police Training Center in the northeast portion of the city. This location was specifically selected to provide a significant reduction in Fire Department response times to those nearby citizens.

Because approximately 80% of the Fire Department responses are related to emergency medical calls, the city's focus on providing a highly reliable and effective ambulance fleet remains paramount. Annually the Fire Department has numerous capital items that are replaced on a rotating schedule to ensure the highly technical equipment is dependable and ready at a moment's notice. This year the Fire Department will remount ambulances, computers, radios, cardiac monitors, and numerous other apparatus and equipment to ensure that our public safety professionals continue to have the tools and training they need to serve our community.

The Fire Department is continuing to prepare for the future. Again, this year, BAFD will continue a partnership with Family and Children Services to address a growing number of mental wellness and substance abuse issues throughout the community. BAFD is also working with Venu (formerly Notes Live) to ensure the new amphitheater is a safe environment for all citizens to enjoy.

Finally, the Fire Department is most excited about the quality-of-life improvements that are being considered in the 2026 GO BOND issue. Whether it is public safety, parks, streets, or another

initiative, next year Broken Arrow has the opportunity to define who and what we're going to be for generations to come.

ECONOMIC DEVELOPMENT ADMINISTRATION

We continue to experience growth and prosperity in all parts of our community. Our number #1 priority is to maintain an environment that promotes private investment.

Currently we have multiple retail/commercial projects coming on-line that total well over 600,000 square feet of space. The Innovation District (Arrow Forge) is taking shape. And working with our partner at the Economic Development Corporation (EDC), our focus will be the retention of existing jobs and creation of new jobs, additional opportunities to shop local, and quality housing developments. On the following pages updates on several of the exciting initiatives we have going on right now.

Innovation District – Arrow Forge

It's exciting that Arrow Forge is moving forward now with the basic infrastructure improvements (e.g., water/sewer, roads and stormwater, etc.) currently under construction and slated for completion in the fall of 2025. We anticipate announcing the first business for Arrow Forge this summer. The EDC will continue to focus on recruiting companies in the important industries of advanced manufacturing and aerospace.

Rose District

It was exciting that we acquired the Grain Tower last year. The Council has authorized an expansion plan for the Rose District Plaza, and it is anticipated the funds needed for the project will be included in the 2026 Bond Package. This investment, if approved by voters, will expand our current place-making space, provide additional opportunities for the Farmer's Market, and meet the Council's goal of maintaining a small-town feel in our award-winning downtown.

The private sector continues to believe this area is still a great investment. Downtown continues to see new commercial, retail, restaurant, and housing developments happen. While there will always be some level of transition, there is a tremendous amount of stability in the downtown area. Let me also mention that in FY26 we will mill and overlay Main Street from Houston to Washington streets and in FY27 we will perform street maintenance work from Houston Street north.

Downtown Master Plan

Pursuant to the discussion at the May 22, 2025, budget workshop, this year's work plan will include an initiative to update the Downtown Master Plan starting in the first quarter of 2026. To facilitate this process, it is recommended that a consultant be retained to assist. Subject to Council final approval, a committee made up of citizens, businesses, and our partners at the school district and Chamber will be created. This initiative will give the City the opportunity to review our successes, identify new opportunities for continued investment and reinvestment in the downtown and identify challenges to be overcome. This initiative will include the south part of Main Street all the way to Washington. It is anticipated that it will take 12 to 18 months to complete the review and develop recommendations.

New Orleans Square

We continue to see investment and reinvestments at New Orleans Square (NOS). The current business occupancy rate is in the high 90s. NOS is the home of our annual Block Party - 4th of July celebration - and continues to be a big draw. And finally, earlier this year, Council agreed to re-establish the Citizens Advisory Committee to continue the conversation on future development of NOS.

Aspen Ridge and Surrounding Area

The new Reasor's opened last summer in the development and is performing very well. The developer is currently working on building the remaining 200,000 square feet in the economic development agreement and finalizing a plan for the apartments. Earlier this year the City sold 14 acres on the west side of Aspen Avenue and selected a developer that will bring additional commercial and retail development to the property. We should start to see construction by the end of 2025.

Adams Creek Town Center

A couple of years ago, the City approved a sales tax only Tax Increment Finance District (TIF) to help with the necessary infrastructure investments. When this project along County Line Road is completed, this will be a \$50-plus million commercial/retail project east of the existing Lowe's home improvement store. Due to some unforeseen obstacles, the developer had to push back plans to break ground until 2025. We anticipate for construction to start before the end of 2025.

The Shops at Aspen Creek

Last year, the City acquired three of the four remaining parcels in the development. Currently, the Administration is negotiating an economic development agreement to bring a large retail/commercial project to phase one of the four remaining phases. The partnership will bring national companies to the area and provide the community more opportunities to shop local.

Project Sunset – Amphitheater Partnership with VENU (formerly Notes Live)

The infrastructure work continues for this project. It is anticipated that all basic infrastructure work the City is required to complete per the agreement will be finished in September of this year. We will still need to complete the new road east of Rosewood Elementary School as soon as we have received permission from the railroad and secure the remaining right-of-way (ROW) for the new road.

Venu provided an update on their side of the project at the May 6, 2025 meeting announcing that concerts are expected to begin in 2026. The update also provided news that Venu will increase their total investment by approximately 30 million to just north of \$100. This is not only exciting for the city, but also NSU-BA. As mentioned last year, once opened, the new venue will economically transform the southeast side of our community and become an entertainment draw for the entire city and region.

Tourism

The tourism department, known as Visit Broken Arrow, has had an exciting year marked by several major initiatives. A highlight was the launch of a \$100,000 film incentive program—the second largest municipal incentive in Oklahoma. The team also overhauled the Visit Broken Arrow website, adding interactive maps and detailed information on local venues and attractions to better serve visitors. A playful new mascot, Bullseye, made his debut with a 20-foot advertisement at the Tulsa International Airport and will continue to represent the city's family-friendly charm. Additionally, the team has been developing a new three-year Strategic Plan, with consultant recommendations expected soon. There's more on the horizon for Broken Arrow tourism as our city continues to have a reputation of being a safe and family-friendly place to visit!

Economic Development Corporation

I also feel that it is important to share some highlights from our Economic Development Corporation (EDC). We're excited about the momentum heading into FY26. At the forefront is Arrow Forge, where we anticipate we will be announcing the anchor tenant this summer. Additionally, we are ramping up targeted marketing and recruitment efforts to attract companies in aerospace, advanced manufacturing, and research and development. Our goal is to position Arrow Forge as a regional center for innovation and a destination for forward-thinking businesses who want to access world class talent and ongoing workforce development.

As part of our ongoing Business Retention and Expansion (BRE) efforts, we're actively engaging with local employers—particularly those experiencing significant growth. Notable recent examples include Zeeco's announcement of a 200,000-square-foot expansion and Solar Turbines' addition of 22,000 square feet of manufacturing space at their Broken Arrow facility. Solar Turbines has also committed to adding 150 new jobs over the next three years, underscoring their confidence in our local business climate. Our team continues to work closely with these and other companies to ensure they have the resources and support needed to sustain and grow their operations in Broken Arrow.

We're also expanding our entrepreneurship programming to offer more robust support for local startups and small businesses. This includes access to capital, mentorship, and technical assistance to help foster a strong pipeline of homegrown businesses. Additionally, we are in the process of launching 1 Million Cups chapter in Broken Arrow. We are also reviewing cohort style programming for new entrepreneurs or existing small businesses and expect to announce that programming this year.

Finally, workforce development remains a top priority. We're deepening collaboration with education partners, industry, and workforce agencies to align talent pipelines with employer needs—especially in skilled trades, engineering, and healthcare driven roles. These efforts are critical to supporting both existing employers and the new talent demands we anticipate through recruitment and expansion.

INNOVATIVE MUNICIPAL GOVERNMENT OPERATIONS

New Municipal Services Building (City Hall)

Last year, the Council approved the creation of a Citizens' Advisory Committee to review options to renovate and expand the current facility or build a new one. We need a new facility that represents and meets the needs of a community the size of Broken Arrow. The Committee has completed its work, and a recommendation will be submitted this summer. Once Council has selected an option, the

programming and design phase will begin. The overall goal continues be for the new facility to be out to public bid in the late summer of 2026.

Citizen Survey

Last year, we surveyed the community asking for feedback on the community’s direction and their thoughts on the possible projects for the 2026 Bond Package. Regarding the portion of the survey on “how we’re doing” as an organization, the results revealed that overall, the community believes we are very transparent and supports the current direction of the city. Each department director has reviewed the findings in their respective areas, and they are working on even better ways to serve our citizens.

Public Transportation - Micro-Transit Pilot Program

The Broken Arrow Transit (BAT) launched a pilot program last year. We also saw the completion of Phase 1. The results of the pilot were astounding; especially compared to the ridership of the former bus transit. Phase 2 will be completed this summer with the results presented to the Council. It is anticipated that the final phase will be implemented later this summer.



Information Technology

IT Communications: FY26 investments - Bucket truck, additional technician

- Currently maintains facilities badge access hardware, optic fiber, city cameras, and the state's second-largest radio network supporting Broken Arrow Police, Dispatch, and Fire.
- FY26 budget will allow servicing of new technology at street intersections, Rose District, New Orleans Square, and community events in addition to having the means to support the new technologies for the Real Time Information Center, future Traffic Operations Center, and Tourism and Economic Development.

GIS Division: FY26 investments - data gathering technology, data portal licensing

- Currently, we have developed citizen-facing applications for Solid Waste and Recycling and created a data portal for Tourism and Economic Development.

- FY26 budget will allow continued innovation and support departments with new data technologies and provide more data reporting and support for public community events.

FISCAL SUSTAINABILITY AND PUBLIC INVESTMENTS

In addition to day-to-day operations, some of the most significant areas of focus include communications and transparency, economic development administration, public safety, and public infrastructure. The proposed work plan continues the implementation of the priorities we have been discussing over the last couple of years. The following are some of the exciting highlights planned for the upcoming Fiscal Year.

City Financial Policies

The City Council has established budgetary policies that provide direction for the City Administration to follow as the budget is prepared and administered throughout the fiscal year. Resolution No. 1225 requires a 15% fund balance for the General Fund, and Resolution No. 944 requires 90 days for the BAMA emergency reserves. Going into FY26, we are fortunate to exceed both resolutions. Maintaining these balances helps in many ways, the main two being: (1) Funds for unforeseen circumstances that happen after the budget is adopted; and (2) Bond ratings for the issuance of debt for projects and initiatives.

Street Maintenance Program

The City has been collecting the repurposed Vision 2025 funds for street and road maintenance work since early 2017. It is estimated that the tax will generate almost \$5.2 million in FY26. Each Fiscal Year our Streets and Stormwater Department develops and implements a detailed work plan for use of the funds. As recommended by staff, Section 5 details the proposed use of funds for street maintenance and repairs for FY26. At the budget workshop, Streets Director Tim Wilson will provide the annual report on the proposed use of funds for FY26. The final element of our street maintenance plan is the use of funds from Proposition 1 of the 2018 GO Bond package.

Proposed 2025 General Obligation Bond Sale

As a reminder, in the 2018 voter-approved Bond Package, there are 55 “named” projects and another 33 “unnamed” projects totaling \$210,525,000. Annually, the City sells a specific amount of this overall total. This amount changes from year to year based upon how much capacity is available for the City not to increase our property tax rate.

The sale for this year is anticipated to be \$17 million. This will be the eighth sale of the 2018 GO Bond Program. We will not know the exact amount until after we receive the current year net assessed valuation for the City, our latest community assessed value. As of now, the City has sold \$174.75 million worth of projects and the proposed sale for this year will bring the total to \$191.75 million over the eight years. A detailed list of the projects that will be sold is provided in Section 6 of the budget document for Council’s consideration. We will discuss these projects during the budget review process and finalize the actual list of projects and set them for sale. Please note that the Year #8 package Council approves could be sold sometime between July and October of this year.

Sales Tax Capital Improvement Program

Our Sales Tax Capital Improvement (STCI) Fund was established in 1970 and is 0.5% of the total municipal sales tax rate. The fund pays for a variety of pay-as-you-go type public improvements for our departments including vehicles and equipment, technology, building improvements, road maintenance and park improvements. A substantial fund balance is maintained to ensure funding is available for emergency capital expenditures. Revenue for FY26 is estimated at \$10,683,112. Total capital projects including rollovers is \$22,577,914 and \$950,000 for debt service. A complete listing of proposed expenditures is in the STCI section, Tab 4, page 11 of the budget book.

TRANSFORMATIONAL INITIATIVES

2026 General Obligation Bond (GOB) Package

April 7, 2026, will be here before you know it! The City is a year into a 2-year initiative for its next bond package for community consideration. The package will include multiple propositions for important projects and initiatives such as roads, street maintenance, public safety, stormwater, parks and recreation opportunities, city facilities, and economic development infrastructure. All of FY25 has been spent securing input from the community and developing estimates for proposed projects. In FY26 the following action steps will be completed: meetings with City Council on potential projects; public forums in the late summer for final community input; Council selection of projects for the package and calling for the special election; and public education on the initiative priorities of the community.

Initiative to Transition NSU-BA to a Traditional Four-Year University

Securing the necessary approvals for Northeastern State University Campus - Broken Arrow (NSU-BA) to operate as a four-year university that offers full bachelors and graduate degree programs to better serve the students, businesses, and citizens of Broken Arrow is a major public-policy initiative. The focus needs to be helping the Regional University Systems of Oklahoma (RUSO) Board of Regents to clear any obstacles or hurdles and find a path forward to present to the State Board of Regents a recommendation to make NSU-BA a four-year university. Currently, legislation is being considered that could afford NSU to work with the State Board of Regents to secure this approval. The City should continue its efforts to work closely with NSU President Rodney Hanley and his team on this initiative.

TRANSPARENCY AND COMMUNICATIONS

Transparency is a non-negotiable priority that guides our municipal organization's responsibility to serve citizens, business owners, and visitors of our great city. Being open in our communications about daily operations, capital improvement projects to enhance public infrastructure, incoming economic development opportunities to expand growth and prosperity, and prudent financial stewardship are critical components to building a solid foundation with the members of our community. It's expected and it shows.

The responses to the comprehensive Citizen Survey reflected a higher percentage of positive remarks when compared to the national benchmark for 1) Being open and transparent to the public, 2) Informing residents about issues facing the community and, 3) The overall direction that Broken

Arrow is taking. The citizens of BA have spoken and said our efforts create an environment of an informed and engaged community that nurtures collaboration to build a better Broken Arrow. We've set this standard to meet our citizens' needs, and it will be neither compromised nor diminished.

During Fiscal Year 2026, we will continue to solicit our citizens' feedback through targeted micro-surveys to learn what is important to them as we plan for the next General Obligation Bond in 2026 to fund future capital improvements with streets, pedestrian connectivity, public safety, parks and recreation, and more. We will provide more engagement opportunities through quarterly meet and greets with Councilors and city staff, meetings with Homeowners Associations, gatherings with civic groups, and public forums to discuss the 2026 GO Bond. Citizens can expect more frequent project updates on the progress we promised through the voters' approval of the 2018 GO Bond. And, as the calendar year turns to 2026, we are looking forward to our education campaign about the upcoming Bond and its proposed projects, so residents have a clear understanding of why their vote is so important to Build Our Future in BA.

BROKEN ARROW MUNICIPAL AUTHORITY (BAMA)

BAMA consists of the following departments:

- City Manager - Operations
- Finance - Revenue
- General Services - Operations, Building Maintenance, Fleet and Logistics
- Solid Waste & Recycling
- Engineering and Construction
- Streets and Stormwater
- Utilities

Revenues and Expenditures

Based on historical usage, we anticipate that the total available revenues from all sources, including fund balance, for BAMA for FY26 is \$177,237,372 million. Total proposed expenditures, including transfers over to the General Fund include just over \$154,386,464 million which will leave over \$22.6 million for emergency reserves which meets our target of 90 days of operating expenditures.

BAMA Capital Considerations

The Broken Arrow Municipal Authority will fund approximately \$8.5 million in capital from water and sewer rates. A detailed list is available starting in Tab 3, page 41. Construction projects are funded through the Oklahoma Water Resources Board and a list of future projects can be found in Section 6.

BAMA Personnel

Currently there are 288 employees (full-time 285, part-time 3) in BAMA. These individuals are funded from the revenues received from utility services we provide. In terms of a wage adjustment, I am recommending as in past years we mirror what is approved for the General Fund employees. As part of next year's spending plan, my budget proposal includes adding nine (9) positions. The proposed positions are noted as follow:

Streets and Storm Water Crew Chief & Operator
Service Workers (2)

Utilities
Crew Supervisor & Service Workers (2)
Water Quality Technician

Engineering
Project Engineer

BAMA WORK PLAN HIGHLIGHTS

We will continue to work on the water and wastewater infrastructure as depicted in our five-year capital improvements plan. Let me point out that funds from the Oklahoma Water Resources Board (OWRB) are extremely important in helping fund many of our major capital improvement projects. A few of the projects that will be completed and/or started in FY26 include the following:

New Orleans and 9th Street Water Tower

Several years ago, the Authority approved a plan to construct a new elevated water storage tower in the southern portion of the city. The tower must be located strategically based upon ground elevation. A site near New Orleans Street (101st Street) and 9th Street (Lynn Lane) intersection was selected. The Authority purchased approximately 12 acres on the northeast corner of the intersection and the design commenced. The project includes the completion of the 24-inch water line on the south loop and a new 2.5-million-gallon composite water tower. The project is currently under construction and is anticipated to be completed by May 2026. The total cost of the project is approximately \$11 million.

Downtown Water Main Improvements

The downtown area is the oldest portion of the city's water distribution system. Some lines date back to our earliest infrastructure system days around the beginning of the 20th century. Over the years, many of these water mains have deteriorated and corroded. Today, they need to be replaced. The city has been replacing many of these lines ahead of or during constructed improvements to our streets network, as well as replacing many line sections at a time. This fiscal year, our team has several downtown sections scheduled to replace as we continue to see more and more development in the downtown area.

Wagoner County Trunk Sewer Line Replacement

The Wagoner County Trunk Sewer line runs from Washington Street and 51st Street (Evans Road) intersection just east of Highway 51 cross-country to the County Line Trunk Sewer line near New Orleans Street and 23rd Street (County Line). It was constructed in the early to middle 1980s to collect and convey raw sewage from the eastern portions of the city to the Lynn Lane Wastewater Treatment Plant. The system is near the end of its useful life. We are experiencing several cave-ins along the line where the top of the pipe is collapsing. We have made several spot repairs over the past years and are now ready to replace a significant portion of this gravity sewer. The project was successfully bid, awarded and is currently underway with the project expected to be completed by January 2026. A good portion of this construction activity will occur in the Events Park and coincide with the work for the amphitheater. The total construction cost of this project awarded is approximately \$3.5 million.

Water Supply System Interconnections

As Broken Arrow continues to grow, specifically in the southern and eastern portions of the community, strategic water system interconnections with both the City of Bixby or the City of Tulsa and Wagoner County Rural Water District No. 4 are crucial to provide supplemental water resources. Interconnections between these water providers grant options should any one of the four (4) systems experience a significant disruption in critical water services. Currently, BAMA has two (2) supplemental connections with the City of Tulsa. Additional supplemental connections with other entities create a more robust system for our customers. BAMA has identified a couple of critical locations that benefit both our system and the adjacent neighboring systems if we can install a two-way feed connection. Wagoner County Rural Water District No. 4 continues to experience significant growth both in Broken Arrow and immediately adjacent to our city limits. Over the course of the past couple of years, they have required additional water supply from us in order to meet their peak summertime demand. In addition, there have been a couple of occasions where their plant has experienced significant operational issues, and the City of Broken Arrow has had to provide substantial amounts of water to their customers. Currently, BAMA has constructed one (1) new interconnection with their system near the site of the new amphitheater to assist in critical flow demands, including fire suppression needs.

A few of the more critical interconnections are designed and the city is ready to commence with construction. Agreements between the individual entities still require completion and execution, but the construction is scheduled to commence this fiscal year. The total cost of construction is approximated at \$1 million. Cost sharing will apply in this situation.

Likewise, BAMA is scheduled to meet with the City of Bixby soon in hopes of finalizing a secondary supplemental two-way feed interconnection with them along Mingo Road. This is a strategic connection that could provide either entity additional flow during peak periods or short-term outages. The expected construction cost is approximately \$750,000. Cost sharing will apply in this situation. If the City of Bixby is unable to partner on this endeavor, then BAMA will work with the City of Tulsa for a connection in this same general location. If we have to connect to the Tulsa system, it will be a single-feed system and cost bore solely by BAMA. Construction cost would be on the order of \$500,000.

Sewer Collections System Improvements Along SH-51

The commercial development area between the Broken Arrow Expressway and the Creek Turnpike along State Highway 51 has seen a significant increase in the past few years. With the recent expansion of Blue Bell along with their forecasted production increase, it became apparent that a regional sewer

improvements project was needed to be able to handle these flows as well to support the additional business investment in the area. The project will include upsizing existing infrastructure within the State Highway 51 business park and extending that system along SH-51 up to Houston St. The design is currently underway, and construction is anticipated to begin within the fiscal year. The overall project cost is estimated at \$2.5 million.

Overall Water Supply System Improvements

As the water system ages and the overall demands increase each year, it is important to invest back into the system and perform rehabs and upgrades. With the aging infrastructure in mind, the Tiger Hill 2-million-gallon storage tank will be undergoing a second phase of its rehab this next fiscal year with an anticipated \$800,000 improvement to the flooring system. The project is currently under design and will be funded for construction this fiscal year. In the spirit of looking to the future, the raw water intake structure at the Verdigris Water Treatment Plant currently has three raw water pumps with the ability to expand to five total. Within this year's fiscal plan, additional pumps and infrastructure will be added to the existing facility to increase the ability of the plant to draw raw water and provide resiliency should issues arise in existing pumps. The overall cost on this project is estimated at approximately \$1.5 million.

BAMA LONG-RANGE PLANS FOR WATER/SANITARY SEWER

Long-range Water Supply Plan Update

BAMA has adopted a course of action regarding its long-range water plan. The long-range plan enhances the community's overall water supply system and creates critical flexibility and necessary redundancy. The Authority has prepared a Memorandum of Understanding (MOU) with Oklahoma Ordnance Works Authority (OOWA) on a course of action that utilizes our 36-inch diameter supply line from the Mid-America Industrial Park to the Verdigris River Water Treatment Plant and addresses a secondary raw water source coupled with off-site raw water storage facilities. The line became operational in 1982 as the sole source of the community's drinking water.

However, since 2014, the city receives its drinking water from the Adams Creek confluence on the old Verdigris River waterway. We treat this water in our microfiltration membrane plant. As of today, this is our only source of raw water. A secondary water source will help provide assurance that our community has another water source should the primary source become restricted through times of drought or by some other means. With the MOU executed in September of 2024, staff is working with OOWA to prepare an official agreement and begin with the appropriate action steps of securing ownership of a 3-million-gallon storage tank and associated property within the industrial park and start the design process of the infrastructure improvements needed for this plan.

Adams Creek Wastewater Basin Update

BAMA contracted with a professional engineering consulting firm to investigate the future of the community with respect to the wastewater treatment alternatives specifically in the Adams Creek sewer-shed. This study is complete, and the staff and professional team presented it to the Authority this past fiscal year with recommendations. Ultimately it was determined by the Authority to start the

process of locating and constructing a separate wastewater treatment facility along Adams Creek in the northern and/or eastern reaches of our community in lieu of continuing to pump all wastewater to the Lynn Lane treatment system. With this new direction for the system, staff will start taking the next steps of identifying the future location of this new facility and begin land acquisition and design professional selection.

SOLID WASTE OPERATIONS

In the Solid Waste and Recycling Department, we have had some amazing opportunities for success. The department had struggles with equipment, staffing, completion times, and cost recovery as little as three years ago. Today, with the support of the Authority, the department has become leaner and meaner (and maybe a little greener). This coming fiscal year we will have a chance to enact some changes which will help reduce costs, reduce accident exposure, and enhance educational opportunities.

As stewards of the customer, our goal is always to do our very best to eliminate waste in spending not just at the curb. All 12 of the new Automated Side Loading (ASL) trucks have arrived. The ASLs will allow us to focus our efforts on cart-only collections, which will streamline our operations. Given permission to remove the additional bags of trash collections, we would be able to shave off our temporary services expenses, overtime, and down time. The result could save close to \$1 million in operating expenses. The department is looking to go to cart only service in the new fiscal year.

This will mean one person operating the truck with no need for additional staffing. We have already given back 3 full-time positions and reduced our staffing numbers to 56 from 59 full-time positions. There were no reductions in force, there were vacancies which the department did not need to fill. And there will be no reduction in the service with cart-only collections as currently all customers pay for their carts and green waste collection. Any additional services (including bagged trash outside the cart and large items) were added to the customers' bill in addition to their monthly rate. For customers who have placed bagged trash outside the cart, we have been suggesting adding a cart for \$7.50 a month instead of \$5 a bag to save them money.

The next initiative is our updated training program. Solid Waste collection is the 4th-most dangerous business, according to the Bureau of Labor Statistics. The department has hired a training and safety specialist which will help us broaden our training of operators, investigate root causes of injuries and collisions, and ultimately create a safer workforce for our employees and our community.

Finally, we have right-sized our customer service staff. Our goal is to meet every customer every time they call with a smile on the other end. We want our customer experience to be of the highest quality. These changes were made by re-classing existing positions again without adding to staff numbers.

MAINTENANCE DEPARTMENT

As we prepare for Fiscal Year 2026, the Maintenance Services Department is advancing several key projects that will improve service delivery, increase operational efficiency, and better serve residents.

Fleet Oversight and Replacement Committee (FORC)

The City is launching the FORC Program to improve how we manage and maintain our vehicle fleet. This new system will oversee everything from vehicle acquisition to utilization and eventual replacement. With support from a third-party consultant, the program will introduce a standardized, data-driven approach to fleet operations, helping us reduce costs, improve safety, and meet the needs of a growing city. Implementation is targeted for fall 2026.

Public Safety Facility Upgrades

Several capital projects are planned to enhance our public safety facilities. These include HVAC replacement at the Police and Fire Training Center, a new generator at Fire Station #5, and a full roof replacement at Fire Station #4. These investments will improve energy efficiency, ensure uninterrupted operations during emergencies, and extend the useful life of essential infrastructure supporting our first responders.

Salt Dome Relocation & Expansion

We are working with Engineering and Streets/Stormwater to develop a new central facility for snow and ice treatment. This upgraded site will increase covered storage space from 1,450 to 5,000 square feet and consolidate brine pre-treatment and salt/sand operations. The new location will make it easier for crews to respond quickly and effectively during winter storms, ultimately improving roadway safety for the public.

General Services Administration Building

Design is underway for a new General Services Administration Building at 1700 West Detroit. This facility will centralize several key divisions including Solid Waste & Recycling, Asset Management, and Purchasing into one modern, efficient space. It will also serve as a public-friendly and accessible location where residents and vendors can easily connect with staff and access services. The project is partially funded by the 2018 General Obligation Bond.

CONCLUSION

The “whiteboard” in my office is full of projects and initiatives that will help maintain and improve upon the great quality of life in Broken Arrow. This executive summary details our work plan for FY26, and we look forward to discussing the content with the governing body during the budget workshop.

From the BA Transit Program, Amphitheater partnership, on-going street and road improvements, community development initiatives, parks and recreation activities, a growing and vibrant senior center, to maintaining our city as one of the safest places to live in Oklahoma, I am proud to say there are so many great things happening in our community at this time.

The Administration loves the challenge of preparing the annual budget to meet the needs of our fast-growing organization and community. One of our main tenants is maintaining a highly responsive organization that can meet the needs of the city with funds available. Our top organizational priorities will be operations and capital improvements that advance our community and separating the needs and wants and always funding our core responsibilities first. The Leadership Team loves to couple this

effort with our philosophy of getting to “Yes” in helping the citizens and businesses in our city. As an Administration, we’re good with this challenge because our community deserves our best every day!

As I mentioned every year, the budget process is more than just numbers and making them balance. Yes, my primary fiscal goal as City Manager will always be to find ways to sustain the financial health of our organization now and into the future. The credit in preparing this great document goes to the amazing Finance team led by Director Cindy Arnold, all the department directors and their staffs, and the hard-working folks in the City Manager’s Office.

The proposed total budget of \$455,967,612 represents what my office believes is needed for FY26 to meet the City’s operational obligations, fund our aggressive capital improvement program, and cover our bond and other loan obligations. The budget is presented while maintaining adequate fund reserves for any unforeseen expenses and future budgets. The FY26 Budget continues the City’s commitment to keeping Broken Arrow as a great place to live, work, and raise a family!

I’ll close by sending a shout out to the City’s Finance Director, Leadership Team and all the city employees that helped prepare this year’s spending plan. I am so grateful for their support in preparing the budget and as equally important, the help provided to implement an organizational culture that focuses on service.

If City Council approves the proposed budget, we will use approved funding to continue to provide great public services to our community and implement our multi-faceted capital program. With these funds the community will see an organization that will continue to be responsive to its citizens and utility customers and be overly transparent on what’s happening in the organization.

Thank you for your leadership and stewardship of the organization and community. Also, for your time and consideration of the proposed budget. If you have any questions, please let me know.

Respectfully,

A handwritten signature in black ink, reading "Michael Spurgeon". The signature is fluid and cursive, with the first name "Michael" and last name "Spurgeon" clearly legible.

Michael Spurgeon, City Manager

Kenneth Schwab, P.E. - Assistant City Manager – Operations

Norm Stephen, Assistant City Manager - Administration

Cindy Arnold, Finance Director

Department Directors

**CITY OF BROKEN ARROW
BUDGET SUMMARY
FISCAL YEAR 2026**

DESCRIPTION	GENERAL FUND 110	BROKEN ARROW MUNICIPAL AUTHORITY 220	EXCESS CAPACITY SEWER ESCROW 225	STORMWATER MANAGEMENT CAPITAL 226
Revenues:				
Taxes	73,065,540	-	-	-
Licenses & Permits	2,540,000	-	-	-
Intergovernmental	875,000	-	-	-
Charges For Services	19,126,538	79,402,508	125,000	75,000
Fines, Forfeitures & Assessments	1,650,000	1,100,000	-	-
Interest	500,000	30,000	7,500	-
Miscellaneous	885,000	125,000	-	-
Total Revenues	98,642,078	80,657,508	132,500	75,000
Other Financing Sources:				
Transfer of Fund Balance for Prior Year Capital Projects	-	-	-	-
OWRB Proceeds from Prior Years			-	-
Transfers In	22,889,985	21,414,985	-	-
Bond/Note Proceeds		52,782,364	-	-
Total Other Financing Sources	22,889,985	74,197,349	-	-
Total Revenues & Sources	121,532,064	154,854,857	132,500	75,000
Beginning Reserved Fund Balance:				
Emergency Reserve	17,485,855	22,382,515	-	-
Compensated Absences	3,000,000		-	-
Capital Projects			2,149,130	990,598
Debt Service			-	-
Other Purposes	11,644,297		-	-
Total Beginning Reserved Fund Balance	32,130,152	22,382,515	2,149,130	990,598
Total Sources	153,662,215	177,237,372	2,281,630	1,065,598
Expenditures				
Personnel Services	21,950,569	28,355,784	-	-
Other Services and Charges	8,514,710	21,639,541	-	-
Materials and Supplies	2,013,190	8,029,125	-	-
Capital Outlay	-	58,161,529	225,000	770,193
Fiscal Agent Fees	-	-	-	-
Debt Service	-	13,997,000	-	-
Total Expenditures	32,478,469	130,182,979	225,000	770,193
Other Financing Uses-				
Transfers Out	88,499,746	24,203,485	-	-
Bond Issuance Costs	-	-	-	-
Total Other Financing Uses	88,499,746	24,203,485	-	-
Total Expenditures & Uses	120,978,215	154,386,464	225,000	770,193
Ending Reserved Fund Balance:				
Emergency Reserve	17,755,574	22,850,908	-	-
Compensated Absences	3,000,000	-	-	-
Capital Projects	-	-	2,056,630	295,405
Debt Service	-	-	-	-
Other Purposes	11,928,426		-	-
Total Ending Reserved Fund Balance	32,684,000	22,850,908	2,056,630	295,405
Total Budget	153,662,215	177,237,372	2,281,630	1,065,598

**CITY OF BROKEN ARROW
BUDGET SUMMARY
FISCAL YEAR 2026**

DESCRIPTION	CONVENTION & VISITORS BUREAU 227	VEHICLE REPLACEMENT FUND 329	SALES TAX CAPITAL IMPROVEMENT 330	POLICE ENHANCEMENT 331
Revenues:				
Taxes	850,000	-	10,683,112	-
Licenses & Permits	-	-	-	-
Intergovernmental	-	-	-	48,000
Charges For Services	-	-	-	-
Fines, Forfeitures & Assessments	-	-	-	-
Interest	6,500	-	250,000	100
Miscellaneous	-	-	35,000	-
Total Revenues	856,500		10,968,112	48,100
Other Financing Sources:				
Transfer of Fund Balance for	-	-	-	-
Prior Year Capital Projects	-	-	-	-
OWRB Proceeds from Prior Years	-	-	-	-
Transfers In	-	2,187,500	-	-
Bond/Note Proceeds	-	-	-	-
Total Other Financing Sources	-	2,187,500	-	-
Total Revenues & Sources	856,500	2,187,500	10,968,112	48,100
Beginning Reserved Fund Balance:				
Emergency Reserve	-	-	-	-
Compensated Absences	-	-	-	-
Capital Projects	-	-	18,039,402	-
Debt Service	-	-	900,000	-
Other Purposes	1,813,576	937,500	-	273,379
Total Beginning Reserved Fund Balance	1,813,576	937,500	18,939,402	273,379
Total Sources	2,670,076	3,125,000	29,907,514	321,479
Expenditures				
Personnel Services	-	-	-	-
Other Services and Charges	325,330	80,000	-	55,000
Materials and Supplies	40,520	-	-	96,000
Capital Outlay	342,700	2,684,000	22,664,514	-
Fiscal Agent Fees	-	-	-	-
Debt Service	-	-	950,000	-
Total Expenditures	708,550	2,764,000	23,614,514	151,000
Other Financing Uses-				
Transfers Out	300,000	-	-	-
Bond Issuance Costs	-	-	-	-
Total Other Financing Uses	300,000		-	-
Total Expenditures & Uses	1,008,550	2,764,000	23,614,514	151,000
Ending Reserved Fund Balance:				
Emergency Reserve	-	-	-	-
Compensated Absences	-	-	-	-
Capital Projects	-	361,000	4,493,000	-
Debt Service	-	-	1,800,000	-
Other Purposes	1,661,526	-	-	170,479
Total Ending Reserved Fund Balance	1,661,526	361,000	6,293,000	170,479
Total Budget	2,670,076	3,125,000	29,907,514	321,479

**CITY OF BROKEN ARROW
BUDGET SUMMARY
FISCAL YEAR 2026**

DESCRIPTION	PARK AND RECREATION CAPITAL IMPROVEMENT 332	CEMETERY CARE 333	STREET AND ALLEY 334	HOUSING AND URBAN DEVELOPMENT 335
Revenues:				
Taxes	-	-	-	-
Licenses & Permits	-	-	-	-
Intergovernmental	-	-	1,000,000	902,170
Charges For Services	325,000	50,000	-	-
Fines, Forfeitures & Assessments	-	-	-	-
Interest	700	300	-	-
Miscellaneous	60,000	-	-	-
Total Revenues	385,700	50,300	1,000,000	902,170
Other Financing Sources:				
Transfer of Fund Balance for	-	-	-	-
Prior Year Capital Projects	-	-	-	-
OWRB Proceeds from Prior Years	-	-	-	-
Transfers In	-	-	-	-
Bond/Note Proceeds	-	-	-	-
Total Other Financing Sources	-	-	-	-
Total Revenues & Sources	385,700	50,300	1,000,000	902,170
Beginning Reserved Fund Balance:				
Emergency Reserve	-	-	-	-
Compensated Absences	-	-	-	-
Capital Projects	907,306	426,875	1,211,301	-
Debt Service	-	-	-	-
Other Purposes	-	-	-	266,949
Total Beginning Reserved Fund Balance	907,306	426,875	1,211,301	266,949
Total Sources	1,293,006	477,175	2,211,301	1,169,119
Expenditures				
Personnel Services	-	-	-	-
Other Services and Charges	-	-	-	-
Materials and Supplies	-	-	-	-
Capital Outlay	582,567	79,676	200,000	902,170
Fiscal Agent Fees	-	-	-	-
Debt Service	-	-	-	-
Total Expenditures	582,567	79,676	200,000	902,170
Other Financing Uses-				
Transfers Out	-	-	1,100,000	-
Bond Issuance Costs	-	-	-	-
Total Other Financing Uses	-	-	1,100,000	-
Total Expenditures & Uses	582,567	79,676	1,300,000	902,170
Ending Reserved Fund Balance:				
Emergency Reserve	-	-	-	-
Compensated Absences	-	-	-	-
Capital Projects	710,439	397,499	-	-
Debt Service	-	-	-	-
Other Purposes	-	-	911,301	266,949
Total Ending Reserved Fund Balance	710,439	397,499	911,301	266,949
Total Budget	1,293,006	477,175	2,211,301	1,169,119

**CITY OF BROKEN ARROW
BUDGET SUMMARY
FISCAL YEAR 2026**

DESCRIPTION	E-911 336	CRIME PREVENTION 337	BATTLE CREEK GOLF COURSE 340	ALCOHOL ENFORCEMENT 341
Revenues:				
Taxes	-	-	-	-
Licenses & Permits	-	-	-	-
Intergovernmental	-	30,000	-	-
Charges For Services	1,600,000	-	1,950,000	5,000
Fines, Forfeitures & Assessments	-	-	-	-
Interest	10,000	-	-	300
Miscellaneous	-	-	-	-
Total Revenues	1,610,000	30,000	1,950,000	5,300
Other Financing Sources:				
Transfer of Fund Balance for	-	-	-	-
Prior Year Capital Projects	-	-	-	-
OWRB Proceeds from Prior Years	-	-	-	-
Transfers In	-	-	-	-
Bond/Note Proceeds	-	-	-	-
Total Other Financing Sources	-	-	-	-
Total Revenues & Sources	1,610,000	30,000	1,950,000	5,300
Beginning Reserved Fund Balance:				
Emergency Reserve	-	-	-	-
Compensated Absences	-	-	-	-
Capital Projects	-	-	-	-
Debt Service	-	-	-	-
Other Purposes	2,550,175	138,619	253,059	97,273
Total Beginning Reserved Fund Balance	2,550,175	138,619	253,059	97,273
Total Sources	4,160,175	168,619	2,203,059	102,573
Expenditures				
Personnel Services	-	-	-	-
Other Services and Charges	-	9,000	1,500,000	17,000
Materials and Supplies	-	20,790	250,000	25,000
Capital Outlay	598,456	-	-	-
Fiscal Agent Fees	-	-	-	-
Debt Service	-	-	-	-
Total Expenditures	598,456	29,790	1,750,000	42,000
Other Financing Uses-				
Transfers Out	1,000,000	-	-	-
Bond Issuance Costs	-	-	-	-
Total Other Financing Uses	1,000,000	-	-	-
Total Expenditures & Uses	1,598,456	29,790	1,750,000	42,000
Ending Reserved Fund Balance:				
Emergency Reserve	-	-	-	-
Compensated Absences	-	-	-	-
Capital Projects	-	-	-	-
Debt Service	-	-	-	-
Other Purposes	2,561,719	138,829	453,059	60,573
Total Ending Reserved Fund Balance	2,561,719	138,829	453,059	60,573
Total Budget	4,160,175	168,619	2,203,059	102,573

**CITY OF BROKEN ARROW
BUDGET SUMMARY
FISCAL YEAR 2026**

DESCRIPTION	STREET LIGHTING 342	STREET SALES TAX 343	POLICE SALES TAX 344	FIRE SALES TAX 345
Revenues:				
Taxes	-	5,176,500	3,204,936	3,204,936
Licenses & Permits	-	-	-	-
Intergovernmental	-	-	100,000	924,552
Charges For Services	1,220,000	-	-	-
Fines, Forfeitures & Assessments	-	-	-	-
Interest	6,000	200,000	400,000	75,000
Miscellaneous	-	-	12,500	8,000
Total Revenues	1,226,000	5,376,500	3,717,436	4,212,488
Other Financing Sources:				
Transfer of Fund Balance for	-	-	-	-
Prior Year Capital Projects	-	-	-	-
OWRB Proceeds from Prior Years	-	-	-	-
Transfers In	-	-	40,919,079	30,283,118
Bond/Note Proceeds	-	-	-	-
Total Other Financing Sources	-	-	40,919,079	30,283,118
Total Revenues & Sources	1,226,000	5,376,500	44,636,514	34,495,606
Beginning Reserved Fund Balance:				
Emergency Reserve	-	-	-	-
Compensated Absences	-	-	-	-
Capital Projects	-	10,287,295	-	-
Debt Service	-	-	-	-
Other Purposes	1,053,731	-	29,548,041	15,209,226
Total Beginning Reserved Fund Balance	1,053,731	10,287,295	29,548,041	15,209,226
Total Sources	2,279,731	15,663,795	74,184,555	49,704,832
Expenditures				
Personnel Services	-	-	32,610,899	29,198,552
Other Services and Charges	670,000	-	3,830,100	1,918,150
Materials and Supplies	175,000	-	2,356,700	1,441,300
Capital Outlay	880,000	15,130,441	1,575,700	-
Fiscal Agent Fees	-	-	-	-
Debt Service	-	-	-	-
Total Expenditures	1,725,000	15,130,441	40,373,399	32,558,002
Other Financing Uses-				
Transfers Out	-	-	-	-
Bond Issuance Costs	-	-	-	-
Total Other Financing Uses	-	-	-	-
Total Expenditures & Uses	1,725,000	15,130,441	40,373,399	32,558,002
Ending Reserved Fund Balance:				
Emergency Reserve	-	-	-	-
Compensated Absences	-	-	-	-
Capital Projects	-	533,354	-	-
Debt Service	-	-	-	-
Other Purposes	554,731	-	33,811,156	17,146,830
Total Ending Reserved Fund Balance	554,731	533,354	33,811,156	17,146,830
Total Budget	2,279,731	15,663,795	74,184,555	49,704,832

**CITY OF BROKEN ARROW
BUDGET SUMMARY
FISCAL YEAR 2026**

DESCRIPTION	CITY CLERK TECHNOLOGY FEE 346	CARES ACT 347	AMERICAN RELIEF 348	OPIOID SETTLEMENT 349
Revenues:				
Taxes	-	-	-	-
Licenses & Permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges For Services	-	-	-	-
Fines, Forfeitures & Assessments	35,000	-	-	0
Interest	-	-	500	-
Miscellaneous	-	-	-	100,000
Total Revenues	35,000	-	500	100,000
Other Financing Sources:				
Transfer of Fund Balance for	-	-	-	-
Prior Year Capital Projects	-	-	-	-
OWRB Proceeds from Prior Years	-	-	-	-
Transfers In	-	-	-	-
Bond/Note Proceeds	-	-	-	-
Total Other Financing Sources	-	-	-	-
Total Revenues & Sources	35,000	-	500	100,000
Beginning Reserved Fund Balance:				
Emergency Reserve	-	-	-	-
Compensated Absences	-	-	-	-
Capital Projects	-	-	-	-
Debt Service	-	-	-	-
Other Purposes	141,804	525,687	2,763,020	1,786,514
Total Beginning Reserved Fund Balance	141,804	525,687	2,763,020	1,786,514
Total Sources	176,804	525,687	2,763,520	1,886,514
Expenditures				
Personnel Services	-	-	-	-
Other Services and Charges	30,000	-	-	250,000
Materials and Supplies	10,000	-	-	-
Capital Outlay	20,000	525,687	2,763,520	-
Fiscal Agent Fees	-	-	-	-
Debt Service	-	-	-	-
Total Expenditures	60,000	525,687	2,763,520	250,000
Other Financing Uses-				
Transfers Out	-	-	-	-
Bond Issuance Costs	-	-	-	-
Total Other Financing Uses	-	-	-	-
Total Expenditures & Uses	60,000	525,687	2,763,520	250,000
Ending Reserved Fund Balance:				
Emergency Reserve	-	-	-	-
Compensated Absences	-	-	-	-
Capital Projects	-	-	-	-
Debt Service	-	-	-	-
Other Purposes	116,804	-	-	1,636,514
Total Ending Reserved Fund Balance	116,804	-	-	1,636,514
Total Budget	176,804	525,687	2,763,520	1,886,514

**CITY OF BROKEN ARROW
BUDGET SUMMARY
FISCAL YEAR 2026**

DESCRIPTION	PSO 1% FRANCHISE ECON DEV 350	PSO 1% FRANCHISE INFRASTRUCTURE 351	1994 BOND ISSUE 555	2008 BOND ISSUE 559
Revenues:				
Taxes	-	-	-	-
Licenses & Permits	-	-	-	-
Intergovernmental	-	715,000	-	-
Charges For Services	-	-	-	-
Fines, Forfeitures & Assessments	-	-	-	-
Interest	715,000	-	-	20
Miscellaneous	-	-	-	-
Total Revenues	715,000	715,000	-	20
Other Financing Sources:				
Transfer of Fund Balance for	-	-	-	-
Prior Year Capital Projects	-	-	-	-
OWRB Proceeds from Prior Years	-	-	-	-
Transfers In	-	-	-	-
Bond/Note Proceeds	-	-	-	-
Total Other Financing Sources	-	-	-	-
Total Revenues & Sources	715,000	715,000	-	20
Beginning Reserved Fund Balance:				
Emergency Reserve	-	-	-	-
Compensated Absences	-	-	-	-
Capital Projects	-	-	-	-
Debt Service	-	-	-	-
Other Purposes	1,366,911	1,398,731	-	32,821
Total Beginning Reserved Fund Balance	1,366,911	1,398,731	-	32,821
Total Sources	2,081,911	2,113,731	-	32,841
Expenditures				
Personnel Services	-	-	-	-
Other Services and Charges	500,000	500,000	-	-
Materials and Supplies	-	-	-	-
Capital Outlay	-	-	-	32,841
Fiscal Agent Fees	-	-	-	-
Debt Service	-	-	-	-
Total Expenditures	500,000	500,000	-	32,841
Other Financing Uses-				
Transfers Out	-	-	-	-
Bond Issuance Costs	-	-	-	-
Total Other Financing Uses	-	-	-	-
Total Expenditures & Uses	500,000	500,000	-	32,841
Ending Reserved Fund Balance:				
Emergency Reserve	-	-	-	-
Compensated Absences	-	-	-	-
Capital Projects	-	-	-	-
Debt Service	-	-	-	-
Other Purposes	1,581,911	1,613,731	-	-
Total Ending Reserved Fund Balance	1,581,911	1,613,731	-	-
Total Budget	2,081,911	2,113,731	-	32,841

**CITY OF BROKEN ARROW
BUDGET SUMMARY
FISCAL YEAR 2026**

DESCRIPTION	2011 BOND ISSUE 591	2014 BOND ISSUE 592	2018 BOND ISSUE 593	WORKERS COMPENSATION 660
Revenues:				
Taxes	-	-	-	-
Licenses & Permits	-	-	-	-
Intergovernmental	-	-	-	-
Charges For Services	-	-	-	1,482,000
Fines, Forfeitures & Assessments	-	-	-	-
Interest	250	36,500	4,250,000	2,500
Miscellaneous	-	-	-	45,000
Total Revenues	250	36,500	4,250,000	1,529,500
Other Financing Sources:				
Transfer of Fund Balance for	-	-	-	-
Prior Year Capital Projects	-	-	-	-
OWRB Proceeds from Prior Years	-	-	-	-
Transfers In	-	-	-	-
Bond/Note Proceeds	-	-	21,000,000	-
Total Other Financing Sources	-	-	21,000,000	-
Total Revenues & Sources	250	36,500	25,250,000	1,529,500
Beginning Reserved Fund Balance:				
Emergency Reserve	-	-	-	-
Compensated Absences	-	-	-	-
Capital Projects	266,129	5,437,483	-	-
Debt Service	-	-	-	-
Other Purposes	-	-	100,288,297	2,664,270
Total Beginning Reserved Fund Balance	266,129	5,437,483	100,288,297	2,664,270
Total Sources	266,379	5,473,983	125,538,297	4,193,770
Expenditures				
Personnel Services	-	-	-	-
Other Services and Charges	-	-	-	1,200,000
Materials and Supplies	-	-	-	-
Capital Outlay	266,379	5,473,983	107,880,078	-
Fiscal Agent Fees	-	-	-	-
Debt Service	-	-	-	-
Total Expenditures	266,379	5,473,983	107,880,078	1,200,000
Other Financing Uses-				
Transfers Out	-	-	-	-
Bond Issuance Costs	-	-	145,000	-
Total Other Financing Uses	-	-	145,000	-
Total Expenditures & Uses	266,379	5,473,983	108,025,078	1,200,000
Ending Reserved Fund Balance:				
Emergency Reserve	-	-	-	-
Compensated Absences	-	-	-	-
Capital Projects	-	-	-	-
Debt Service	-	-	-	-
Other Purposes	-	-	17,513,219	2,993,770
Total Ending Reserved Fund Balance	-	-	17,513,219	2,993,770
Total Budget	266,379	5,473,983	125,538,297	4,193,770

**CITY OF BROKEN ARROW
BUDGET SUMMARY
FISCAL YEAR 2026**

DESCRIPTION	GROUP HEALTH & LIFE 661	DEBT SERVICE 770	BROKEN ARROW ECONOMIC DEVELOPMENT AUTHORITY 887	CREEK 51 TIF 888	TOTAL
Revenues:					
Taxes	-	22,956,703	-	50,000	119,191,727
Licenses & Permits	-	-	-	-	2,540,000
Intergovernmental	-	-	-	-	4,594,722
Charges For Services	14,283,066	-	-	-	119,644,112
Fines, Forfeitures & Assessments	-	-	-	-	2,785,000
Interest	1,500	600,000	200,000	-	7,292,670
Miscellaneous	-	-	1,700,000	-	2,970,500
Total Revenues	14,284,566	23,556,703	1,900,000	50,000	259,018,731
Other Financing Sources:					
Transfer of Fund Balance for	-	-	-	-	-
Prior Year Capital Projects	-	-	-	-	-
OWRB Proceeds from Prior Years	-	-	-	-	-
Transfers In	-	-	8,528,000	-	126,222,667
Bond/Note Proceeds	-	-	3,000,000	-	76,782,364
Total Other Financing Sources	-	-	11,528,000	-	203,005,031
Total Revenues & Sources	14,284,566	23,556,703	13,428,000	50,000	462,023,762
Beginning Reserved Fund Balance:					
Emergency Reserve	-	-	-	-	39,868,370
Compensated Absences	-	-	-	-	3,000,000
Capital Projects	-	-	-	-	39,715,520
Debt Service	-	20,458,369	-	-	21,358,369
Other Purposes	228,542	-	5,568,715	39,282	180,590,416
Total Beginning Reserved Fund Balance	228,542	20,458,369	5,568,715	39,282	284,532,675
Total Sources	14,513,108	44,015,072	18,996,715	89,282	746,556,437
Expenditures					
Personnel Services	-	-	-	-	112,115,804
Other Services and Charges	12,500,000	-	1,000,000	25,000	54,563,831
Materials and Supplies	-	-	-	-	14,457,625
Capital Outlay	-	-	9,000,000	-	230,759,433
Fiscal Agent Fees	-	10,550	-	-	10,550
Debt Service	-	22,796,046	4,350,210	-	42,093,256
Total Expenditures	12,500,000	22,806,596	14,350,210	25,000	454,000,499
Other Financing Uses-					
Transfers Out	-	75,000	-	-	115,178,231
Bond Issuance Costs	-	-	-	-	145,000
Total Other Financing Uses	-	75,000	-	-	115,323,231
Total Expenditures & Uses	12,500,000	22,881,596	14,350,210	25,000	569,323,730
Ending Reserved Fund Balance:					
Emergency Reserve	-	-	-	-	40,606,482
Compensated Absences	-	-	-	-	3,000,000
Capital Projects	-	-	-	-	8,847,328
Debt Service	-	-	-	-	1,800,000
Other Purposes	2,013,108	21,133,476	4,646,505	64,282	122,978,898
Total Ending Reserved Fund Balance	2,013,108	21,133,476	4,646,505	64,282	177,232,707
Total Budget	14,513,108	44,015,072	18,996,715	89,282	746,556,437