



OPINION

ROBERT E. LORTON PUBLISHER
KEN NEAL EDITORIAL PAGES EDITOR
DAVID AVERILL ASSOCIATE EDITOR
MICHAEL R. JONES ASSOCIATE EDITOR
ALEX ADWAN SENIOR EDITOR
JOE WORLEY EXECUTIVE EDITOR
SUSAN ELLERBACH MANAGING EDITOR

TULSAWORLD • G1 • Sunday, February 6, 2005 • www.tulsaworld.com

"Publish and set up a standard; publish and conceal not." Jeremiah 50:2

Eugene Lorton • 1869-1949

The anti-growth agenda

Who benefits from political turmoil in Tulsa?

A letter to the editor last week castigated home builders' and Realtors' groups for endorsing the drive by the Coalition for Responsible Government 2004 to recall Tulsa City Councilors Chris Medlock and Jim Mautino.

The letter defended Medlock and Mautino, who along with two or three other council members are champions of the anti-development, anti-growth, anti-progress cabal in Tulsa.

The writer of the letter was from Broken Arrow, not Tulsa.

When Republican legislators called a press conference last week to present a united front in support of Medlock and Mautino and against the recall drive, five of the 12 represented were from Owasso, Broken Arrow, Bixby and Sand Springs. One, Sen. Randy Brogdon, is a former Owasso city manager.

Is it coincidence that a number of people from surrounding towns are interested in keeping Medlock and Mautino in office, thus ensuring continued turmoil on the council and continued effort to stymie development in Tulsa?

Tulsa historically has tried to be a good neighbor and to a great extent its fortunes and its neighbors' are closely linked. It is still true, for example, that most of the major employers in the area are in Tulsa and so when job prospects are good in the city they also are good for the suburbs.

But there always has been a measure of competition between the suburbs and Tulsa, and in some respects the suburban towns stand to gain if Tulsa declines.

Towns like Owasso, Bixby and Broken Arrow once were bedroom communities in every sense of the term. Their residents had few choices but to go to Tulsa to work, shop, dine and recreate.

But that dynamic is changing. The bedroom communities have grown in size and population, fueled in part by the location of several major employers outside the Tulsa city limits. They now have all the same major retailers



What's the real interest of those — from in Tulsa or outside — who champion the anti-development, anti-growth, anti-progress agenda? Is it to condemn the city to stagnation and decline?

and all the amenities that Tulsa offers, so their residents can shop and play at home instead of having to patronize Tulsa businesses. The one-time bedrooms have become increasingly independent of Tulsa.

Meanwhile, Tulsa's sales tax base is eroding. Ringed by incorporated suburbs, its options for growing geographically are limited. Its economic future depends on in-fill development or redevelopment within its existing boundaries.

That's why the anti-development, anti-growth, anti-progress attitude that has raised its ugly head on the council and in some fringe media outlets is so troubling.

Tulsa is a city at the crossroads. It can decide to right itself, building on the Vision 2025 vote, and move forward again or it can condemn itself to slow but certain stagnation and decline.

Tulsa was not always the major city in the region. Time was, 80 years ago or so, when Muskogee was larger than Tulsa and Sand Springs vied with it for dominance. Tulsa's continued dominance is not guaranteed.

Last year Councilors Medlock, Mautino, Sam Roop, Jack Henderson and



Tulsa City Councilor Chris Medlock (left) at a press conference at the Tulsa County Republican Party headquarters. Sen. James Williamson, R-Tulsa, (center) and Councilor Jim Mautino (right) look on.

Roscoe Turner acted to halt plans by the utility board and Mayor Bill LaFortune's administration to expand water sales to Owasso and Bixby. One of the arguments advanced was that selling cheap water to Bixby would promote growth there to the detriment of Tulsa.

Ironically, the councilors' actions probably ensured future growth in the suburbs. Their actions encouraged Bixby and other area towns to look for other sources of municipal water, notably the Grand River Dam Authority. If Tulsa were to lose its water sales to these towns, along with the substantial profits they generate, it will have to raise water rates for its own residents. That in turn will drive

people and businesses away — to the suburbs.

Every time the anti-progress councilors swat down an annexation proposal they further limit the city's growth options.

Every time they act to make zoning reclassifications more difficult — as they've done with a proposed City Charter change — they limit the chances for redevelopment that is so critical to Tulsa's future.

Every time they set up roadblocks to development they drive developers out of Tulsa and into the suburbs, contributing to the further erosion of the tax base.

Every time they hassle unpaid volunteers who serve on important city

boards, as they have done with members of the utility board and others, they send a signal to prospective employers: Don't come here, it's a mess.

Every time they vilify groups like the Chamber of Commerce, home builders or Realtors that have contributed greatly to the city's growth over the years, they send the same stay-away signal.

What's the real interest of those — from in Tulsa or outside — who champion the anti-development, anti-growth, anti-progress agenda? Is it to condemn the city to stagnation and decline? You have to wonder.

David Averill 581-8333
david.averill@tulsaworld.com

Running state, having fun don't mix

New report evaluates Oklahoma management



ROBERT S. CROSS / Tulsa World file

"It can't be a lot of fun trying to run Oklahoma," assert the authors of a new report comparing the performance of the 50 states during the past year.

Well, it might not be a lot of fun trying to run this place, but at least it's never dull. And there are plenty of challenges, some of which are detailed in the Government Performance Project's "Grading the States 2005" analysis released last week. The GPP report, billed as the nation's "only comprehensive, independent analysis of how well each state is managed," is summarized in the February issue of *Governing* magazine and was funded by The Pew Charitable Trusts.

Since the grading was sort of done on the curve — there were no A's, D's or F's — Oklahoma's C+ overall grade doesn't look too bad. Fifteen other states received a C+, and five received a C or C-. All others received a B- or better. Only five states received the top score, a B+.

States were evaluated in four areas: money, people, infrastructure and information. Grades were based on publicly available material and interviews with state officials.

The report provides a wealth of information on how states addressed recent revenue shortfalls, and could offer some insight and advice as the legislative session gets under way.

While noting that Oklahoma's chief executive is routinely "run over" by Oklahoma lawmakers, the report's authors give credit to Gov. Brad Henry's administration for staying out from under the wheels. But the state's "deeply decentralized agency structure" can stymie efficient management, they conclude.

This "departmental stubbornness" has led to unnecessary and unproductive inter-agency squabbles and finger-pointing that doesn't serve to solve the problems, the report suggests.

A major deficiency researchers found was the state's failure to keep up with infrastructure needs. Authors noted that with the exception of some transportation maintenance, "zero dollars were allocated



for maintenance for state infrastructure in the 2004 budget." Though the state does a good job of long-range capital planning, chronic underfunding has led to deferred maintenance needs (not counting transportation) of at least \$38.4 million.

"... (O)n the transportation side, Oklahoma is desperate for money to spend on keeping its roads and bridges in better repair," the report notes. Unmet transportation maintenance needs were estimated at \$583.4 million; transportation maintenance has been more than 50 percent underfunded for the last five years.

The proposed \$500 million higher education bond issue, plus several plans for boosting transportation funding, could help on the infrastructure front.

The researchers found that the state's "financial processes are pretty good," and praised Oklahoma for being "a disciplined financial manager," though they found leadership "does not engage in a particularly long-term budget view." Leaders also received praise for taking steps to limit raids on the "rainy day" fund — the state's reserve account for emergencies — and for generally avoiding over-reliance on "one-time" budget fixes.

But the state method for arriving at annual revenue estimates was seen as problematic. The Board of Equalization's annual estimate, based on staff input and forecasting models, sometimes is off significantly, which can lead to year-in and year-out budgeting difficulties. The state Constitution allows spending only up to 95 percent of the estimate.

In fiscal 2002, the researchers found, the estimate was 8.6 percent above actual revenues; in fiscal 2003, it was 11.4 percent above actual revenues, and in fiscal '04, the estimate was 4.9 percent under

the estimate.

This revenue-estimating problem could become more serious as tax cuts or tax rebates are approved.

The researchers say Oklahoma is "heavily dependent" on the individual income tax, general and selective sales taxes and licenses for revenue — findings that also become more relevant as tax-cutting fever hits the Legislature.

Individual income taxes accounted for 36 percent of tax collections in 2003, and all sales taxes combined accounted for 38 percent. Licenses contributed 13 percent and severance taxes, 9 percent.

State leaders, eager to please tax-averse citizens, likely will make some cuts this year and are hoping growth replaces lost revenue. But experience shows that is an iffy proposition.

The state's unfunded pension liabilities, estimated at about \$5 billion, were deemed a "major weakness" the state has done little to address. The Teachers Retirement System has an unfunded liability of 46 percent, and the Public Employees Retirement System and the Firefighters Pension and Retirement System have unfunded liabilities of about 23 percent each. Those levels are far above the average underfunding level of 11 percent of 127 public pension funds recently surveyed.

Another weakness is the state's failure for years to produce performance audits, though researchers noted that a new performance auditing division has begun to function and that lawmakers seem to be focusing more on performance issues.

Every state is different in its needs and resources, yet there also are similarities they all share. It's nice to know we're keeping up with the pack, and also good to know where more resources and attention should be focused.

Now, if the researchers would just add a category on how to have fun while balancing the budget, cutting taxes and expanding needed programs.

Janet Pearson 581-8328
janet.pearson@tulsaworld.com

The Government Performance Project says that Oklahoma is desperate for money to repair its roads and bridges.