

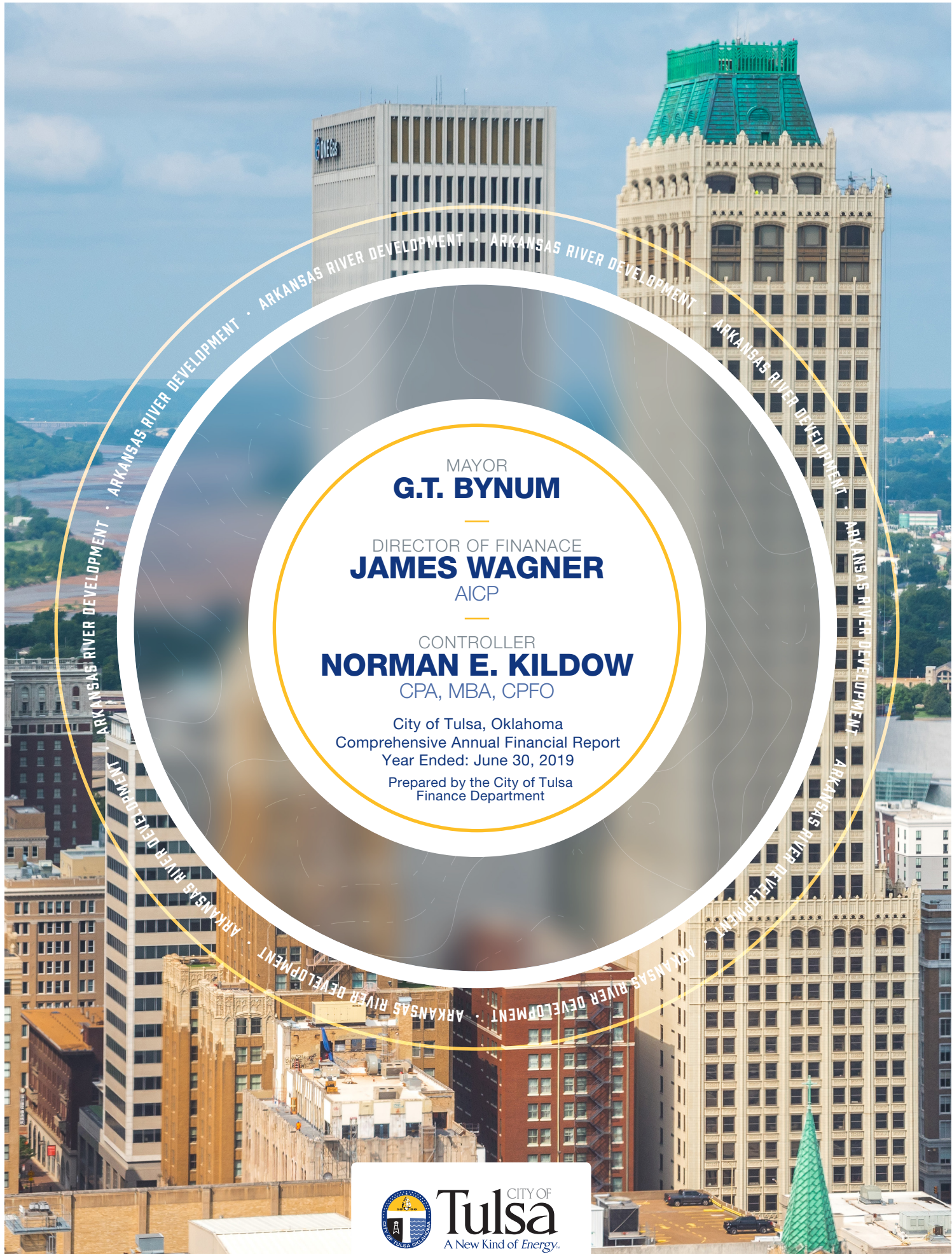


CITY OF TULSA, OKLAHOMA
**COMPREHENSIVE
ANNUAL FINANCIAL
REPORT**

Year Ended: June 30, 2019



Tulsa CITY OF
A New Kind of Energy.



ARKANSAS RIVER DEVELOPMENT · ARKANSAS RIVER DEVELOPMENT · ARKANSAS RIVER DEVELOPMENT · ARKANSAS RIVER DEVELOPMENT · ARKANSAS RIVER DEVELOPMENT · ARKANSAS RIVER DEVELOPMENT · ARKANSAS RIVER DEVELOPMENT · ARKANSAS RIVER DEVELOPMENT · ARKANSAS RIVER DEVELOPMENT · ARKANSAS RIVER DEVELOPMENT

MAYOR
G.T. BYNUM

DIRECTOR OF FINANCE
JAMES WAGNER
AICP

CONTROLLER
NORMAN E. KILDOW
CPA, MBA, CPFO

City of Tulsa, Oklahoma
Comprehensive Annual Financial Report
Year Ended: June 30, 2019

Prepared by the City of Tulsa
Finance Department



CITY OF
Tulsa
A New Kind of Energy.

**CITY OF TULSA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year ended June 30, 2019**

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTORY SECTION	
Letter of Transmittal	i
List of Principal Officials	vii
Organizational Chart	viii
Certificate of Achievement	ix
 FINANCIAL SECTION	
Independent Auditor's Report	A-1
Management's Discussion and Analysis	MDA-1
 Basic Financial Statements	
Government-wide Financial Statements:	
Statement of Net Position	1
Statement of Activities	2
Fund Financial Statements:	
Governmental Funds:	
Balance Sheet	3
Statement of Revenues, Expenditures and Changes in Fund Balances	4
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	5
Proprietary Funds:	
Statement of Net Position	6
Statement of Revenues, Expenses and Changes in Net Position	7
Statement of Cash Flows	8
Fiduciary Funds:	
Statement of Fiduciary Net Position	9
Statement of Changes in Fiduciary Net Position	10
Discretely Presented Component Units:	
Statement of Net Position	11
Statement of Activities	12
Notes to Basic Financial Statements	FN-1
 Required Supplementary Information	
Defined Benefit Pension Trusts:	
Schedule of Changes in the Net Pension Liability – MERP	RSI-1
Schedule of City's Proportionate Share - MERP	RSI-2
Schedule of City's Contributions – MERP	RSI-3
Schedule of Actuarial Valuation, Methods and Assumptions – MERP	RSI-3
Schedule of Investment Returns - MERP	RSI-4
Schedule of Actuarial Valuation, Methods and Assumptions – MERP	RSI-4
Schedule of City's Proportionate Share - Oklahoma Firefighters	RSI-5
Schedule of City's Contributions - Oklahoma Firefighters	RSI-6
Schedule of City's Proportionate Share - OPPRS	RSI-7
Schedule of City's Contributions - OPPRS	RSI-8

**CITY OF TULSA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year ended June 30, 2019**

TABLE OF CONTENTS

	<u>Page</u>
FINANCIAL SECTION (continued)	
Other Post-Employment Benefits:	
Schedule of Changes in the Total OPEB Liability	RSI-9
Schedule of City's Total OPEB Liability and Related Ratios	RSI-10
General Fund Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual, Budgetary Basis and related notes	RSI-11
 Supplemental Combining and Individual Fund Financial Statements and Schedules	
Governmental Funds Subsection:	
Nonmajor Governmental Funds:	
Combining Balance Sheet	C-1
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	C-2
 Budget and Actual Schedules - Budgetary Basis:	
General Fund:	
Schedule of Revenues – Budgetary Level of Control	C-3
Schedule of Expenditures and Encumbrances – Budgetary Level of Control	C-5
E-911 Operating Fund	C-10
Economic Development Fund	C-11
Tulsa Stadium Improvement District Fund	C-12
Medical Service Program	C-13
Vision Public Safety Sales Tax	C-14
Vision Transportation Sales Tax	C-15
Airforce Plant 3 (Subfund of Special Development)	C-16
Permits and Licensing System (Subfund of Special Development)	C-17
PA Law Enforcement Training (Subfund of Special Development)	C-18
Juvenile Curfew Fines (Subfund of Special Development)	C-19
Technology Fee Assessment (Subfund of Special Development)	C-20
Whittier Square Improvement District (Subfund of Special Development)	C-21
Tourism Improvement District (Subfund of Special Development)	C-22
Internal Service Funds:	
Combining Statement of Net Position	C-23
Combining Statement of Revenues, Expenses and Changes in Net Position	C-24
Combining Statement of Cash Flows	C-25
 Fiduciary Funds:	
Agency Funds Combining Statement of Changes in Assets and Liabilities	C-26
 Component Units:	
Discretely Presented Nonmajor Component Units:	
Statement of Net Position	C-27
Statement of Revenues, Expenses and Changes in Net Position	C-28
 Combining Fund Financial Statements of Tulsa Metropolitan Utility Authority:	
Statement of Net Position	C-29
Statement of Revenues, Expenses and Changes in Net Position	C-30
Statement of Revenues, Expenses and Changes in Net Position	C-31
 Capital Assets Used in the Operation of Governmental Funds:	
Comparative Schedules by Source	C-32
Schedule of Changes by Function and Activity	C-33
Schedule by Function and Activity	C-34

CITY OF TULSA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year ended June 30, 2019

TABLE OF CONTENTS

	<u>Page</u>
STATISTICAL SECTION (Unaudited)	
Financial Trend Information:	
Net Position by Component	S-1
Changes in Net Position	S-2
Governmental Activities - Tax Revenues by Source	S-3
Program Revenue by Function / Program	S-4
Fund Balances of Governmental Funds	S-5
Changes in Fund Balances of Governmental Funds	S-6
Revenue Capacity Information:	
General Governmental Tax Revenues by Source	S-7
Principal Sales Tax Remitters	S-8
Direct and Overlapping Sales Tax Rates	S-9
Assessed and Estimated Actual Value of Taxable Property	S-10
Property Tax Rates - Direct and Overlapping Governments	S-11
Principal Property Taxpayers	S-12
Property Tax Levies and Collections	S-13
Debt Capacity Information:	
Ratios of Outstanding Debt by Type	S-14
Ratios of Net General Bonded Debt to Assessed Values and Net Bonded Debt per Capita	S-15
Computation of Direct and Overlapping Debt	S-16
Computation of Legal Debt Margin	S-17
Pledged Revenue Bond Coverage- One Technology Center – Lease Revenue Bonds	S-18
Pledged Revenue Bond Coverage- Arena and Convention – 2008 Capital Improvement	S-19
Pledged Revenue Bond Coverage- Tulsa Stadium Trust – Improvement District Bonds	S-20
Pledged Revenue Bond Coverage- TPFPA – 2012 Capital Improvement Bonds	S-21
Demographic and Economic Information:	
Demographic and Economic Statistics	S-22
Principal Employers	S-23
Operating Information:	
Number of City Employees	S-24
Operating Indicators by Function / Program	S-25
Tulsa Metropolitan Utility Authority – Water and Sewer Rates	S-29
Appendix of Abbreviations	S-30



SECTION 1
**INTRODUCTORY
SECTION**



December 19, 2019

Honorable Mayor, City Auditor, City Council and Citizens of the City of Tulsa:
City of Tulsa, Oklahoma

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the City of Tulsa, Oklahoma (the City) for the year ended June 30, 2019. The CAFR is provided to give detailed information about the financial position and activities of the City.

City management is responsible for both the accuracy of the presented data and the completeness and fairness of presentations, including all disclosures. We believe the data, as presented, is accurate in all material respects and is presented in a manner which fairly sets forth the financial position and results of operations of the City. The CAFR has been prepared in accordance with accounting principles generally accepted in the United States (U.S. GAAP) as promulgated by the Governmental Accounting Standards Board (GASB), the standard-setting body for governmental accounting and financial reporting and based upon a comprehensive framework of internal control which are established for this purpose. The objective of a system of internal controls is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Under Oklahoma state law, municipalities are to publish a complete set of audited financial statements. This report fulfills that requirement for the year ended June 30, 2019. To the best of our knowledge and belief, the enclosed report is accurate in all material respects and is organized in a manner designed to fairly present the financial position and results of operations of the City as measured by the financial activity of its various funds. The accompanying disclosures are necessary to enable the reader to gain the full understanding of the City's financial affairs.

Independent Auditor's Report

The basic financial statements and related notes have been audited by RSM US LLP, an independent firm of Certified Public Accountants. RSM US LLP concluded that there was a reasonable basis to render an unmodified opinion on the financial statements of each opinion unit that collectively comprise the City's basic financial statements, concluding that the basic financial statements are fairly presented in conformity with U.S. GAAP. The independent auditor's report can be found on page A-1 of the Financial Section of this CAFR.

Grant awards were audited under the provisions of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and the Compliance report was issued separately.

Management's Discussion and Analysis (MD&A)

Management's discussion and analysis immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

PROFILE OF THE CITY OF TULSA

The City encompasses an area of approximately 201.5 square miles located in northeastern Oklahoma, at the edge of the foothills of the Ozarks, along the Arkansas River. The northeastern part of Oklahoma is often called "Green Country" due to its wooded terrain in the rolling Ozark foothills. With an elevation of 700 feet above sea level and its temperate climate, the City experiences continually changing weather conditions during all four seasons of the year. The average daily temperature is 57 degrees and the average annual rainfall is 41 inches.

Incorporated on January 8, 1898 and following the discovery in 1901 of oil in the nearby town of Red Fork, Tulsa grew quickly, reaching a population of 7,298 by statehood in 1907. Tulsa's current population is 405,785 people, representing a 0.1% increase over 2018. Tulsa, the hub and seat of Tulsa County, is the second largest city in Oklahoma, providing commerce, industrial, transportation and financial services for a metropolitan area of 1,006,619 people.

Under a Mayor-Council form of government, the Mayor, serving as the chief executive of the City, is responsible for City operations. The City Council, the legislative branch of the government, consists of nine members, each representing a distinct geographic district. The City Auditor is responsible for the City's Internal Audit Department. The Mayor and City Auditor are elected at large.

Services

The City provides a full range of basic municipal services, including police and fire protection, street construction, parks, neighborhood revitalization and land use regulation, and other infrastructure, recreational activities, and cultural events. The following services are provided through an array of legally separate entities incorporated into this report as component units:

<u>Service</u>	<u>Entity</u>
Water and sewer systems	Tulsa Metropolitan Utility Authority
Refuse collection and disposal	Tulsa Authority for Recovery of Energy
Airport	Tulsa Airports Improvement Trust
Parking	Tulsa Parking Authority
Urban redevelopment	Tulsa Development Authority
Public transportation	Metropolitan Tulsa Transit Authority
Performing Arts	Tulsa Performing Arts Center Trust
Economic development	Tulsa Industrial Authority
Commercial leasing	Tulsa Public Facilities Authority
Arena and convention	Tulsa Public Facilities Authority
Sporting events venue	Tulsa Stadium Trust

Budgetary Process and Controls

The Mayor prepares the annual proposed budget and presents it on or before May 1st to the City Council. The Council reviews, refines, changes, and adopts it according to the policies and priorities it wishes to see implemented. The General Fund, Sales Tax Fund, Limited-Purpose Sales Tax Fund and many Special Revenue Funds are included in the annual budget process. The Bond Fund, Federal and State Grants Fund, a portion of the Special Development Fund and non-major capital funds are budgeted periodically as estimated revenue and appropriations can be estimated. The Debt Service Fund budget is not approved by Council. The Sales Tax Fund, Limited-Purpose Sales Tax Fund, Bond Fund, Federal and State Grants Fund and a portion of the Special Development Fund are budgeted using multi-year project budgets.

The City maintains a system of budgetary controls with the objective of maintaining compliance with the City Charter and the Oklahoma Municipal Budget Act. The legal level of budgetary control is the level at which expenditures cannot exceed appropriations. The level of control is by department and category of expenditure within a fund and also by project for capital funds. Expenditures categories are personal services, materials and supplies, other services, debt service, and capital outlay. Expenditures are cash outlays plus encumbrances and encumbrances outstanding at year-end are carried forward to be included in appropriations for the following year.

Budget actions/changes are controlled by Administrative Transfer, Mayoral Transfer, Council Transfer, or Budget Amendment. The Administrative Transfer is a transfer of funds within the same expenditure account group, department, fund, and project. It is approved or denied by Budget & Planning Division Manager. The Mayoral Transfer is a transfer of funds from one expenditure account group to another account group or from one project to another project within the same department and fund with a limit of less than \$100,000. The Mayor is given this authority annually by City Council. Council Transfers are transfers of funds from one department to another and from one expenditure account group to another account group or from one project to another project. A Budget Amendments is a legal means to amend (increase/decrease) the adopted budget. Both Council Transfers and Budget Amendments require an ordinance approved by City Council and Mayor.

The Local Economy and Factors Affecting Economic Conditions

The Tulsa Metropolitan Statistical Area (TMSA) comprises 25.3% of the state's population and 33.4% of the state's economy (TMSA share equals \$58.7 billion in 2009 constant dollars).

Tulsa has a diverse economy including; aerospace (manufacturing and aviation), health care, energy, machinery and electrical equipment (both manufacturing and transportation), and distribution and logistics. As the Tulsa Metropolitan Chamber of Commerce has reported, several of these sectors have disproportionately large concentrations of employment relative to the U.S. "Aerospace parts manufacturing is 3.4 times more concentrated in the TMSA than in the U.S.; and oil and gas production and machinery manufacturing, which is 9.5 times more concentrated, accounts for 1.8 percent of highly productive employment, which produces 11.2% of Tulsa's gross regional product. Tulsa's concentration of fabricated metal product manufacturing is 2.8 times the U.S. concentration, but its heat-exchanger manufacturing sub-cluster is 58.7 times more concentrated than at the U.S. level." Many of these concentrations are positioned to grow within the metro area due to factors such as the cost of doing business being 11% below the national average and a cost of living which is 8% below the national average.

Tulsa has one of the shortest average commute times in the nation and is home to some of the nation's larger companies including; QuikTrip, ONEOK, and The Williams Companies. Additionally, in 2018, the International Entertainment Buyers Association declared the BOK Center as the US Arena of the Year for the third year in a row. In 2016, the Brookings Institute recognized Tulsa as the top performer among US metros for Growth and Inclusion (economic growth as an outcome of regional planning). Expanding on this, in 2017 Tulsa was recognized as the sole US City (of three cities globally) to win the Service Engaged Cities Award for effectively collaborating with Citizens to solve problems. Furthermore, in 2017 Forbes recognized Tulsa as the top US City for Young Entrepreneurs. Additionally, that same year the Tulsa Metro Area was recognized by New American Economy for its 4,000 Immigrant Entrepreneurs having generated \$55 million in Business Income. Building on this, in 2019 the City was awarded a two year 'America is Home' grant from National partnership for New Americans. This grant will be used to help remove barriers for eligible immigrant permanent residents seeking U.S. citizenship; and will be matched by the Anne and Henry Zarrow Foundation, Coretz Family Foundation, and the George Kaiser Family Foundation. In 2015 Site Selection Group, an Independent Location Advisory Firm, recognized Tulsa as the 3rd best US city for new and expanded facilities among Tier II cities, while the New York Times

featured Tulsa on their global list of Top 50 Places to See in 2015. Finally, in 2019, National Geographic named Tulsa's The Gathering Place among the top 12 playgrounds in the world, Time Magazine placed it on its 'World's Greatest Places' list, and USA Today named it 'Today's Best New Attraction'.

The unemployment rate for the City, as reported by the Bureau of Labor Statistics, at June 30, 2019 was a seasonally adjusted 3.3%. This was 0.9 points lower than the rate one year ago. The state and national seasonally adjusted average unemployment rates for this same period were 3.4% and 3.8%, respectively.

Bond Ratings

In their report dated April 9, 2019, Moody's Investors Service assigned and affirmed the City of Tulsa an Aa1 rating with a stable outlook. Standard and Poor's assigned and affirmed an AA rating with a stable outlook to the City's general obligation bonds in their report dated August 22, 2019.

Long-term Financial Planning

The City of Tulsa utilizes these primary planning tools to assist policy makers in addressing near and long term operating and infrastructure challenges: A Five-Year Financial Forecast and the Capital Improvements Plan (CIP).

Five-Year Financial Forecast -The Annual Five-Year Financial Forecast is prepared to provide policy makers with the most current information needed to make judgments about the major financial policy issues facing the City of Tulsa. It is not a detailed line-item spending plan, service delivery plan, or budget for the next five years, but an examination of how issues will affect Tulsa's financial condition. It has been designed to meet the following objectives:

1. Provide the Mayor and City Council with information about potential financial changes;
2. Provide an updated financial base by which different financing options can be judged; and
3. Provide elected officials information about the long-term impacts of current and anticipated financial policies.

As with any multi-year analysis, it is based on assumptions about the future. Of particular importance to a study of this type is the performance of the national and local economies, since tax revenues and demands for services are directly related to private sector economic activity.

Capital Improvements Plan (CIP) - In 1977, Tulsa's governing body adopted a Capital Improvement Plan (CIP) process which outlined a program to build, in an orderly manner, a large backlog of capital projects. Since then, the City has annually updated the five-year CIP schedule. Building on this tradition, the City updated the CIP development process in 2010. The new policy requires departmental justification of expansion projects based on the projects potential return on investment (ROI), its potential leverage and linkages to other projects, and its contribution to the City's strategic initiatives. Additionally, all replacement and rehabilitation projects have been ranked and placed in tiers based on their contribution to public safety, asset preservation, and core service provision. Virtually all of the financing has been provided by four sources: General Obligation (GO) bonds, dedicated sales tax, user fees (pay as you go and a source to repay revenue bonds), and state and federal financial assistance. Local voters have continually validated this approach as 75% of all GO bond and sales tax proposals have been approved since the elected officials adopted the formal Capital Improvements Planning process.

Financial Policies

The City follows a comprehensive set of Financial Policies to ensure the City's financial resources are managed prudently. Policies are shaped by state law and approved by the City Council through the budget adoption process. These financial policies govern the City's budgeting and financial planning, capital planning, revenue, investment, debt management, and procurement. Descriptions of these

policies are available in the City's annual budget publication which may be obtained from the City's website, www.cityoftulsa.org.

Such policies, as shaped by state law and Government Finance Officers Association of the United States and Canada (GFOA) Best Practices, advise that total resources will be sufficient to support current operating expenses and in no case shall more than 5% of the operating budget be supported by the use of prior year's fund balance. Additionally, the City has established and shall maintain an operating reserve in the General Fund to provide for revenue shortfalls or to meet unexpected increases in service delivery costs. The reserve is set annually and was set at 6.35% of the General Fund appropriated expenditures for 2019.

The City created an Economic Stabilization Reserve in 2012. In an emergency situation, upon meeting certain triggers, the City may draw on this pool of reserves in the event of declining revenues. The balance of the reserve was \$2 million in 2019.

Major Initiatives (with a Significant Impact on Revenue or Expenditure Trends)

The City is pleased to have initiated or continued several projects independently and in conjunction with private partners during the year. These projects provide enhancements for the general public with anticipated positive impacts on revenue and expenditure trends in the future.

- *Housing Opportunities Program* - At the January Mayor/Council retreat, there was a consensus that the City needed to be more strategic in addressing vacant and abandoned housing to improve the City's neighborhoods. To reach that goal, the City is creating partnerships that lead to better outcomes in neighborhoods through increased homeownership. The City will use Community Block Development Grant (CDBG) funds combined with an increase in demolition funding from the General Fund to address vacant and abandoned structures which constitute a public nuisance. Simultaneously, the City will partner with community nonprofit organizations that have the capacity to build new housing and give families the opportunity of homeownership. Working collaboratively, the City can increase homeownership in neighborhoods like Crutchfield where one in five properties are vacant.
- *Equity and Opportunity* - In FY 20, the City chose to provide additional funding in the budget to prioritize its commitment to increasing access to opportunity and equity. This year the City reopened the Jane Malone (previously Chamberlain) Recreation Center with two full-time staff and new fitness and sports equipment for residents. The Parks and Recreation Department will add a Marketing and Community Engagement Coordinator to promote parks programs and facilities and better engage the public on an ongoing basis, and an Information and Planning Manager to develop and implement data-driven strategic planning and project management.
- *Bus Rapid Transit (BRT)* - Several years ago, the City of Tulsa recognized the need to improve the City's transit system to provide an accessible reliable transportation option for those dependent on public transit and those who seek an alternative to car ownership. The BRT system in Tulsa, branded as AERO BRT, will operate 7 days a week every 15 minutes on weekdays and 20-30 minutes on weekends. The BRT system will run north and south along Peoria Avenue from 54th Street North to 81st Street South. This high-capacity transit line will connect people to jobs and other major destinations. One in seven of the city's residents and 20% of jobs are within a 10-minute walk of the corridor. The system is scheduled to come on line in FY 20. This budget includes resources for one month of free rides on the BRT line, so residents have access to the transformation of Tulsa's public transportation system.
- *Reserves* - Recognizing the need to build the City's reserves, in FY 20 the General Fund Emergency Operating Reserve is set at a level of 6.83% of the budget, an increase of 0.37 percentage points. The long-term target is to place the reserve at a level of 10%. Additionally, this budget increases the City's Economic Stabilization Reserve (Rainy Day Fund) by \$4 million resulting in a balance of \$6 million, tripling the current balance of \$2 million. Additionally, in

November of 2019, the Tulsa electorate approved establishing a permanent sales tax to fund the City's Economic Stabilization Reserve up to 30% of General Fund revenues with funds exceeding this level flowing to the General Fund Operating Reserve to bring it up to 10%.

Awards

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Tulsa for its comprehensive annual financial report for the year ended June 30, 2018. This was the 37th consecutive year that the City of Tulsa has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The City also received the GFOA's Distinguished Budget Presentation Award for its 2019 annual budget document. This was the 24th consecutive year for the City of Tulsa. To qualify for the Distinguished Budget Presentation Award, the City's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

Acknowledgements

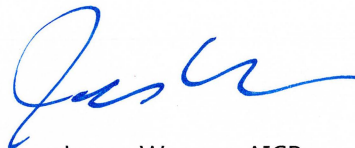
The preparation of this report could not have been accomplished without the dedicated services of the entire staff of the Finance Department Accounting Division. Other departments and offices of the City contributed directly or indirectly to the preparation of this report; the Budget Division and the Treasury Division as well as other staff and departments throughout the City. We express our appreciation to all who assisted in this effort.

We express our appreciation and acknowledge the thorough, professional, and timely manner in which our independent auditor, RSM US LLP, conducted the audit.

Finally, we acknowledge the Mayor and Council members who have consistently supported the City's goal of excellence in all aspects of financial management. Their support is greatly appreciated.



Norman E. Kildow, CPA, MBA, CPFO
Controller



James Wagner, AICP
Director of Finance

**CITY OF TULSA,
LIST OF PRINCIPAL OFFICIALS
As of June 30, 2019**

MAYOR

G. T. Bynum

CITY COUNCIL MEMBERS

Vanessa Hall-Harper.....	District 1
Jeannie Cue.....	District 2
Crista Patrick.....	District 3
Kara Joy McKee.....	District 4
Cass Fahler.....	District 5
Connie Dodson.....	District 6
Lori Decter Wright.....	District 7
Phil Lakin, Jr.....	District 8
Ben Kimbro.....	District 9

CHIEF OF STAFF AND DEPUTY MAYOR

Jack Blair

DIRECTOR OF FINANCE

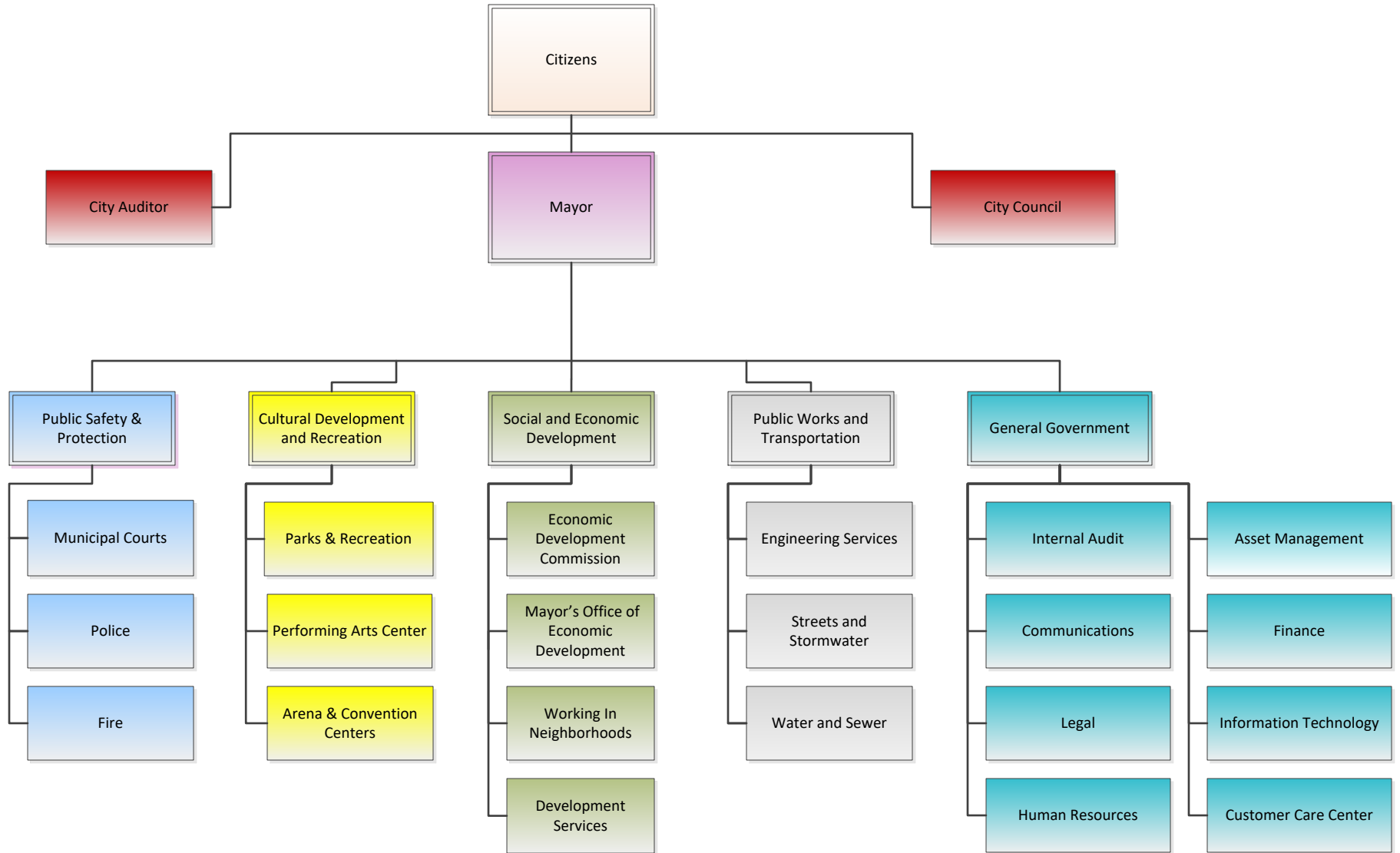
James Wagner, AICP

CITY AUDITOR

Cathy Carter



ORGANIZATION CHART





Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Tulsa
Oklahoma**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morrill

Executive Director/CEO



SECTION 2
**FINANCIAL
SECTION**



Independent Auditor's Report

RSM US LLP

The Honorable Mayor, City Council and
Audit Committee
City of Tulsa, Oklahoma

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Tulsa, Oklahoma (the City) as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Tulsa Industrial Authority (TIA), which is a discretely presented component unit of the City. The financial statements of TIA comprise 0.5% of total assets and 0.2% of total revenues of the aggregate discretely presented component units. Also, we did not audit the financial statements of the Tulsa Stadium Trust (TST), which is a blended component unit and major enterprise fund of the City. The financial statements of TST comprise 6% of total assets and 0.6% of total revenues of the business-type activities and represent 100% of the assets and revenues of the TST major enterprise fund. Also, we did not audit the financial statements of The Operations of the BOK Center, as managed by SMG, or The Operations of the Cox Business Center, as managed by SMG, an agent operating these facilities (collectively, SMG), which are included within the financial statements of the Arena and Convention Center Fund, a major enterprise fund of the City. This activity represents 14% and 91%, respectively, of the total assets and total revenues of the Arena and Convention Center major enterprise fund, and 5% and 26%, respectively, of the total assets and total revenues of the business-type activities. Those statements were audited by other auditors whose reports have been furnished to us and our opinion, insofar as it relates to the amounts included for TIA, TST, The Operations of the BOK Center, as managed by SMG, and The Operations of the Cox Business Center, as managed by SMG, are based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Tulsa, Oklahoma, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the pension and the other postemployment benefits information, and the Budgetary Comparison schedule, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We and other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and other schedules, listed in the table of contents as supplementary information, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and other schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of other auditors, this information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The accompanying introductory, statistical sections and other schedules, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

RSM US LLP

Kansas City, Missouri
December 19, 2019

As management of the City of Tulsa, Oklahoma (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2019. We encourage readers to consider the information presented here in conjunction with our letter of transmittal in the Introductory Section of this report and the City's financial statements, which follow this management's discussion and analysis. All amounts, unless otherwise indicated, are expressed in thousands of dollars and references to a year, such as 2019, contain an implied reference to the fiscal year, such as "fiscal year 2019."

Financial Highlights

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at year end by \$2,282,207 (*net position*). Included as a component of net position is unrestricted net position with a deficit of \$142,738. This deficit results primarily from the net pension liability.
- The City's total net position increased \$126,983. Expenses increased \$65,706 compared to last year while revenues experienced of an overall increase of \$60,846 from the prior year.
- At the close of the current year, the City's governmental funds reported combined fund balances of \$778,401, an increase of \$90,210 in comparison with the prior year. Approximately 8% of this amount (\$60,602) is available for spending at the government's discretion (*unassigned fund balance*).
- Unrestricted fund balance (the total of the *committed*, *assigned*, and *unassigned* components of *fund balance*) for the general fund was \$68,919, or approximately 23% of total general fund expenditures.
- The City's long-term liabilities increased by \$27,952 during the current year. The primary reasons for the increase were the issuance of the Capital Improvements Revenue Bonds Series 2018 and related premium on issuance totaling \$125,930 offset by scheduled debt service payments and bond premium amortization on general obligation and revenue bond debt of \$92,535.
- The sales tax revenue increased \$6,370 over the prior year in the City's governmental funds due to the continued favorable conditions in the local economy.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements, comprising the following three components:

1. Government-wide financial statements
2. Fund financial statements
3. Notes to the financial statements

Government-Wide Financial Statements

Government-wide financial statements are designed to provide readers with a broad overview of the City's finances, similar to private-sector business.

The *statement of net position* presents information on all the City's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference being reported as *net position*. Over time, increases or decreases in net position can serve as a useful indicator of whether the financial position of the City is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the cash flows. Thus, revenues and expenses reported in this statement for some items will only result in cash flows in future fiscal periods (for example, uncollected taxes and earned but unused vacation leave).

The government-wide financial statements of the City are divided into three categories:

- ***Governmental activities*** - Most of the City's basic governmental services are included here, such as public safety and protection, social and economic, public works and transportation, culture and recreation, and administrative and support functions. Sales, use, and property taxes, charges for services, and state and federal grants finance most of these activities.
- ***Business-type activities*** - The City charges fees to customers to help it cover the costs of certain services it provides. BOK Center and Cox Business Convention Center, One Technology Center, Golf Courses, Tulsa Stadium Trust and Stormwater Management operations are included here.
- ***Discretely presented component units*** - The City includes nine other entities in its report—Tulsa Metropolitan Utility Authority, Tulsa Authority for Recovery of Energy, Tulsa Airports, and the Other Component Units comprising of the Tulsa Development Authority, Metropolitan Tulsa Transit Authority, Tulsa Industrial Authority, Tulsa Parking Authority, the Tulsa Performing Arts Center Trust, and the Tulsa International Airport Development Trust. Although legally separate, these "component units" are important because the City is financially accountable for them.

Fund Financial Statements

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements, state law and bond covenants. The fund financial statements provide the reader with information about the City's most significant funds - not the City as a whole.

Fund Financial Statements, continued

The funds of the City are divided into three categories:

- ***Governmental funds*** – Most of the City's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement that explains the relationships (or differences) between them.
- ***Proprietary funds*** – Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the government-wide statements, provide both long and short-term financial information.
 - *Enterprise Funds* (one type of proprietary fund) are used to report the same functions presented as business type activities in the government-wide financial statements, but with additional detailed information, such as cash flows.
 - *Internal Service funds* (the other type of proprietary fund) are used to report activities that provide supplies and services for the City's other programs and activities.
- ***Fiduciary funds*** – The City is the trustee, or fiduciary, for its employees' and other participating entities' pension plan. Fiduciary activities are reported in a statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the City's government-wide financial statements because the City cannot use these assets to finance its operations.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page FN-1.

Other Information

Required supplementary information - In addition to the basic financial statements and accompanying notes, this report presents twelve schedules of *required supplementary information ("RSI")* following the notes.

Municipal Employees' Retirement Plan (MERP) -

- Schedule of Changes in Net Pension Liability
- Schedule of City's Proportionate Share
- Schedule of City's Contributions
- Schedule of Investment Returns
- Schedule of Actuarial Valuation, Methods and Assumptions

Oklahoma Firefighters Pension and Retirement System-

- Schedule of City's Proportionate Share
- Schedule of City's Contributions

Oklahoma Police Pension and Retirement System-

- Schedule of City's Proportionate Share
- Schedule of City's Contributions

General Fund – Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual (Budgetary Basis)

Other Post-Employment Benefits Plan (OPEB) -

- Schedule of Changes in Total OPEB Liability
- Schedule of City's Proportionate Share

Supplemental Combining and Individual Fund Financial Statements - Combining and Individual Fund Financial Statements, which include nonmajor governmental funds, internal service funds, fiduciary funds, and nonmajor discretely presented component units are presented immediately following the RSI. This section also includes budget to actual schedules for certain special revenue funds and additional General Fund budgetary schedules.

Government-Wide Financial Analysis

Net Position of the City of Tulsa - As of June 30, 2019, the City's *combined* net position was \$2,282 million. Total assets and deferred outflows increased \$188 million or 6% while liabilities and deferred inflows of resources increased \$61 million or 5%. The net position of Governmental activities increased 7% to \$1,736 million in 2019 from \$1,619 million in 2018. Net position of the Business-type activities was \$546 million in 2019 up 2% from \$536 million in 2018.

Government-Wide Financial Analysis, continued

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 967,653	\$ 867,489	\$ 93,258	\$ 100,640	\$ 1,060,911	\$ 968,129
Capital assets	1,820,920	1,757,480	576,876	566,000	2,397,796	2,323,480
Total assets	2,788,573	2,624,969	670,134	666,640	3,458,707	3,291,609
Deferred outflows of resources	89,902	70,018	3,994	3,130	93,896	73,148
	2,878,475	2,694,987	674,128	669,770	3,552,603	3,364,757
Current and other liabilities	162,353	136,487	27,107	32,131	189,460	168,618
Long-term liabilities	861,225	832,541	100,188	100,103	961,413	932,644
Total liabilities	1,023,578	969,028	127,295	132,234	1,150,873	1,101,262
Deferred inflows of resources	118,319	107,045	1,204	1,226	119,523	108,271
	1,141,897	1,076,073	128,499	133,460	1,270,396	1,209,533
Net position:						
Net investment in capital						
assets	1,486,358	1,485,779	503,307	490,067	1,989,665	1,975,846
Restricted	417,766	321,201	17,514	12,218	435,280	333,419
Unrestricted	(167,546)	(188,066)	24,808	34,025	(142,738)	(154,041)
	\$ 1,736,578	\$ 1,618,914	\$ 545,629	\$ 536,310	\$ 2,282,207	\$ 2,155,224

The largest portion of the City's net position (87%) reflects its investment in capital assets, less any outstanding debt that was used to acquire those assets. The City uses capital assets to provide services to its citizens. Accordingly, these assets are not available for future spending. Although the city's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay this debt must be provided from other sources, since the capital assets cannot be used to liquidate these liabilities.

Net position category:	Percent of Total	
	2019	2018
Net investment in capital assets	87%	92%
Restricted	19%	15%
Unrestricted	-6%	-7%
	100%	100%

Government-Wide Financial Analysis, continued

Changes in Net Position of the City of Tulsa – The City's net position increased \$127 million compared to the prior year increase of \$131.8 million. The Governmental activities and Business-type activities had increases of \$117.7 million and \$9.3 million, respectively.

The City's total revenues increased 9.6% to \$697 million in 2019. Program revenue generated \$212 million, consisting of charges for services, federal and state grants, and capital grants/contributions, up from \$182.3 million in 2018. Air Force Plant 3 capital improvements of \$22.3 million were contributed in the current year and account for the majority of the increase in program revenue.

Sales taxes, the largest revenue category, increased 2.3% to \$284.7 million in 2019 from \$278.3 million in 2018. The increase is a result of continued strong economic conditions. Property tax revenue increased to \$79.5 million in 2019 from \$77.1 million in 2018 due to a 1.3% decrease in the millage rate and offset by a 4.2% increase in net assessed property values. Use taxes increased to \$41.1 million in 2019 from \$31.1 million in 2018 due to continued increases collections from online retailers. Other revenues increased to \$41 million in 2019 from \$27.9 million in 2018 due primarily to a \$13.7 million increase in investment earnings. The increase is a combination of increased investable cash balances and improved rate of return on the investments.

Expenses for the primary government increased 13% or \$65.7 million to \$570 million. The City's expenses cover a range of services, including public safety, public works, culture and recreation, and social and economic programs. Significant changes include:

- General government expenses increased \$9.1 million (14%). The increase is primarily attributed to an increase in personnel services cost of \$4.9 million and an increase in depreciation on general government assets of \$1 million. The increase in personnel services consisted of \$0.6 million salary increases and a \$4.3 million net increase in pension expense from an increase in the net pension liability.
- Public safety and protection expenses totaled \$202 million, a decrease of \$15.1 million (6.9%). The decrease is primarily attributed personnel services cost increase of a \$7.1 million offset by a \$25.9 million decrease in the Police and Fire pension expense. Personnel service cost increased due to a combination of salary increases and head count increases. The reduction in pension expense was due to a net decline in the net pension liability in the Police, Fire, and MERP plans for public safety employees.
- Social and economic development expenses increased \$58.7 million (244.5%), primarily from a \$55.3 million donation to outside entities for capital improvements paid by the City. The improvements were to Tulsa County facilities, Tulsa Community College facilities, Tulsa Public Schools facilities, and U.S. Government facilities for education initiatives and military facility improvements.

Government-Wide Financial Analysis, continued

	Changes in Net Position					
	Governmental		Business-type		Total	
	Activities		Activities			
	2019	2018	2019	2018	2019	2018
Revenues:						
Program revenues:						
Charges for services	\$ 78,967	\$ 74,246	\$ 61,068	\$ 59,998	\$ 140,035	\$ 134,244
Operating grants/contributions	38,163	31,057	-	-	38,163	31,057
Capital grants/contributions	30,885	14,846	2,938	2,199	33,823	17,045
General revenues:						
Sales taxes	284,687	278,317	-	-	284,687	278,317
Property taxes	79,522	77,074	-	-	79,522	77,074
Franchise	23,122	24,420	-	-	23,122	24,420
Use tax	41,068	31,084	-	-	41,068	31,084
Hotel/Motel taxes	7,870	7,414	-	-	7,870	7,414
Intergovernmental revenue	7,747	7,587	-	-	7,747	7,587
Other	39,308	26,937	1,687	1,007	40,995	27,944
	<u>631,339</u>	<u>572,982</u>	<u>65,693</u>	<u>63,204</u>	<u>697,032</u>	<u>636,186</u>
Expenses:						
General government	75,017	65,886			75,017	65,886
Public safety & protection	202,244	217,296			202,244	217,296
Public works & transportation	86,997	80,941			86,997	80,941
Culture & recreation	29,510	27,833			29,510	27,833
Social & economic development	82,661	23,993			82,661	23,993
Interest on long-term debt	16,735	14,863			16,735	14,863
Stormwater	-		35,642	31,680	35,642	31,680
One Technology Center	-		9,046	8,846	9,046	8,846
Arena & Convention	-		25,826	25,755	25,826	25,755
Tulsa Stadium Trust	-		3,539	4,083	3,539	4,083
Golf courses	-		2,832	3,167	2,832	3,167
	<u>493,164</u>	<u>430,812</u>	<u>76,885</u>	<u>73,531</u>	<u>570,049</u>	<u>504,343</u>
Changes before transfers	138,175	142,170	(11,192)	(10,327)	126,983	131,843
Transfers	(20,511)	(4,639)	20,511	4,639	-	-
Change in Net position	117,664	137,531	9,319	(5,688)	126,983	131,843
Net position, beginning	1,618,914	1,481,383	536,310	541,998	2,155,224	2,023,381
Net position, ending	<u>\$ 1,736,578</u>	<u>\$ 1,618,914</u>	<u>\$ 545,629</u>	<u>\$ 536,310</u>	<u>\$ 2,282,207</u>	<u>\$ 2,155,224</u>

Government-Wide Financial Analysis, continued

Governmental Activities – The City provides various services to the citizens. The costs of these services generally are only partially supported by direct revenues (*program revenues*). The chart below illustrates the cost of delivering services in the City's governmental activities by comparing the service cost to program revenue.

	<u>Program Expenses</u>	<u>Program Revenues</u>	<u>Net Cost</u>
General government	\$ 75,017	\$ 39,984	\$ (35,033)
Public safety and protection	202,244	46,249	(155,995)
Public works & transportation	86,997	13,604	(73,393)
Culture & recreation	29,510	4,903	(24,607)
Social & economic development	82,661	43,275	(39,386)
Interest on debt	16,735	-	(16,735)
	<u>\$ 493,164</u>	<u>\$ 148,015</u>	<u>\$ (345,149)</u>

The net cost indicates the financial burden of each of these functions.

The cost of all *governmental* activities this year was \$493.2 million. A portion of the costs were paid by those who directly benefited from the programs (\$79 million), or by other governments and organizations that subsidized certain programs with grants and contributions (\$69 million). The remaining costs are covered by general revenues. Sales tax makes up the majority of general revenues or 59% in 2019. The City's sales tax rate is 3.65%, of which 1.65% is a special tax dedicated for capital improvements, public safety, public transportation, and economic development. Property taxes fund general obligation debt issued for capital improvements and judgment payments.

	<u>General Revenues</u>			
	<u>2019</u>	<u>Percent of Total</u>	<u>2018</u>	<u>Percent of Total</u>
Sales taxes	\$ 284,687	59%	\$ 278,317	61%
Property taxes	79,522	16%	77,074	17%
Franchise tax	23,122	5%	24,420	5%
Use tax	41,068	9%	31,084	7%
Hotel/Motel taxes and Other	54,925	11%	41,938	9%
	<u>\$ 483,324</u>	<u>100%</u>	<u>\$ 452,833</u>	<u>100%</u>

Business-type Activities – The City also provides services that generally require a charge for the service. These expenses are reported in the business-type activities. The chart below illustrates the cost of those services and the related charges for services along with any related grants and contributions (*program revenues*).

Government-Wide Financial Analysis, continued

Business-type activities:	Program	Program	Net Cost
	Expenses	Revenues	
Arena & Convention	\$ 25,826	\$ 18,413	\$ (7,413)
One Technology Center	9,046	7,045	(2,001)
Golf Courses	2,832	2,392	(440)
Tulsa Stadium Trust	3,539	248	(3,291)
Stormwater	35,642	35,908	266
	<u>\$ 76,885</u>	<u>\$ 64,006</u>	<u>\$ (12,879)</u>

While program revenues are intended to support the business type activities, transfers from the City augment these activities. The business-type activities received \$20,511 in transfers from the Governmental activities of the City. These transfers included:

- Capital transfers of \$2,029 for Stormwater Management improvements funded by the City's Sales tax and grant funds were offset by transfers of \$1,980 to the General Fund for payments in lieu of taxes;
- \$17,750 to fund Arena and Convention Center capital improvements as well as debt service and operations which was provided by City sales taxes and hotel/motel taxes;
- \$2,198 of special assessment taxes used in connection with the ballpark located downtown.

Governmental Funds Financial Analysis

Governmental Funds reported a fund balance of \$778.4 million, up \$90.2 million or 16.5% from 2018. Approximately 8% of the fund balance is unassigned fund balance, which is available for appropriating at the City's discretion. Other categories of fund balance include non-spendable, indicating it is not in spendable form such as inventories and advances to others, restricted, committed or assigned for particular purpose.

The General Fund is the main operating fund of the City and its fund balance increased to \$71.5 million in 2019 from \$59 million in 2018. Of this amount \$61.5 million represents unassigned fund balance and approximates 20% of General Fund expenditures compared to \$51.2 million and 18%, in 2018. The fund balance represents approximately 24% of expenditures compared to 20% in 2018. The change in fund balance can be attributed to the following:

- The General Fund's fund balance increased \$12.4 million to \$71.5 million, as expenditures increased 3.2% while revenues increased 6.4%.
- Tax revenues increased \$10.5 million due to increased sales tax collections from continued improvement in economic conditions and increased use tax collection from online retailers. Investment income increased \$3 million attributed to higher investable balances of cash and cash equivalents and increased rate of return on the City's investments.
- Public safety expenditures increased \$7.3 million primarily due to a \$7.1 million increase in personnel service costs. The personnel costs increase was the result of a combination of an increase in public safety head count and a contractual pay increase.

Governmental Funds Financial Analysis, continued

The remaining Governmental Funds' fund balance increased \$77.8 million, or 12.4% to \$706.9 million. The vast majority of fund balance is restricted (99%).

- The Debt Service Fund's fund balance increased \$2.6 million or 3.9% to \$68.3 million primarily from an increase of \$1.4 million in revenue from property taxes offset by a \$1.6 million increase in debt service payments that resulted in an excess of property tax revenues over debt service of \$2.5 million. The fund balance of the Debt service fund is restricted for debt service payments.
- Capital expenditures in the Bond fund increased 20.6% or \$7.3 million from the prior year. The increase is due to the continuation of the Fix Our Streets Program. The remaining fund balance of \$119.6 million is restricted for capital improvements.
- The Sales Tax Fund's fund balance increased \$18.2 million or 7.8% over 2018. Sales tax collections increased \$2.0 million due to continued improvement in economic conditions and investment income increased \$4.8 million due to increased available cash and cash equivalents and an improvement in the rate of return on the City's investments. The fund balance of \$251.6 million in the sales tax fund is restricted for capital improvements.
- The Limited-Purpose Sales Tax Fund's fund balance increased \$89 million primarily from a \$188 million bond issuance. Capital outlay increased \$22.8 million due to an increased number of active capital projects and debt service increased \$9.3 million over the prior year due to scheduled debt service payments. Other financing sources increased \$112.6 million over the prior year primarily from the proceeds of the Capital Improvements Revenue Bonds Series 2018 (\$118.1 million bonds and a \$7.8 million bond premium). The fund balance of \$224.6 million is restricted for capital improvements and debt service.

Proprietary Funds Financial Analysis

Proprietary funds reported a combined net position of \$545.6 million compared to \$536.3 million in the prior year.

- The Stormwater Management fund incurred an operating loss of \$2.4 million while receiving \$2 million in transfers for capital improvements and \$2.9 million in capital contributions resulting in an increase of \$1.3 million in net position. The fund's net position of \$336.5 million is primarily (96.4%) invested in capital assets.
- One Technology Center fund contributed lease revenue of \$7 million, a decrease of \$2.4 million from the prior year. A \$1 million increase in services and charges was the result of increases in security services, utilities, and broker commissions. The overall net position decreased \$1 million to a \$4.5 million deficit.
- The Arena and Convention Center fund contributed revenue of \$18.4 million, an increase of \$0.4 million over the previous year, due to an increase of premier events attracted to the BOK Center while expenses increased \$2.6 million resulting from the same increase in events. The \$7 million operating loss is offset by transfers in of \$17.8 million. The overall net position increased \$10.4 million for the year, ending at \$188.4 million.

Budgetary Highlights

The General Fund is the only major fund requiring an annually adopted budget.

General Fund Budgetary Highlights

The budget was balanced with revenue estimates of \$278.5 million. It was \$8.7 million or 3.2% more than the 2018 original budget. Taking in consideration of the 2018 carry over encumbrances and budget amendments, the total authorized expenditure amount was \$288.1 million for FY19.

	Original Budget		Amended Budget		Budgetary Basis Actual		Variance	
	2019	2018	2019	2018	2019	2018	2019	2018
Revenues:								
Taxes	\$ 205,540	\$ 200,203	\$ 205,540	\$ 200,203	\$ 213,675	\$ 201,655	\$ 8,135	\$ 1,452
Licenses and permits	9,201	8,593	9,709	8,593	11,022	7,939	1,313	(654)
Intergovernmental	8,310	7,662	8,752	7,849	8,844	9,432	92	1,583
Charges for service	20,019	18,923	20,019	18,923	19,228	18,570	(791)	(353)
Fines and forfeitures	8,262	8,338	8,262	8,338	7,853	7,280	(409)	(1,058)
Investment income	5,000	4,029	5,000	4,029	5,732	4,452	732	423
Payments from component unit	16,218	15,603	15,853	15,603	16,052	15,678	199	75
Miscellaneous	3,313	2,942	3,313	2,942	2,917	3,434	(396)	492
Transfers In	2,630	2,441	2,630	2,441	2,630	2,465	-	24
	<u>\$ 278,493</u>	<u>\$ 268,734</u>	<u>\$ 279,078</u>	<u>\$ 268,921</u>	<u>\$ 287,953</u>	<u>\$ 270,905</u>	<u>\$ 8,875</u>	<u>\$ 1,984</u>
Expenses:								
General government	\$ 44,880	\$ 43,014	\$ 45,122	\$ 42,200	\$ 43,470	\$ 40,371	\$ (1,652)	\$ (1,829)
Public works and transportation	19,287	18,935	19,933	18,244	19,865	17,878	(68)	(366)
Social and economic development	12,095	12,219	12,038	11,705	11,671	11,441	(367)	(264)
Public safety and protection	174,479	165,865	177,453	170,635	175,566	169,347	(1,887)	(1,288)
Culture and recreation	22,086	22,275	22,075	22,200	21,564	21,566	(511)	(634)
Payments to component units	7,489	7,442	7,489	7,409	7,489	7,409	-	-
Transfers out	3,138	5,569	3,980	5,644	3,980	5,625	-	(19)
	<u>\$ 283,454</u>	<u>\$ 275,319</u>	<u>\$ 288,090</u>	<u>\$ 278,037</u>	<u>\$ 283,605</u>	<u>\$ 273,637</u>	<u>\$ (4,485)</u>	<u>\$ (4,400)</u>

2019 actual revenues of \$288 million exceeded the amended estimate by \$9 million or 3.2%. Use Tax revenues were the largest category causing actual revenues to be above the estimate. Use Taxes were \$6.5 million above the estimate and explain the primary reasons for revenues exceeding expectations. 2019 actual expenditures were \$283.6 million and were \$4.5 million under the authorized expenditure amount. The 2019 amended budget reflects the total authorized expenditure amount which included budget amendments that increased the budget by \$4.1 million, appropriations for carry over encumbrances of \$5.2 million and the original budget of \$283.5 million.

General Fund Budgetary Highlights, continued

The 2019 General Fund budget was amended seven times during the year with the largest amount increasing appropriations by \$1.1 million to adjust for a labor contract settlement and higher levels of overtime above initial estimates. Two amendments funded service level improvements by expanding Animal Welfare operating hours and adding personnel to Development Services operations to reduce customer turnaround times. Two other amendments funded transition cost of two city operations to contract services. The Performing Arts Center and Planning Department operations transitioned from city operations to one managed under a management service agreement. The other amendments appropriated funds for items that were unexpected, not planned in the Original Budget, and for a reimbursement.

Capital Assets and Debt Administration

Capital Assets - At the end of 2019 the City had invested \$2.4 billion in a broad range of capital assets, including police and fire equipment, buildings, park facilities, roads, and bridges. This amount represents a net increase (after additions, deductions, and depreciation) of \$75 million, or 3.2% during the year (see Note 7 to the financial statements for additional detailed information regarding capital assets). Street improvements funded by the Fix Our Streets bond package and the Third Penny Sales Tax Program contributed to the increase in infrastructure. A capital assets contribution at Air Force Plant 3 contributed to the increase in buildings and improvements.

**Capital Assets, net of depreciation
(dollar amounts expressed in millions)**

	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
Land	\$ 560	\$ 533	\$ 99	\$ 99	\$ 659	\$ 632
Works of Art	-	-	1	1	1	1
Buildings and improvements	183	170	435	445	618	615
Equipment	75	75	15	15	90	90
Infrastructure	856	796	-	-	856	796
Construction in progress	146	183	26	6	172	189
	<u>\$ 1,820</u>	<u>\$ 1,757</u>	<u>\$ 576</u>	<u>\$ 566</u>	<u>\$ 2,396</u>	<u>\$ 2,323</u>

Capital Assets and Debt Administration, continued

Long-term Liabilities - At year end, the City had \$719 million in general obligation and revenue bonds outstanding, an increase of 8.1% from last year, as shown below. More detailed information about the City's long-term liabilities is presented in Note 11 to the basic financial statements.

	Long-term Liabilities					
	(dollar amounts expressed in millions)					
	Governmental Activities		Business-type Activities		Total	
	2019	2018	2019	2018	2019	2018
General obligation bonds	\$ 394	\$ 452	\$ -	\$ -	\$ 394	\$ 452
Revenue bonds	237	121	88	92	325	213
Other long-term liabilities	348	350	16	13	364	363
	<u>\$ 979</u>	<u>\$ 923</u>	<u>\$ 104</u>	<u>\$ 105</u>	<u>\$ 1,082</u>	<u>\$ 1,028</u>

- General obligation bonds – The balance decreased \$58 million due to scheduled debt service. The City issued General Obligation Bonds Series 2018, Refunding in 2019.
- Revenue Bonds – The balance increased \$112 million during the year. Scheduled debt service of \$12 million was offset by a \$118.1 million increase from the issuance of the Capital Improvements Revenue Bonds Series 2018.
- Other long-term liabilities – The City's compensated absences liability increased \$1.3 million in 2019.

Economic Factors and Next Year's Budget and Rates


All labor figures are currently at historic highs. The area monthly average labor force grew 1.7% over 2017, gaining 8,240 new participants in 2018. The labor force growth in 2017 was 0.5%. Wage and Salary employment (total nonfarm employees) witnessed another year of growth, with an increase of 2.5% in the 2018 average, equating to approx. 11,300 new jobs. Unemployment decreased throughout 2018, ending the year at 3.0%. The average unemployment for the Tulsa MSA was 3.6%. The average weekly earnings of all private employees increased by 4.4% from December 2017 to December 2018.

The 2020 budget reflects increases for water, sewer, and stormwater rates. A water rate increase of 2%, sewer rate increase of 9%, and stormwater rate increase of 9% are included to address capital needs and debt service in 2020.

Contacting the City's Financial Management

Questions about this report or requests for additional information should be directed to:

City of Tulsa
Office of the Controller
175 East 2nd Street, Suite 1570
Tulsa, Oklahoma 74103



SECTION 2 (CONT'D.)
**BASIC FINANCIAL
STATEMENTS**

CITY OF TULSA
STATEMENT OF NET POSITION
June 30, 2019
(amounts expressed in thousands)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Current assets:				
Cash, cash equivalents and investments	\$ 780,210	\$ 42,264	\$ 822,474	\$ 265,174
Cash and cash equivalents - restricted	1,483	17,319	18,802	40,433
Investments	-	-	-	4,517
Investments - restricted	-	-	-	1,546
Receivables, net	147,915	7,542	155,457	42,834
Prepaid expenses	945	868	1,813	434
Internal balances	3,023	(3,023)	-	-
Inventories	1,126	465	1,591	4,368
Other current assets	-	-	-	1,399
Current portion of notes receivable	-	-	-	8,707
Total current assets	<u>934,702</u>	<u>65,435</u>	<u>1,000,137</u>	<u>369,412</u>
Noncurrent assets:				
Cash and cash equivalents - restricted	-	19,119	19,119	69,543
Receivables, net	-	8,703	8,703	1,033
Investments	-	-	-	2,504
Investments - restricted	-	-	-	29,464
Advances to primary government	-	-	-	127
Advances to component units	338	-	338	-
Net pension asset	8,154	-	8,154	-
Note receivable	-	-	-	14,263
Land held for resale, net	1,619	-	1,619	273
Other assets	12,986	1	12,987	-
Equity interest in joint ventures	9,854	-	9,854	27,704
Nondepreciable capital assets	706,141	125,752	831,893	264,522
Depreciable capital assets, net	1,114,779	451,124	1,565,903	1,536,503
Total noncurrent assets	<u>1,853,871</u>	<u>604,699</u>	<u>2,458,570</u>	<u>1,945,936</u>
Total assets	<u>2,788,573</u>	<u>670,134</u>	<u>3,458,707</u>	<u>2,315,348</u>
DEFERRED OUTFLOWS OF RESOURCES				
OPEB related items	506	95	601	439
Pension related items	88,021	2,817	90,838	14,702
Deferred charge on refunding	1,375	1,082	2,457	11,776
Total deferred outflows of resources	<u>89,902</u>	<u>3,994</u>	<u>93,896</u>	<u>26,917</u>
LIABILITIES				
Current liabilities:				
Accounts payable and accrued liabilities	44,353	8,793	53,146	36,780
Unearned revenue	-	13,991	13,991	622
Advances from primary government	-	-	-	12
Current portion of long-term liabilities	118,000	4,323	122,323	44,342
Refundable deposits payable from restricted assets	-	-	-	11,966
Total current liabilities	<u>162,353</u>	<u>27,107</u>	<u>189,460</u>	<u>93,722</u>
Noncurrent liabilities:				
Advances from primary government	-	-	-	326
Advances from component units	127	-	127	-
Unearned revenue	593	817	1,410	-
Deposits subject to refund	-	-	-	457
Long-term liabilities	860,505	99,371	959,876	622,095
Total noncurrent liabilities	<u>861,225</u>	<u>100,188</u>	<u>961,413</u>	<u>622,878</u>
Total liabilities	<u>1,023,578</u>	<u>127,295</u>	<u>1,150,873</u>	<u>716,600</u>
DEFERRED INFLOWS OF RESOURCES				
Property tax revenue	83,024	-	83,024	1,443
Pension related items	35,049	614	35,663	5,653
OPEB related items	246	41	287	237
Gain on refunding	-	549	549	38
Total deferred inflows of resources	<u>118,319</u>	<u>1,204</u>	<u>119,523</u>	<u>7,371</u>
NET POSITION				
Net investment in capital assets	1,486,358	503,307	1,989,665	1,347,321
Restricted for:				
Economic stabilization reserve	2,000	-	2,000	-
Debt service	65,097	1,345	66,442	17,065
Capital projects	298,463	14,834	313,297	13,102
Police pension	15,364	-	15,364	-
Federal and state grants	4,106	-	4,106	-
Economic development	4,378	-	4,378	-
Transportation	10,713	-	10,713	-
Public safety	13,785	-	13,785	-
Other purposes	3,860	1,335	5,195	29,440
Unrestricted (deficit)	(167,546)	24,808	(142,738)	211,366
Total net position	<u>\$ 1,736,578</u>	<u>\$ 545,629</u>	<u>\$ 2,282,207</u>	<u>\$ 1,618,294</u>

The notes to the financial statements are an integral part of this statement.

CITY OF TULSA
STATEMENT OF ACTIVITIES
Year ended June 30, 2019
(amounts expressed in thousands)

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position			
		Charges for Services and Fines	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units
					Governmental Activities	Business-type Activities	Total	
Primary government:								
Governmental activities:								
General government	\$ 75,017	\$ 39,984	\$ -	\$ -	\$ (35,033)	\$ -	\$ (35,033)	\$ -
Public safety and protection	202,244	14,854	31,395	-	(155,995)	-	(155,995)	-
Public works and transportation	86,997	5,040	-	8,564	(73,393)	-	(73,393)	-
Culture and recreation	29,510	4,903	-	-	(24,607)	-	(24,607)	-
Social and economic development	82,661	14,186	6,768	22,321	(39,386)	-	(39,386)	-
Interest on long-term debt	16,735	-	-	-	(16,735)	-	(16,735)	-
Total governmental activities	493,164	78,967	38,163	30,885	(345,149)	-	(345,149)	-
Business-type activities:								
Stormwater	35,642	32,970	-	2,938	-	266	266	-
One Technology Center	9,046	7,045	-	-	-	(2,001)	(2,001)	-
Arena & Convention	25,826	18,413	-	-	-	(7,413)	(7,413)	-
Tulsa Stadium Trust	3,539	248	-	-	-	(3,291)	(3,291)	-
Golf Courses	2,832	2,392	-	-	-	(440)	(440)	-
Total business-type activities	76,885	61,068	-	2,938	-	(12,879)	(12,879)	-
Total primary government	\$ 570,049	\$ 140,035	\$ 38,163	\$ 33,823	(345,149)	(12,879)	(358,028)	-
Component units:								
Clean water and waste water systems	182,514	234,766	-	10,727	-	-	-	62,979
Refuse collection and disposal	26,925	26,723	-	-	-	-	-	(202)
Airport services	51,306	34,520	9,237	10,168	-	-	-	2,619
Other component units	32,787	11,748	7,266	2,734	-	-	-	(11,039)
Total component units	\$ 293,532	\$ 307,757	\$ 16,503	\$ 23,629	-	-	-	54,357
General revenues:								
Taxes:								
Sales tax					284,687	-	284,687	585
Property tax					79,522	-	79,522	2,270
Franchise tax					23,122	-	23,122	-
Use tax					41,068	-	41,068	-
Hotel/Motel tax					7,870	-	7,870	-
Intergovernmental revenue, unrestricted					7,747	-	7,747	-
Funding from primary government					-	-	-	8,617
Payments in lieu of taxes					17,204	-	17,204	-
Unrestricted investment earnings					20,667	1,674	22,341	10,132
Miscellaneous					1,253	-	1,253	-
Gain on disposal of capital assets					184	13	197	491
Transfers					(20,511)	20,511	-	-
Total general revenues and transfers					462,813	22,198	485,011	22,095
Change in Net position					117,664	9,319	126,983	76,452
Net position--beginning of year					1,618,914	536,310	2,155,224	1,541,842
Net position--end of year					\$ 1,736,578	\$ 545,629	\$ 2,282,207	\$ 1,618,294

The notes to the financial statements are an integral part of this statement.

**CITY OF TULSA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2019
(amounts expressed in thousands)**

	General	Debt Service	Bond	Sales Tax	Limited-Purpose Sales Tax	Other Governmental Funds	Total Governmental Funds
Assets							
Cash and cash equivalents	\$ 45,909	\$ 67,730	\$ 128,705	\$ 252,858	\$ 225,177	\$ 40,721	\$ 761,100
Receivables, net	33,043	87,350	-	12,346	4,844	9,590	147,173
Due from other funds	748	-	-	-	-	-	748
Inventories	40	-	-	-	-	-	40
Land held for resale	38	-	-	-	-	-	38
Advances to other funds	146	-	-	-	-	-	146
Advances to component units	326	-	-	-	-	-	326
Other current assets	945	-	-	-	-	-	945
Total assets	\$ 81,195	\$ 155,080	\$ 128,705	\$ 265,204	\$ 230,021	\$ 50,311	\$ 910,516
Liabilities							
Accounts payable and accrued liabilities	7,789	-	9,139	13,585	5,375	2,890	38,778
Unearned revenue	175	-	-	-	-	418	593
Due to other funds	-	-	-	-	-	748	748
Advances from component units	127	-	-	-	-	-	127
Total liabilities	8,091	-	9,139	13,585	5,375	4,056	40,246
Deferred inflows of resources							
Unavailable revenue - property taxes	-	86,791	-	-	-	-	86,791
Unavailable revenue - special assessments	-	-	-	-	-	208	208
Unavailable revenue - intergovernmental	-	-	-	-	-	3,136	3,136
Unavailable revenue - long-term receivables	1,635	-	-	-	-	99	1,734
Total unavailable revenue	1,635	86,791	-	-	-	3,443	91,869
Fund balances							
Nonspendable	550	-	-	-	-	-	550
Restricted	2,000	68,289	119,566	251,619	224,646	37,837	703,957
Committed	-	-	-	-	-	5,868	5,868
Assigned	7,424	-	-	-	-	-	7,424
Unassigned (deficit)	61,495	-	-	-	-	(893)	60,602
Total fund balances	71,469	68,289	119,566	251,619	224,646	42,812	778,401
Total liabilities, deferred inflows and fund balances	\$ 81,195	\$ 155,080	\$ 128,705	\$ 265,204	\$ 230,021	\$ 50,311	\$ 910,516

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	1,809,205
Receivables from other governments that are not available to pay current-period expenditures and therefore not reported in the funds	
Internal service funds are used by management to charge costs of equipment management, employee insurance and office services.	
The assets, liabilities and deferred inflows/outflows of the internal service funds are included in governmental activities in the statement of net position	13,293
Assets, liabilities and deferred outflows and inflows included in governmental activities statement of net position but not in governmental funds:	
Internal balances due to elimination of internal service funds	3,023
Land held for resale	1,619
Facility use lease asset	12,986
Deferred OPEB outflows	464
Deferred pension outflows	86,960
Investment in joint venture is not reported in the funds	9,854
Deferred charge on debt refunding	1,375
Accrued interest payable	(4,752)
Deferred pension inflows	(34,588)
Unavailable revenue - property taxes	3,767
Unavailable revenue - intergovernmental and long-term receivables	4,870
Unavailable revenue - special assessments	208
Deferred OPEB inflows	(223)
Net pension asset	8,154

Long-term liabilities are not due and payable in the current period, and therefore, are not reported in the funds

The detail of the individual long-term liabilities is as follows:

General obligation debt	(385,615)
Unamortized bond premium	(17,411)
Revenue bonds	(226,370)
Capital lease	(968)
Compensated absences	(32,832)
Other post employment benefits liability	(2,681)
Net pension liability	(282,334)
Judgments	(9,718)
Payable to other governments	(340)
Unamortized bond discount	231

Governmental activities net position

\$ 1,736,578

The notes to the financial statements are an integral part of this statement.

CITY OF TULSA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
Year ended June 30, 2019
(amounts expressed in thousands)

	General	Debt Service	Bond	Sales Tax	Limited-Purpose Sales Tax	Other Governmental Funds	Total Governmental Funds
Revenues							
Sales tax	\$ 155,884	\$ -	\$ -	\$ 85,869	\$ 23,809	\$ 19,125	\$ 284,687
Property tax	-	78,930	-	-	-	-	78,930
Franchise tax	22,706	-	-	-	-	416	23,122
Use tax	34,880	-	-	-	6,188	-	41,068
Hotel/motel tax	157	-	-	-	-	7,713	7,870
Special assessment tax	-	-	-	-	-	3,627	3,627
Charges for services	20,753	-	-	-	-	13,042	33,795
Intergovernmental revenues	31,934	-	-	-	-	16,010	47,944
Fines and forfeitures	7,853	-	-	-	-	121	7,974
Investment income	9,087	-	-	6,605	3,915	833	20,440
Licenses, permits and fees	11,021	-	-	-	-	-	11,021
Program income from grants	-	-	-	-	-	2,644	2,644
Payments in lieu of taxes	15,737	-	-	-	-	-	15,737
Miscellaneous	788	46	-	128	-	273	1,235
Total revenues	310,800	78,976	-	92,602	33,912	63,804	580,094
Expenditures							
Current:							
General government	42,526	-	-	1,667	501	66	44,760
Public safety and protection	198,530	-	-	-	-	21,719	220,249
Public works and transportation	18,816	-	-	-	-	2,619	21,435
Culture and recreation	21,354	-	-	36	-	740	22,130
Social and economic development	11,614	-	-	-	-	13,787	25,401
Capital and operating funding to component units	7,489	-	-	3,215	-	1,278	11,982
Capital outlay	1,103	-	42,582	65,488	42,860	7,695	159,728
Debt service	162	76,435	-	-	13,087	-	89,684
Total expenditures	301,594	76,435	42,582	70,406	56,448	47,904	595,369
Excess (deficiency) of revenues over expenditures	9,206	2,541	(42,582)	22,196	(22,536)	15,900	(15,275)
Other financing sources (uses)							
Transfers in	2,630	-	-	192	-	1,303	4,125
Transfers out	(962)	-	-	(4,164)	(14,428)	(6,597)	(26,151)
Proceeds from sale of capital assets	459	-	-	-	-	-	459
Issuance of capital lease	1,103	-	-	-	-	-	1,103
Bond issuance	-	-	-	-	118,100	-	118,100
Refunding bonds issued	-	32,230	-	-	-	-	32,230
Premium on bonds issued	-	19	-	-	7,830	-	7,849
Payment to refunded bond escrow agent	-	(32,230)	-	-	-	-	(32,230)
Total other financing sources (uses)	3,230	19	-	(3,972)	111,502	(5,294)	105,485
Net change in fund balances	12,436	2,560	(42,582)	18,224	88,966	10,606	90,210
Fund balances, beginning of year	59,033	65,729	162,148	233,395	135,680	32,206	688,191
Fund balances, end of year	\$ 71,469	\$ 68,289	\$ 119,566	\$ 251,619	\$ 224,646	\$ 42,812	\$ 778,401

The notes to the financial statements are an integral part of this statement.

CITY OF TULSA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year ended June 30, 2019
(amounts expressed in thousands)

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$ 90,210
Governmental funds report capital outlays as expenditures and capital contributions are not recorded. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:	
Capital outlays	158,044
Capital contributions	28,094
Depreciation expense	(67,685)
	<u>118,453</u>
The effect of miscellaneous transactions involving capital assets:	
Loss on disposal of capital assets	(68)
Proceeds from sale of capital assets	(275)
Capital assets transferred to organizations outside the reporting entity	(55,307)
	<u>(55,650)</u>
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes current financial resources:	
Bond issuance	(118,100)
Premium on bond issuance	(7,849)
Refunding bonds issued	(32,230)
Deferred loss on debt refunding	3,039
Capital lease issuance	(1,103)
Payment to bond escrow	32,230
Payment of bond principal	59,774
Capital lease payments	135
	<u>(64,104)</u>
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:	
Accrued interest expense	(672)
Amortization of premium and discount on bond issuance	5,120
Amortization of deferred gain on debt refunding	(491)
Decrease in compensated absences liability	(1,353)
Decrease in liability to other governments	343
Decrease in arbitrage rebate liability	11
Decrease in tort claims and judgments liability	1,838
Net pension asset	8,154
Net pension liability	2,956
Deferred outflows of resources related to pensions	19,308
Deferred inflows of resources related to pensions	(7,585)
Total OPEB liability	102
Deferred outflows of resources related to OPEB	(94)
Deferred inflows of resources related to OPEB	(131)
Amortization of facility use lease	(368)
	<u>27,138</u>
Some revenues reported in the statement of activities do not provide current financial resources in governmental funds:	
Loss from investment in joint venture	(219)
	<u>(219)</u>
Some revenues which are unavailable in the governmental funds represent accrual based revenue in the entity-wide statements:	
Intergovernmental revenue	(1,191)
Long-term receivables	1,132
Property Tax	592
Special assessment revenue	141
	<u>674</u>
The net revenue of internal service funds is reported within governmental activities:	
Change in net position of internal service funds	906
Internal balances resulting from the elimination of internal service fund revenues	256
	<u>1,162</u>
Change in net position - statement of activities	\$ 117,664

The notes to the financial statements are an integral part of this statement.

CITY OF TULSA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2019
(amounts expressed in thousands)

	Business-type Activities Enterprise Funds						Governmental Activities - Internal Service Funds
	Stormwater Management	One Technology Center	Arena & Convention Center	Tulsa Stadium Trust	Nonmajor - Golf Courses	Total	
ASSETS							
Current assets:							
Cash and cash equivalents	\$ 12,160	\$ 7,848	\$ 18,477	\$ 3,427	\$ 352	\$ 42,264	\$ 19,110
Cash and cash equivalents, restricted	-	1,497	11,385	4,437	-	17,319	1,483
Receivables, net	3,549	1,085	2,903	3	2	7,542	742
Advances to component units	-	-	-	-	-	-	12
Prepaid expenses	-	-	846	-	22	868	-
Inventories, net	-	-	433	-	32	465	1,048
	<u>15,709</u>	<u>10,430</u>	<u>34,044</u>	<u>7,867</u>	<u>408</u>	<u>68,458</u>	<u>22,395</u>
Noncurrent assets:							
Cash and cash equivalents, restricted	12,441	3,428	1,648	1,602	-	19,119	-
Receivables, net	18	8,685	-	-	-	8,703	-
Other	-	-	-	1	-	1	-
Nondepreciable capital assets	90,680	3,164	26,307	2,841	2,760	125,752	5,356
Depreciable capital assets, net	233,594	32,266	151,834	28,990	4,440	451,124	6,359
	<u>336,733</u>	<u>47,543</u>	<u>179,789</u>	<u>33,434</u>	<u>7,200</u>	<u>604,699</u>	<u>11,715</u>
Total assets	<u>352,442</u>	<u>57,973</u>	<u>213,833</u>	<u>41,301</u>	<u>7,608</u>	<u>673,157</u>	<u>34,110</u>
DEFERRED OUTFLOWS OF RESOURCES							
OPEB related items	90	5	-	-	-	95	42
Deferred charge on refunding	-	1,082	-	-	-	1,082	-
Pension related items	2,645	172	-	-	-	2,817	1,061
Total deferred outflow of resources	<u>2,735</u>	<u>1,259</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,994</u>	<u>1,103</u>
LIABILITIES							
Current liabilities:							
Accounts payable and accrued liabilities	3,331	1,244	3,962	76	180	8,793	823
Unearned revenue	-	102	13,889	-	-	13,991	-
Workers compensation claims	-	-	-	-	-	-	3,127
Current portion of long-term liabilities	570	2,258	835	660	-	4,323	1,806
	<u>3,901</u>	<u>3,604</u>	<u>18,686</u>	<u>736</u>	<u>180</u>	<u>27,107</u>	<u>5,756</u>
Noncurrent liabilities:							
Unearned revenue	-	-	817	-	-	817	-
Workers compensation claims	-	-	-	-	-	-	8,954
Advances from other funds	-	-	-	-	-	-	146
Long-term liabilities	14,195	59,508	5,965	19,703	-	99,371	6,580
	<u>14,195</u>	<u>59,508</u>	<u>6,782</u>	<u>19,703</u>	<u>-</u>	<u>100,188</u>	<u>15,680</u>
Total liabilities	<u>18,096</u>	<u>63,112</u>	<u>25,468</u>	<u>20,439</u>	<u>180</u>	<u>127,295</u>	<u>21,436</u>
DEFERRED INFLOW OF RESOURCES							
Deferred gain on refunding	-	549	-	-	-	549	-
Pension related items	555	59	-	-	-	614	461
OPEB related items	39	2	-	-	-	41	23
Total deferred outflow of resources	<u>594</u>	<u>610</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,204</u>	<u>484</u>
NET POSITION (DEFICIT)							
Net investment in capital assets	324,274	(14,189)	172,951	13,071	7,200	503,307	11,715
Restricted for:							
Debt service	-	1,345	-	-	-	1,345	-
Capital projects	12,459	2,375	-	-	-	14,834	-
Other purposes	-	-	-	1,335	-	1,335	-
Unrestricted	(246)	5,979	15,414	6,456	228	27,831	1,578
Total net position (deficit)	<u>\$ 336,487</u>	<u>\$ (4,490)</u>	<u>\$ 188,365</u>	<u>\$ 20,862</u>	<u>\$ 7,428</u>	<u>548,652</u>	<u>\$ 13,293</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds						(3,023)	
Net position of business-type activities						<u>\$ 545,629</u>	

The notes to the financial statements are an integral part of this statement.

CITY OF TULSA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year ended June 30, 2019
(amounts expressed in thousands)

	Business-type Activities Enterprise Funds						Governmental Activities - Internal Service Funds
	Stormwater Management	One Technology Center	Arena & Convention Center	Tulsa Stadium Trust	Nonmajor - Golf Courses	Total	
Operating revenues							
Charges for services	\$ 32,743	\$ 7,045	\$ 18,380	\$ 173	\$ 2,388	\$ 60,729	\$ 16,349
Insurance premiums	-	-	-	-	-	-	22,086
Workers compensation premiums	-	-	-	-	-	-	4,088
Other	227	-	33	75	4	339	78
	<u>32,970</u>	<u>7,045</u>	<u>18,413</u>	<u>248</u>	<u>2,392</u>	<u>61,068</u>	<u>42,601</u>
Operating expenses							
Salaries and wages	12,946	1,045	-	-	-	13,991	5,786
Materials and supplies	874	193	-	-	165	1,232	7,834
Services and charges	11,057	4,640	16,406	566	2,326	34,995	4,117
Workers compensation claims	-	-	-	-	-	-	4,346
Insurance claims and premiums	-	-	-	-	-	-	22,042
Depreciation and amortization	10,511	1,256	8,972	2,034	341	23,114	415
	<u>35,388</u>	<u>7,134</u>	<u>25,378</u>	<u>2,600</u>	<u>2,832</u>	<u>73,332</u>	<u>44,540</u>
Operating income (loss)	<u>(2,418)</u>	<u>(89)</u>	<u>(6,965)</u>	<u>(2,352)</u>	<u>(440)</u>	<u>(12,264)</u>	<u>(1,939)</u>
Nonoperating revenues (expenses)							
Investment income	688	808	75	98	5	1,674	446
Interest expense	-	(1,910)	(448)	(963)	-	(3,321)	-
Gain (loss) on disposal of capital assets	56	-	(44)	-	1	13	3
Intergovernmental revenue	-	-	-	-	-	-	881
Other, net	-	-	-	24	-	24	-
	<u>744</u>	<u>(1,102)</u>	<u>(417)</u>	<u>(841)</u>	<u>6</u>	<u>(1,610)</u>	<u>1,330</u>
Income (loss) before capital contributions and transfers	<u>(1,674)</u>	<u>(1,191)</u>	<u>(7,382)</u>	<u>(3,193)</u>	<u>(434)</u>	<u>(13,874)</u>	<u>(609)</u>
Capital contributions	2,938	-	-	-	-	2,938	-
Transfers in	2,029	218	17,750	2,198	296	22,491	1,515
Transfers out	(1,980)	-	-	-	-	(1,980)	-
	<u>2,987</u>	<u>218</u>	<u>17,750</u>	<u>2,198</u>	<u>296</u>	<u>23,449</u>	<u>1,515</u>
Change in net position	<u>1,313</u>	<u>(973)</u>	<u>10,368</u>	<u>(995)</u>	<u>(138)</u>	<u>9,575</u>	<u>906</u>
Net position (deficit) - beginning of year	<u>335,174</u>	<u>(3,517)</u>	<u>177,997</u>	<u>21,857</u>	<u>7,566</u>		<u>12,387</u>
Net position (deficit) - end of year	<u>\$ 336,487</u>	<u>\$ (4,490)</u>	<u>\$ 188,365</u>	<u>\$ 20,862</u>	<u>\$ 7,428</u>		<u>\$ 13,293</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds						<u>(256)</u>	
Change in net position of business-type activities						<u>\$ 9,319</u>	

The notes to the financial statements are an integral part of this statement.

CITY OF TULSA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year ended June 30, 2019
(amounts expressed in thousands)

	Business-type Activities Enterprise Funds						Governmental Activities - Internal Service Funds
	Stormwater Management	One Technology Center	Arena & Convention Center	Tulsa Stadium Trust	Nonmajor - Golf Courses	Total	
Cash flows from operating activities:							
Receipts from customers and other funds	\$ 32,274	\$ 4,196	\$ 14,129	\$ 245	\$ 2,393	\$ 53,237	\$ 22,435
Receipts from interfund charges for services	226	2,675	-	-	-	2,901	22,233
Payments to suppliers and for claims	(9,688)	(4,131)	(15,910)	(1,295)	(2,525)	(33,549)	(39,433)
Payments to employees	(10,946)	(918)	-	-	-	(11,864)	(5,099)
Payments to other funds for services provided	(2,589)	(12)	-	-	(2)	(2,603)	-
Net cash provided (used) by operating activities	9,277	1,810	(1,781)	(1,050)	(134)	8,122	136
Cash flows from noncapital financing activities:							
Transfers from other funds	-	-	2,390	-	110	2,500	300
Transfers to other funds	(1,980)	-	-	-	-	(1,980)	-
Proceeds from insurance reimbursements	-	-	-	-	-	-	525
Net cash provided (used) by financing activities	(1,980)	-	2,390	-	110	520	825
Cash flows from capital and related financing activities:							
Acquisition and construction of capital assets	(10,176)	-	(20,892)	(662)	(185)	(31,915)	(1,052)
Principal paid on debt	-	(2,400)	(775)	(635)	-	(3,810)	-
Interest paid on debt	-	(1,921)	(460)	(966)	-	(3,347)	-
Proceeds from sale of capital assets	57	-	6	-	1	64	3
Proceeds from financing activities	-	1,100	-	-	-	1,100	-
Transfers from other funds for capital additions	2,029	218	15,360	2,198	186	19,991	1,215
Net cash provided (used) by capital and related financing activities	(8,090)	(3,003)	(6,761)	(65)	2	(17,917)	166
Cash flows from investing activities:							
Interest received	710	362	76	98	5	1,251	460
Sale of investments	-	750	-	-	-	750	-
Net cash provided by investing activities	710	1,112	76	98	5	2,001	460
Net increase (decrease) in cash and cash equivalents	(83)	(81)	(6,076)	(1,017)	(17)	(7,274)	1,587
Cash and cash equivalents, beginning	24,684	12,854	37,586	10,483	369	85,976	19,006
Cash and cash equivalents, end of year	<u>\$ 24,601</u>	<u>\$ 12,773</u>	<u>\$ 31,510</u>	<u>\$ 9,466</u>	<u>\$ 352</u>	<u>\$ 78,702</u>	<u>\$ 20,593</u>
Reconciliation of cash and cash equivalents to the Statement of Net Position:							
Cash and cash equivalents	12,160	7,848	18,477	3,427	352	42,264	19,110
Cash and cash equivalents - restricted	12,441	4,925	13,033	6,039	-	36,438	1,483
Total cash and cash equivalents	<u>\$ 24,601</u>	<u>\$ 12,773</u>	<u>\$ 31,510</u>	<u>\$ 9,466</u>	<u>\$ 352</u>	<u>\$ 78,702</u>	<u>\$ 20,593</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities							
Operating income (loss)	(2,418)	(89)	(6,965)	(2,352)	(440)	(12,264)	(1,939)
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation and amortization	10,511	1,256	8,972	2,034	341	23,114	415
(Increase) decrease in accounts receivable and other assets	(489)	54	(1,179)	-	36	(1,578)	520
(Increase) decrease in deferred outflows of resources	(1,030)	(43)	-	-	-	(1,073)	(79)
Increase (decrease) in accounts payable and other liabilities	(261)	690	502	(732)	(71)	128	440
Decrease in unearned revenue	-	(229)	(3,111)	-	-	(3,340)	-
Increase in net pension liability	2,940	178	-	-	-	3,118	712
Decrease in other post employment benefits	-	-	-	-	-	-	(10)
Increase (decrease) in deferred inflows of resources	24	(7)	-	-	-	17	77
Net cash provided (used) by operating activities	<u>\$ 9,277</u>	<u>\$ 1,810</u>	<u>\$ (1,781)</u>	<u>\$ (1,050)</u>	<u>\$ (134)</u>	<u>\$ 8,122</u>	<u>\$ 136</u>
NON-CASH TRANSACTIONS:							
Capital contributions of capital assets	\$ 2,938	\$ -	\$ -	\$ -	\$ -	\$ 2,938	\$ -
Capital acquisitions in accounts payable and retainage payable	\$ -	\$ -	\$ 315	\$ -	\$ -	\$ 315	\$ -
Appreciation of fair value of investments	\$ -	\$ 2	\$ -	\$ -	\$ -	\$ 2	\$ -

The notes to the financial statements are an integral part of this statement.

CITY OF TULSA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2019
(amounts expressed in thousands)

	Municipal Employees Retirement Plan	Agency Funds
ASSETS		
Cash and cash equivalents	\$ 7,496	\$ 6,515
Contributions receivable	793	-
Investment income receivable	383	-
Investments:		
US Government obligations	44,753	-
Corporate bonds	6,483	-
Preferred stock	116	-
Common stock	32,612	-
Foreign obligations	3,693	-
Mutual funds	82,237	-
Alternative investments:		
Mutual funds	239,007	
Real estate funds	37,840	
Timber	20,436	-
Total assets	475,849	\$ 6,515
LIABILITIES		
Accounts payable and accrued liabilities	1,015	\$ 4,046
Deposits payable	-	2,469
Total liabilities	1,015	\$ 6,515
NET POSITION RESTRICTED FOR PENSIONS	\$ 474,834	

The notes to the financial statements are an integral part of this statement.

CITY OF TULSA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
Year ended June 30, 2019
(amounts expressed in thousands)

	Municipal Employees Retirement Plan
ADDITIONS	
Contributions:	
Employer	\$ 19,251
Plan members	8,065
	27,316
Investment Income:	
Net appreciation in fair value of investments	17,496
Interest	1,484
Dividends	657
	19,637
Less: investment expense	(1,354)
Net investment income	18,283
Total additions	45,599
DEDUCTIONS	
Benefits	41,007
Refunds of contributions	902
Administrative expense	466
Total deductions	42,375
Net increase in fiduciary net position	3,224
NET POSITION RESTRICTED FOR PENSIONS	
Beginning of year	471,610
End of year	\$ 474,834

The notes to the financial statements are an integral part of this statement.

CITY OF TULSA
STATEMENT OF NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS
June 30, 2019
(amounts expressed in thousands)

	Tulsa Metropolitan Utility Authority	Tulsa Authority for Recovery of Energy	Tulsa Airports	Other Component Units	Total Component Units
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 216,339	\$ 20,415	\$ 17,249	\$ 11,171	\$ 265,174
Cash and cash equivalents - restricted	27,181	-	1,735	11,517	40,433
Investments	-	-	-	4,517	4,517
Investments - restricted	-	-	1,546	-	1,546
Receivables, net	32,395	2,946	5,472	2,021	42,834
Inventories	2,086	-	1,517	765	4,368
Current portion of notes receivable	-	-	-	8,707	8,707
Prepaid expenses	434	-	-	-	434
Other current assets	-	-	407	992	1,399
	<u>278,435</u>	<u>23,361</u>	<u>27,926</u>	<u>39,690</u>	<u>369,412</u>
Noncurrent assets:					
Cash and cash equivalents - restricted	57,325	-	10,808	1,410	69,543
Investments	-	-	-	2,504	2,504
Investments - restricted	-	-	28,364	1,100	29,464
Advances to primary government	-	-	127	-	127
Receivables, net	146	-	887	-	1,033
Notes receivables	-	-	-	14,263	14,263
Land held for resale, net	-	-	-	273	273
Equity interest in joint ventures	27,704	-	-	-	27,704
Nondepreciable capital assets	102,405	171	147,234	14,712	264,522
Depreciable capital assets, net	1,230,571	7,857	252,813	45,262	1,536,503
	<u>1,418,151</u>	<u>8,028</u>	<u>440,233</u>	<u>79,524</u>	<u>1,945,936</u>
Total assets	<u>1,696,586</u>	<u>31,389</u>	<u>468,159</u>	<u>119,214</u>	<u>2,315,348</u>
DEFERRED OUTFLOW OF RESOURCES					
Deferred charge on refunding	2,324	-	9,185	267	11,776
Pension related items	10,087	814	2,404	1,397	14,702
OPEB related items	361	42	-	36	439
Total deferred outflow of resources	<u>12,772</u>	<u>856</u>	<u>11,589</u>	<u>1,700</u>	<u>26,917</u>
LIABILITIES					
Current liabilities:					
Accounts payable and accrued liabilities	25,932	1,951	6,252	2,645	36,780
Unearned revenue	-	-	529	93	622
Current portion of long-term liabilities	34,286	255	8,717	1,084	44,342
Advances from primary government	-	12	-	-	12
Deposits subject to refund - restricted	11,884	-	47	35	11,966
	<u>72,102</u>	<u>2,218</u>	<u>15,545</u>	<u>3,857</u>	<u>93,722</u>
Noncurrent liabilities:					
Advances from primary government	-	-	-	326	326
Deposits subject to refund	-	-	-	457	457
Long-term liabilities, net	413,959	5,724	183,676	18,736	622,095
	<u>413,959</u>	<u>5,724</u>	<u>183,676</u>	<u>19,519</u>	<u>622,878</u>
Total liabilities	<u>486,061</u>	<u>7,942</u>	<u>199,221</u>	<u>23,376</u>	<u>716,600</u>
DEFERRED INFLOW OF RESOURCES					
Property tax revenue	1,279	-	-	164	1,443
Pension related items	2,957	246	670	1,780	5,653
OPEB related items	202	18	-	17	237
Deferred gain on refunding	38	-	-	-	38
Total deferred inflow of resources	<u>4,476</u>	<u>264</u>	<u>670</u>	<u>1,961</u>	<u>7,371</u>
NET POSITION					
Net investment in capital assets	1,024,339	8,016	260,554	54,412	1,347,321
Restricted for:					
Debt service	14,859	-	733	1,473	17,065
Capital projects	-	-	3,985	9,117	13,102
Other purposes	-	-	6,827	22,613	29,440
Unrestricted	179,623	16,023	7,758	7,962	211,366
Total net position	<u>\$ 1,218,821</u>	<u>\$ 24,039</u>	<u>\$ 279,857</u>	<u>\$ 95,577</u>	<u>\$ 1,618,294</u>

The notes to the financial statements are an integral part of this statement.

CITY OF TULSA
STATEMENT OF ACTIVITIES
DISCRETELY PRESENTED COMPONENT UNITS
Year ended June 30, 2019
(amounts expressed in thousands)

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position				
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Tulsa Metropolitan Utility Authority	Tulsa Authority for Recovery of Energy	Tulsa Airports	Other	Total
Clean water and waste water systems	\$ 182,514	\$ 234,766	\$ -	\$ 10,727	\$ 62,979	\$ -	\$ -	\$ -	\$ 62,979
Refuse collection and disposal	26,925	26,723	-	-	-	(202)	-	-	(202)
Airport services	51,306	34,520	9,237	10,168	-	-	2,619	-	2,619
Other	32,787	11,748	7,266	2,734	-	-	-	(11,039)	(11,039)
	<u>\$ 293,532</u>	<u>\$ 307,757</u>	<u>\$ 16,503</u>	<u>\$ 23,629</u>	<u>62,979</u>	<u>(202)</u>	<u>2,619</u>	<u>(11,039)</u>	<u>54,357</u>
General revenues:									
Taxes:									
Sales taxes					-	-	-	585	585
Property taxes					1,979	-	-	291	2,270
Funding from primary government					-	-	-	8,617	8,617
Investment earnings					7,098	554	1,523	957	10,132
Gain on disposal of capital assets					491	-	-	-	491
Total general revenues					<u>9,568</u>	<u>554</u>	<u>1,523</u>	<u>10,450</u>	<u>22,095</u>
Change in net position					<u>72,547</u>	<u>352</u>	<u>4,142</u>	<u>(589)</u>	<u>76,452</u>
Net position--beginning of year					<u>1,146,274</u>	<u>23,687</u>	<u>275,715</u>	<u>96,166</u>	<u>1,541,842</u>
Net position, end of year					<u>\$ 1,218,821</u>	<u>\$ 24,039</u>	<u>\$ 279,857</u>	<u>\$ 95,577</u>	<u>\$ 1,618,294</u>

The notes to the financial statements are an integral part of this statement.

Note 1. Summary of Significant Accounting Policies

The City of Tulsa, Oklahoma (the "City"), is an Oklahoma municipal corporation governed by an elected mayor and a nine-member council.

The financial statements of the City are prepared in accordance with Generally Accepted Accounting Principles in the United States of America ("U.S. GAAP") as promulgated by the Governmental Accounting Standards Board ("GASB"), the standard-setting body for governmental accounting and financial reporting.

Governmental accounting standards require reasonable separation between the primary government (including its blended component units) and its discretely presented component units, both in the financial statements and in the related notes and required supplementary information.

New Pronouncements - The City implemented the following GASB Statements effective for the year ended June 30, 2019:

GASB Statement No. 83 – Certain Asset Retirement Obligations - This Statement addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement. The implementation of this Statement had no significant impact on the City's financial statements.

GASB Statement No. 88 – Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements - This Statement defines debt for purposes of disclosure in notes to financial statements as a liability that arises from a contractual obligation to pay cash (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including unused lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. See Footnote 11 for the required disclosures.

A. REPORTING ENTITY

The accompanying financial statements present the government and its component units, entities for which the City is considered to be financially accountable. A blended component unit, although a legally separate entity, is, in substance, part of the City's operations and so data from the blended component unit is combined with data of the City, the primary government. An entity is reported as a blended component unit when it meets one of the following criteria as defined by GASB: Substantively the same governing body and a financial benefit or burden; substantively the same governing body and operational responsibility; almost exclusive service or benefit to the primary government; total debt of the component unit is repayable almost entirely from resources of primary government. When none of these criteria are met, the entity is presented as a discretely presented component unit. A discretely presented component unit, on the other hand, is reported in a separate column in the combined financial statements to emphasize that it is legally separate from the City.

1. Blended Component Units

The Tulsa Public Facilities Authority ("TPFA") - Trustees of TPFA are appointed by the Mayor and approved by the City Council. Although it is legally separate from the City, TPFA is reported as if it were part of the primary government because its primary purposes are to issue revenue bonds to finance major capital improvements and manage certain properties on behalf of the City. Financing activities of this fund are included as an internal service fund, enterprise activities are included as enterprise funds, and financing of capital projects of the primary government are included in the Limited-Purpose Sales Tax fund, a governmental capital project fund.

Note 1. Summary of Significant Accounting Policies, continued

Tulsa Stadium Trust ("TST") – A public trust created to acquire, construct, own, operate and maintain a baseball stadium in downtown Tulsa and related amenities and facilities, and to incur indebtedness. Debt issuance requires the approval of two-thirds of the Tulsa City Council. The City is the sole beneficiary of the TST. The Mayor of the City is ex-officio trustee and eight additional trustees are appointed by the Mayor and approved by the City Council. The City is obligated for the debt of TST through the collection of special assessments. The activity of TST is reported as a major enterprise fund.

2. Discretely Presented Component Units

Major discretely presented component units:

Tulsa Metropolitan Utility Authority ("TMUA") - A public trust created to provide for a clean water utility system and a wastewater utility system. Trustees are appointed by the Mayor and confirmed by the City Council. The City is the sole beneficiary of the trust and will receive all trust properties and resulting revenues upon retirement of all trust indebtedness. The City provides staffing for the operations of TMUA and acts as a collection agent by collecting TMUA's utility revenues as a part of the City's utility billing system.

Tulsa Authority for Recovery of Energy ("TARE") - A public trust created to provide a system of collection, transportation and disposal of solid waste. Trustees are appointed by the Mayor and confirmed by the City Council. The City provides staffing for the operations of TARE and acts as a collection agent by collecting TARE utility revenues as a part of the City's utility billing system.

Tulsa Airports - Tulsa Airports Improvement Trust ("TAIT") was created to operate, maintain and finance capital improvements at the City's two airports, Tulsa International and Richard L. Jones, Jr. Airports, and to finance capital improvements. Trustees are appointed by the Mayor and confirmed by the City Council. The City is the sole beneficiary of the trust.

Other discretely presented component units:

Tulsa Development Authority ("TDA") - A public authority created to finance urban renewal, rehabilitation and redevelopment. Commissioners of TDA are appointed by the Mayor and confirmed by the City Council. The City approves urban renewal plans.

Metropolitan Tulsa Transit Authority ("MTTA") - A public trust created to provide public transportation systems and facilities. The Mayor appoints trustees of MTTA. The City is the sole beneficiary and finances a significant portion of the annual operations. MTTA cannot incur indebtedness in excess of \$100 within a year without the City's approval.

Tulsa Industrial Authority ("TIA") - A public trust created to provide for the issuance of industrial development bonds upon approval by the City Council, and to lend the proceeds of such issuance to third party organizations. The bonds do not constitute debt of the City and are collateralized solely by the revenues of the borrowing organizations upon whose behalf the bonds are issued. The Mayor is an ex-officio trustee and seven additional trustees are appointed by the Mayor and confirmed by the City Council.

Tulsa Parking Authority ("TPA") - A public trust created by the City to construct and manage various parking facilities within the City. Trustees of TPA consist of the Mayor and four trustees who are appointed by the Mayor and confirmed by the City Council. The City provides certain resources to TPA. The City is the sole beneficiary of TPA and will receive the remaining assets of TPA upon termination.

Tulsa Performing Arts Center Trust ("TPACT") - A public trust created to assist the City in operating the Tulsa Performing Arts Center and to sponsor events promoting the use of the Tulsa Performing Arts Center. Trustees are appointed by the Mayor and confirmed by the City Council. The City is the sole beneficiary of the Trust.

Note 1. Summary of Significant Accounting Policies, continued

Tulsa International Airport Development Trust ("TIADT") - A public trust created to support the economic development of the area surrounding Tulsa International Airport. Five trustees are appointed by the Mayor and confirmed by the City Council, the remaining two trustees are appointed by the Tulsa County Commissioners. The City and Tulsa County are beneficiaries of the Trust.

Separate financial statements for the individual component units, except TIADT (which does not issue a stand-alone financial report) are available upon request to the Office of the Controller, 175 East 2nd Street, Suite 1570, Tulsa, OK 74103.

B. JOINT VENTURES AND RELATED ORGANIZATIONS

1. Joint Ventures

A joint venture is a legal entity or other organization that results from a contractual agreement and that is owned, operated, or governed by two or more participants as a separate and specific activity subject to their joint control and in which the participants retain (a) an ongoing financial interest or (b) an ongoing financial responsibility.

The City participates in the following joint ventures:

Emergency Medical Services Authority ("EMSA") - EMSA is a public trust created to provide emergency medical care and transportation and is governed by a ten-member board composed of five appointees from the City and five from other Oklahoma cities and towns. In accordance with the joint venture agreement, Tulsa and Oklahoma City are entitled to their respective share of annual operating income or loss. The City's equity interest in EMSA is \$9,854. Complete financial statements for EMSA can be obtained from EMSA's Chief Financial Officer, 1417 North Lansing, Tulsa, Oklahoma 74106.

River Parks Authority ("RPA") - The City is a participant with Tulsa County ("County") in a joint venture to operate and maintain a park along the Arkansas River. RPA, a public trust, was created for that purpose. The City and the County contribute to the annual operating budget of RPA. The Board of Trustees comprises seven members, three appointed by the City, three appointed by the County, and one by the Tulsa Metropolitan Area Planning Commission. The City and the County have no equity interest in the joint venture; therefore, no equity interest is reflected in the City's financial Statements. Complete financial statements for RPA can be obtained from the Executive Director, 2424 E. 21st St., Suite 300, Tulsa Oklahoma 74114.

Regional Metropolitan Utility Authority ("RMUA") - The City is a participant with the Cities of Broken Arrow, Jenks, Bixby, and Owasso, Oklahoma, to operate a sewage treatment facility. Only the City and the City of Broken Arrow, Oklahoma currently hold an equity interest in RMUA. The City contributes approximately one-half of the Authority's annual operating and capital budget, operates a facility for RMUA and leases the facility site to the Authority. The City appoints two of the ten trustees. The remaining trustees are appointed two each by the four other participating cities. RMUA's treatment plant provides services to the City of Tulsa and the City of Broken Arrow at approximately equal amounts. Upon termination of the trust, the net position will be distributed to the beneficiaries based upon their pro rata interest. The City's equity interest of \$27,704 is reported in TMUA's statement of net position. Complete financial statements for RMUA can be obtained from the Office of the Controller, 175 East 2nd Street, Suite 1570, Tulsa, OK 74103.

2. Related Organizations

The City's officials are also responsible for appointing the board members of other organizations; however, the City's accountability for those organizations does not extend beyond the making of appointments.

The following organizations are related organizations that are excluded from the reporting entity:

Tulsa Housing Authority ("THA") - Commissioners of the Authority are appointed by the Mayor, however, the City does not provide funding, has no obligation for the debt issued by THA and cannot impose its will.

City of Tulsa/Rogers County Port Authority ("TRCPA") - The City appoints six of the nine Board members of TRCPA. The City does not provide any funding to TRCPA.

Note 1. Summary of Significant Accounting Policies, continued

Tulsa City-County Health Department ("TCCHD") - The City appoints five of the nine TCCHD Board members. The City does not provide any funding to the TCCHD.

Tulsa City-County Library ("TCCL") - The Tulsa City-County Library Board is composed of eleven members, of which the City appoints six. The City does not provide any funding to the TCCL.

Tulsa Municipal Airport Trust ("TMAT") - The Mayor is an ex-officio trustee and the additional four trustees are approved by the City Council. The City does not provide any funding to TMAT and has no obligation for the debt issued by TMAT.

3. Jointly Governed Organizations

The following organizations are jointly governed organizations that are excluded from the City's reporting entity. These organizations are not a joint venture because the City does not retain an on-going financial interest or an on-going financial responsibility.

The City, in conjunction with the County and other municipalities, has created the following organizations:

Tulsa County Criminal Justice Authority ("TCCJA") --The TCCJA was created for the purpose of acquiring a site and constructing, furnishing, equipping, operating, maintaining, remodeling and repairing a county jail and other detention facilities owned or operated by the County. TCCJA is administered by a seven-person Board of Trustees comprising three Tulsa County Commissioners, the Mayor of the City of Tulsa ("ex-officio trustees"), and the mayors of three additional cities situated in whole or in part within the limits of Tulsa County. The City does not provide any funding to the TCCJA.

Tulsa County Vision 2025 Authority ("TCVA") – The TCVA was created for the purpose of determining the use of County sales tax receipts in excess of capital improvements costs generally known as Vision 2025 projects throughout Tulsa County. TCVA is administered by a seven-person Board of Trustees composed of three Tulsa County Commissioners, the Mayor of the City of Tulsa ("ex-officio trustees"), and the Mayors of three additional cities situated in whole or in part within the limits of Tulsa County. The City does not provide any funding to the TCVA.

C. GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS

Government-wide financial statements and fund financial statements categorize activities as either governmental activities or business-type activities. In the government-wide statement of net position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) are reflected, on a full accrual, economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The government-wide statement of activities reflects both the gross and net cost per functional category (public safety, public works, etc.), which are otherwise being supported by general government revenues (property taxes, sales and use taxes, certain intergovernmental revenues, etc.). The statement of activities reports gross expenses and related program revenues and operating and capital grants.

The program revenues must be directly associated with the function or a business-type activity. Program revenues include revenues from fines and forfeitures, licenses and permits fees, special assessment taxes, and charges for services. The operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants. The net costs (by function or business-type activity) are normally covered by general revenues (sales taxes, franchise taxes, property taxes, intergovernmental revenues, interest income, etc.).

This government-wide focus is more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

Certain types of non-current assets and liabilities are reported in the governmental activities column in the government-wide statement of net position that are not reflected in the governmental funds balance sheet.

Note 1. Summary of Significant Accounting Policies, continued

In the fund financial statements, the emphasis is on the major funds for both the governmental or business-type categories. Nonmajor funds (by category) or fund type are summarized into a single column.

The enterprise fund statements will match the business-type activity column presented in the government-wide statements, other than the internal balances from the allocation of a portion of the internal service funds to business-type activities.

The governmental funds financial statements are presented on a current financial resource and modified accrual basis of accounting. This presentation is deemed most appropriate to (a) demonstrate legal and covenant compliance, (b) demonstrate the source and use of liquid resources, and (c) demonstrate how the City's actual experience conforms to the budget or fiscal plan. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is presented either on the fund statement or on the page following each statement which briefly explains the adjustments necessary to transform the fund-based financial statements into the governmental column of the government-wide presentation.

Internal service funds of a government (which traditionally provide services primarily to other funds of the government) are presented as a separate column in the proprietary fund financial statements. Since the principal users of the internal services are the City's governmental activities, financial statements of internal service funds are consolidated into the governmental column when presented at the government-wide level. To the extent possible, the costs of these services are reflected in the appropriate functional activity (public safety, public works, etc.).

The City's fiduciary funds are presented in the fund financial statements by type (pension and agency). Since, by definition, these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the City, these funds are not incorporated into the government-wide statements.

D. BASIS OF PRESENTATION

The financial transactions of the City are recorded in individual funds. The various funds are reported by generic classification within the financial statements.

Major governmental and proprietary funds are determined based on relative size. Qualitative factors may provide influence in determining a fund be reported as major that would otherwise be classified as nonmajor. The General Fund is always considered major. Major discretely presented components are determined similarly, but no specific thresholds exist. Nonmajor funds are combined into a single column in the fund financial statements.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal on-going activity.

Operating expenses include cost of sales and service, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

1. Governmental Funds – The City reports the following major governmental funds:

General Fund is the general operating fund of the City. It is used to account for all financial resources except those accounted for in another fund.

Debt Service Fund accounts for the accumulation of resources for the payment of general long-term debt and judgments. The City levies annually an ad valorem tax restricted for the retirement of general obligation bonds and judgments along with their associated interest.

Bond Fund accounts for capital improvements that are financed by the City's general obligation bond issues, excluding those accounted for in proprietary funds (Capital projects fund).

Note 1. Summary of Significant Accounting Policies, continued

Sales Tax Fund accounts for those capital improvements that are financed by a one-cent sales tax (Capital projects fund).

Limited-Purpose Sales Tax Fund accounts for those capital improvements that are financed by the Vision sales tax and bond proceeds of the TPFA fund that provided advance funding for these projects (Capital projects fund).

2. Proprietary Funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred. The City reports the following proprietary funds:

Enterprise Funds are used to report activities for which a fee is charged to external users for goods and services. In the entity-wide financial statements, these enterprise funds are combined into a single, aggregated presentation as business-type activities. The City reports the following major enterprise funds:

Stormwater Management Fund accounts for a special stormwater utility fee and other revenue dedicated to improving the City's stormwater drainage system.

One Technology Center Fund, a blended TPFA fund, accounts for the operation of the One Technology Center ("OTC"), a 15-story building in downtown Tulsa containing approximately 630,000 square feet of commercial office space. The building is occupied by the City of Tulsa and other commercial tenants.

Arena and Convention Centers Fund, a blended TPFA fund, accounts for the operation of the Arena and Convention Center; both are sports and entertainment facilities in downtown Tulsa.

Tulsa Stadium Trust, a blended component unit, created to acquire, construct, own, operate and maintain a baseball stadium in downtown Tulsa and related amenities and facilities, and to incur indebtedness.

Internal Service Funds accounts for employee health benefits, risk management services, vehicle and equipment services, print services and financing.

Employee Insurance Fund accounts for the collection and payment of health, dental, life and long-term disability insurance premiums and administrative expenses.

Workers' Compensation Fund accounts for workers' compensation medical claims and administrative expenses.

Equipment Management Fund accounts for the maintenance and repair of licensed motor vehicles and fees charged to other departments.

Office Services Fund accounts for office supplies and reproduction services and fees charged to user departments.

Tulsa Public Facilities Authority issues debt and the proceeds may be loaned to the City or to other component units.

3. Fiduciary Funds – The pension trust fund accounts for the general municipal employees' retirement trust. The agency fund accounts for monies held on behalf of others.

Pension Trust Fund accounts for the activities of the Municipal Employees Retirement Plan (MERP), which accumulates resources for pension benefit payments to qualified retirees. MERP is a cost-sharing multiple-employer defined benefit pension trust.

Agency Funds account for resources held by the City in a purely custodial capacity (assets equal liabilities) and include Municipal Court Bonds, Escrow Fund, Police Property Room, Payroll Withholdings, Unclaimed Property and PAC Ticket Office Escrow.

Note 1. Summary of Significant Accounting Policies, continued

E. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements and the proprietary, fiduciary and component unit fund financial statements are presented on an accrual basis of accounting. The governmental funds in the fund financial statements are presented on a modified accrual basis.

Accrual – Revenues are recognized when earned and expenses are recognized when incurred.

Modified Accrual – All governmental funds are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Measurable" means the amount of the transaction can be determined. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

The City defined the length of time used for "available" for purposes of revenue recognition in the governmental fund financial statements to be 60 days.

Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are long-term liabilities and related interest, if any, are recognized when due.

In applying the "susceptible to accrual" concept to intergovernmental revenues the provider should recognize liabilities and expenses and the recipient should recognize receivables and revenue when the applicable eligibility requirements, including time requirements, are met.

Resources transmitted before the eligibility requirements are met should, under most circumstances, be reported as advances by the provider and as unearned revenue by the recipient.

Fair Value Measurements – Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value is a market-based measurement, not an entity-specific measurement. For some assets and liabilities, observable market transactions or market information might be available; for others, it might not be available. However, the objective of a fair value measurement in both cases is the same - that is, to determine the price at which an orderly transaction to sell the asset or to transfer the liability would take place between the market participants at the measurement date under current market conditions. Fair value is an exit price at the measurement date from the perspective of a market participant that controls the asset or is obligated for the liability.

F. ASSETS, LIABILITIES AND NET POSITION

1. Cash and Cash Equivalents

The City Charter requires all cash belonging to the City to be placed in the custody of the City Treasurer. Certain component units participate in the City's pooled cash for non-restricted cash and investments. A "Pooled Cash" concept is used in maintaining the cash and investment accounts in the accounting records. Under this method, all cash is pooled for investment purposes and each fund and participating component unit have equity in the pooled amount.

All amounts included in the pooled cash and investment accounts are reported as cash and cash equivalents in the fund financial statements because the City and participating component units can withdraw cash at any time without prior notice or penalty. In the government-wide financial statements, the pooled cash and investment accounts are reported as cash, cash equivalents and investments.

Note 1. Summary of Significant Accounting Policies, continued

For purposes of the statement of cash flows, the City, considers cash and cash equivalents (including restricted cash and cash equivalents) to be currency on hand, demand deposits with banks, amounts included in pooled cash and investment accounts and liquid investments held outside the pooled fund with a maturity of three months or less when purchased.

2. Investments

Certain investments are stated at fair value. The change in the fair value of investments is as follows:

Governmental Activities	\$	5,908
Business Type Activities		330
Net Increase in Fair Value	\$	<u>6,238</u>

3. Accounts Receivable, Taxes Receivable and Notes Receivable

Accounts receivable and taxes receivable are shown at net realizable value. The allowance for general government accounts receivable is derived from the age of the individual receivable with age categories ranging from 30 days past due to three years past due. Uncollectible percentages by revenue category are derived using historical write-off experience and range from 1% to 62%, as well as consideration of current expectations and economic considerations. In the current year \$506 of accounts receivable were written-off.

The allowance for utility services accounts receivable reported in the component units and enterprise funds is derived from the age of the individual receivable. An allowance is established at one-half of the active accounts over 90 days from date of billing plus 100% of the closed accounts over 90 days from date of billing, based on historical experience as well as current expectations.

Notes receivable represent loans made to developers by TDA to promote economic vitality. These notes are fully collateralized by the mortgages on the properties or an irrevocable letter of credit.

4. Inventories

Parts and supplies inventories - are stated at cost (specific identification or first-in, first-out basis), which is not in excess of market. Inventories consist primarily of materials and supplies held for consumption. The cost is recorded as an expense at the time individual inventory items are used.

Land held for resale - Land acquired for rehabilitation and held for resale by the City is recorded at the lower of cost or net realizable value (specific identification basis). The cost of land acquired and held for resale by the City at year end amounted to \$1,657 and was carried at the lower of cost or net realizable value of \$1,657. \$38 of the land is considered current and included in inventories on the Statement of Net Position and is also reported in the governmental funds as it is considered a current financial resource. The remaining \$1,619 is noncurrent.

5. Internal Balances

Amounts reported in the fund financial statements as interfund receivables and payables are eliminated in the entity-wide governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances. Within the governmental fund financial statements, advances to other funds are equally offset by a Non-spendable fund balance that indicates they do not constitute available spendable resources.

Due To/Due From – Amounts which are due within one year and owed to one fund or component unit by another are reported as due to other funds or component units.

Advances To/From Other Funds – Amounts which are not due within one year and owed to one fund or component unit by another are reported as advances to/from other funds or component units.

Note 1. Summary of Significant Accounting Policies, continued

6. Laboratory Facility Use Lease

The City is a party to an agreement with the Oklahoma Board of Regents for Higher Education whereby the City leases from the Oklahoma Board of Regents for Higher Education office and laboratory facilities for a term of 50 years. The lease terms call for the City to pay a proportionate share of the design and construction costs of the facility and, in turn, the City has the right to use the facilities until the expiration of the lease on June 30, 2058. The lease costs are amortized over the life of the lease. The lease with a carrying value of \$12,986, net of amortization, is reflected in other assets on the Government-wide Statement of Net Position.

7. Capital Assets

Capital assets purchased or acquired are carried at historical cost or estimated historical cost. Contributed assets are recorded at acquisition value as of the date of the contribution.

Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized whereas costs incurred for repairs and maintenance are expensed as incurred.

Depreciation or amortization of capital assets is calculated using the straight-line basis over the following estimated useful lives:

	Estimated Service Life	Capitalization Threshold
Buildings	20-50 years	\$ 5
Land improvements	20-30 years	5
Equipment	2-50 years	5
Water & sewer lines	33-100 years	5
Intangible assets	Indefinite	5
Streets	25 years	100
Bridges	50 years	100

The City owns a collection of art housed in the Gilcrease Museum. The collection is not capitalized because it meets all the following conditions:

- The collection is held for reasons other than financial gain.
- The collection is protected, kept unencumbered, cared for, and preserved.
- The collection is subject to an organizational policy requiring that the proceeds from sales of collection items be used to acquire other items for collections.

8. Privately Funded Public Improvements

Watermain Extension Contracts - TMUA contracts with various developers for the construction of watermains to provide water service to areas under development. Upon completion, the new watermains become an extension of the City's existing water distribution system. The contract with the developers provides that the developers initially pay for all construction costs. Repayments to the developers are generally limited to 40% of the collected revenues generated by the respective watermain extension, not to exceed the total cost as defined in the contract.

The contracts are payable over a ten-year period, and are non-interest bearing. TMUA has no liability after the ten-year period if the respective revenues generated are insufficient to cover the developers' costs. Historically, revenues generated within the ten-year period have been sufficient to permit recovery of the total costs incurred for the respective watermain extensions.

The liability for watermain extension contracts is \$84 as of year-end. Annual payments of \$84 are due in accordance with these contracts.

Water and Sewer Line Extensions – Contributions from area developers to TMUA during the year totaled \$10,156.

Note 1. Summary of Significant Accounting Policies, continued

9. Restricted Assets

Certain debt proceeds as well as certain resources set aside for their repayment, are classified as restricted assets in the statements of net position because their use is limited by applicable bond covenants.

Stormwater fees in lieu of detention are paid by developers in lieu of constructing on-site detention facilities. The in lieu fees are collected and spent on a regional basis as a more effective method of stormwater management. These funds are restricted because their use is restricted by City Ordinance to stormwater drainage basin improvements.

10. Bond Premiums and Discounts

In the governmental funds, bond premiums and discounts are treated as other financing sources or uses in the year of issuance.

In proprietary funds, bond premiums and discounts are capitalized and amortized over the term of the bonds using the effective interest method. Bond premiums and discounts are presented as additions or reductions of the face amount of the revenue bonds payable.

As part of the reconciliation and presentation at the government-wide level premiums and discounts in the governmental funds are adjusted and reflected similarly to proprietary funds.

11. Encumbrances – Budgetary Statements

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the funds.

Other commitments include encumbrances that have been established for future planned expenditures where the purpose is known but a specific contract with a vendor has not yet been finalized.

12. Fund Balances

Fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The categories and their purposes are:

- Nonspendable fund balance – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.
- Restricted fund balance – The portion of fund balance which is constrained for specific purposes which are externally imposed by bond covenants, grants, providers, or amounts constrained due to constitutional provisions or enabling legislation.
- Committed fund balance – The committed portion of fund balance can only be used for the specific purposes imposed by ordinance. An ordinance is formal action of the City's highest level of decision-making authority, which is enacted by a majority vote of the City Council and approved by the Mayor. Once adopted, the commitment remains in place until a similar action is taken to modify or rescind the commitment.
- Assigned fund balance – The assigned portion of fund balance is constrained by the City's intent to use for specific purposes but are neither restricted nor committed. Assigned fund balance includes resources that will be used to liquidate encumbrances related to purchase orders and contracts payable from assigned resources. The ordinance containing the annual budget, approved by City Council and the Mayor, includes the authority to carryover encumbered amounts from prior year appropriations.

Note 1. Summary of Significant Accounting Policies, continued

- **Unassigned fund balance** – The unassigned portion of fund balance is not otherwise restricted, committed, or assigned to specific purposes. The General Fund is the only fund that reports a positive unassigned fund balance. In other governmental funds, if expenditures incurred for a specific purpose exceed the amounts restricted, committed, or assigned to those purposes, they may report a negative unassigned fund balance.

Spending Policy of Governmental Funds - The City receives inflows from revenue and other financing sources from numerous sources for use in the General Fund and other governmental funds. These Funds will expend those resources on multiple purposes of the local government. The intention of this spending policy is to identify the expenditure order of resource categories for the governmental funds.

When both restricted and unrestricted resources are available in the governmental funds, the following spending policy will apply:

- 1st - Restricted
- 2nd - Committed
- 3rd - Assigned
- 4th - Unassigned

Minimum Fund Balance Policy – The City has a minimum fund balance policy which applies to the General Fund, where by an operating reserve is set and maintained at 6.39% of General Fund revenues. This operating reserve is set forth in the ordinance adopting the City's annual budget.

13. Net Position

In the government-wide and proprietary fund financial statements, equity (Net Position) is displayed in three components as follows:

- *Net Investment in Capital Assets* – This consists of capital assets, net of accumulated depreciation plus deferred inflows/outflows of resources less the outstanding balances of any bonds, notes, or other borrowings attributable to the acquisition, construction, or improvement of those assets.
- *Restricted* – This consists of net position that is legally restricted by outside parties or by law through constitutional provisions or enabling legislation. Net position restricted by enabling legislation is \$320,846. When both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.
- *Unrestricted* – This consists of net position that does not meet the definition of "restricted" or "net investment in capital assets."

14. Stabilization Arrangement

The City Charter established a stabilization arrangement. This stabilization arrangement provides that if the City Treasurer projects that total General Fund revenues for the upcoming budget year will exceed the total General Fund revenues for the current budget year by more than four percent (4%), the budget submitted by the Mayor and approved by the City Council shall allocate fifty percent (50%) of the excess General Fund revenues to the Economic Stabilization Reserve.

If the City Treasurer projects that total General Fund revenues for the upcoming budget year will either (a) be less than the current budget year's total General Fund revenues, or (b) be less than the highest of any other previous year's total General Fund revenues, the budget submitted by the Mayor and approved by the Council may appropriate up to fifty percent (50%) of the current balance in the Economic Stabilization Reserve, but no more than the shortfall in total General Fund revenues as determined above, to be used for any lawful municipal purpose in the upcoming budget year.

Note 1. Summary of Significant Accounting Policies, continued

For purposes of calculating any shortfall:

1. If the trigger for withdrawal from the Economic Stabilization Reserve is not met in the current budget year, the City Treasurer shall calculate the shortfall for the upcoming budget year by subtracting the total projected General Fund revenues for the upcoming budget year from the total projected General Fund revenues for the current budget year.
2. If the trigger for withdrawal from the Economic Stabilization Reserve is met in the current budget year, the shortfall shall be calculated by subtracting the total projected General Fund revenues for the upcoming budget year from the highest of any previous year's total General Fund revenues.

The balance in the Economic Stabilization Reserve is \$2,000.

G. DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

Deferred outflows of resources - In addition to assets, the statement of net position reports in a separate section, deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City reports three items in this category. The first is for pension items related to the recording of the net pension liability. The second item is OPEB items related to the recording of the total OPEB liability. The third is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

Deferred inflows of resources - In addition to liabilities, the financial statements include a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position in government-wide financial statements and an acquisition of fund balance in governmental funds, that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The City reports four types of unavailable revenue items, which arise under a modified accrual basis of accounting and qualify for reporting as deferred inflows. Accordingly, these items are reported in the governmental funds' balance sheet.

The governmental funds report unavailable revenues from property taxes, special assessments, federal and/or state grant revenues and other account receivables. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

In the City's government-wide statements only the property tax revenues remain as a deferred inflow under the full accrual basis of accounting and will become an inflow in the year for which they are levied. The government-wide Statement of Net Position reports three additional deferred inflows not reported under the modified accrual basis. First is for pension items related to the recording of the net pension liability. The second item is for OPEB items related to the recording of the total OPEB liability. The third item, deferred gain on refunding, results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is deferred and amortized over the life of the refunded or refunding debt.

H. REVENUES, EXPENSES AND EXPENDITURES

Identification of Major Revenue Sources Susceptible to Accrual - In the Governmental Funds, property taxes, sales and use taxes, franchise taxes, hotel/motel tax, intergovernmental grants, reimbursements, charges for services and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable only when the government receives cash.

Expenditures are recognized when the related fund liability is incurred except for the following, which are permitted by generally accepted accounting principles:

Note 1. Summary of Significant Accounting Policies, continued

General obligation long-term debt principal and interest, judgments, compensated absences, pension and other benefits, and other long-term liabilities are reported only when due in the governmental funds.

1. Sales Tax Revenue

The City levies a 3.65% sales tax which is collected monthly by the State of Oklahoma and remitted to the City. The General Fund receives 2% for operations, 1.10% is placed into Sales Tax Funds and is restricted for capital improvements, 0.305% is placed into the Limited Purpose Sales Tax Fund and is restricted for debt service on indebtedness issued for capital projects, 0.16% is placed into a Special Revenue fund and is restricted for public safety use, and 0.085% is placed into a Special Revenue fund and is restricted for street maintenance and public transportation. The tax is collected by the merchants and remitted to the State. The City receives its tax receipts from the State by the 10th of each month. Vendors owing an average of \$2.5 or more per month to the State are required to remit actual taxes collected plus an estimate of tax collections for the first 15 days of the following month with remittance due by the 20th of that same month. All other vendors are required to remit the actual amount collected (without any estimated tax collections) by the 20th of the following month.

Sales tax revenue is recognized in the period when the underlying exchange transaction occurred, and the resources are available.

2. Property Tax Revenue

Oklahoma statutes require that the City make a property tax levy for a sinking fund (Debt Service Fund) which shall, with cash and investments in the fund, be sufficient to pay all the bonded indebtedness, interest and one-third of all outstanding judgments coming due in the following fiscal year.

On or before August 27th of each year, the City submits its sinking fund requirements to the County Excise Board who determines the property tax levy. The County Assessor is required to file a tax roll report on or before October 1st each year with the County Treasurer indicating the net assessed valuation for all real and public service property.

The Oklahoma Tax Commission determines property assessed valuations for railroad, air carrier, and public service corporations. All other property assessed valuations are determined by the applicable county. The assessment ratio in Tulsa County averages 11% of market value. Property tax is levied each October 1st on the assessed valuation of non-exempt real property located in the City as of the preceding January 1st, the lien date. Property taxes are due on November 1st following the levy date, although they may be paid in two equal installments (if the first installment is paid prior to January 1st, the second installment is not delinquent until April 1st). Property taxes are collected by the County Treasurers of Tulsa, Wagoner and Osage Counties, Oklahoma, and are remitted to the City. Property tax receivables are recorded on the lien date, although the related revenue is reported as a deferred inflow of resources and will not be recognized as revenue until the year for which it is levied.

3. Arena Revenues – Naming Rights, Sponsorships

Revenues derived from naming rights and sponsorships are recognized over the life of the agreement, generally 3 to 20 years. Unearned revenue is recorded for amounts received to the extent they exceed amounts earned. Naming rights and sponsorship revenue of \$1,538 has been recognized in the current year.

4. Grant Revenue

The City is a recipient of grant revenues and recognizes revenues, net of estimated uncollectible amounts, when all applicable eligibility requirements are met. Resources received before eligibility requirements are met are reported as unearned revenues.

Some grants and contributions consist of capital assets or resources that are restricted for capital purposes – to purchase, construct, or renovate capital assets associated with a specific program. These are reported separately from grants and contributions that may be used either for operating expenses or for capital expenditures of the program at the discretion of the City.

Note 1. Summary of Significant Accounting Policies, continued

5. Commercial Lease Revenue

TPFA owns a building in downtown Tulsa known as the One Technology Center. The building contains approximately 630,000 square feet of office space. The City leases approximately 259,000 square feet and 371,000 square feet is available for commercial leasing. Approximately 153,000 square feet of space is leased under a capital lease through 2029. Lease revenue recognized in the current year from private business leasing was \$3,297.

6. Investment Income

Investment income from pooled cash and investments is allocated monthly based on the percentage of a fund's average daily equity in pooled cash and investments to the total average daily pooled equity in pooled cash and investments. Investment earnings and losses from the special revenue, agency, debt service, and bond funds are reported net investment earnings of the general fund. The amount allocated in the current year was income of \$7,524.

7. Unearned Revenue

Unearned revenue represents payments and/or revenue received but not yet recognized since it has not been earned. Unearned revenue is composed primarily of money received for sponsorships and Federal and/or State grants in advance of services to be provided.

8. Interfund Transactions

Interfund transactions are loans, services provided, reimbursements or transfers. Loans are reported as receivables and payables as appropriate and are subject to elimination upon consolidation. Services, deemed to be reasonably equivalent in value, are reported as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are reported as transfers. Transfers within governmental activities or within business-type activities are eliminated upon consolidation in the government-wide statements.

9. Payments Between the Primary Government and Component Units

Resource flows (except those that affect the statement of net position/balance sheet only, such as loans and repayments) between a primary government and its discretely presented component units are reported as external transactions—that is, as revenues and expenses. Resource flows between the primary government and blended component units are classified as internal activity and capital contributions in the financial statements.

Payments to component units are primarily subsidized funding for capital construction projects financed with sales tax revenues for the benefit of the component units. In addition, the City pays an operating subsidy to MTTA for bus and other transportation services.

The General Fund receives payments in lieu of taxes from TMUA and TARE and reports these payments as revenue. These amounts are not reasonably equivalent in value to the services provided. TMUA and TARE report these payments as expenses in their statement of activities.

Note 1. Summary of Significant Accounting Policies, continued

Below is a summary of significant transactions between the Primary Government and discretely presented component units:

Payment	From	To	Purpose
\$ 7,489	General Fund	MTTA	Operating subsidy
390	Vision Transportation Sales Tax Fund	MTTA	Operating subsidy
571	Sales Tax Fund	TMUA	For capital acquisitions
2,644	Sales Tax Fund	MTTA	For capital acquisitions
738	Economic Development Fund	TPACT	Operating subsidy
150	Economic Development Fund	TPACT	For capital acquisitions
1,525	City, various funds	TMUA	Utility services
211	City, various funds	TARE	Refuse services
14,101	TMUA	General Fund	Payments in lieu of taxes
1,636	TARE	General Fund	Payments in lieu of taxes
1,467	TDA	City	Capital contributions
5,792	TMUA	General Fund	Indirect costs
4,044	TMUA	Equipment Management	Equipment maintenance
1,503	TARE	General Fund	Indirect costs
684	TARE	Equipment Management	Equipment maintenance
233	TPA	General Fund	Contracting services
1,871	TAIT	General Fund	Fire support services

10. Compensated Absences

Vacation and sick leave are granted to all regular and part-time employees. The City's policy permits employees to accumulate earned but unused vacation and sick benefits. The annual amount of vacation time accrued varies from 14 to 26 days depending upon years of service. The maximum amount of vacation time that may be accumulated is twice the amount which may be earned in one calendar year. The liability for sick leave consists of unpaid, accumulated annual and sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive separation payments and other employees who are expected to become eligible in the future to receive such payments upon separation are included. The liability for such leave is reported as incurred in the government-wide and proprietary fund financial statements. A liability for those amounts is recorded in the governmental funds only if the liability has matured as a result of employee resignations or retirements.

11. Post-Employment Benefits

Postemployment benefits are part of an exchange of salaries and benefits for employee services rendered. Of the total benefits offered to attract and retain qualified employees, some benefits, including salaries and active-employee healthcare, are taken while the employees are in active service, whereas other benefits, including retirement and postemployment healthcare, are taken after the employees' services have ended. Nevertheless, both types of benefits constitute compensation for employee services. Pension and other postemployment benefit costs are accounted for on an accrual basis in the government-wide and proprietary fund financial statements, charging expenses in the period incurred, with a corresponding liability for benefits to be paid in future periods along with deferred outflows of resources and deferred inflows of resources for pension and OPEB.

12. Operating Subsidies and Grants

Subsidies and grants to proprietary funds, which finance either capital or current operations, are recorded as transfers.

Note 1. Summary of Significant Accounting Policies, continued

13. Judgments

Judgments (tort and workers' compensation liabilities) rendered against the City are funded through subsequent property tax levies over a three-year period beginning with the first year following the judgment. These judgments are reported in the debt service fund.

During the intervening time period from the time the judgment is rendered until the judgment is ultimately funded by the debt service fund, the City is permitted by state statutes to use funds available from a fund other than the debt service fund to pay the judgment creditor in full and effectively acquire in exchange, the judgment creditor's rights to the future cash flows and interest earnings on those cash flows.

Under state statutes, three conditions must be met related to the judgments for the City to invest in its judgments:

1. A judgment is rendered,
2. By a court of record and,
3. The judgment is against the City

Under the City's investment policy, the City uses available funds from its pooled cash and investments portfolio to purchase judgments as investments, just as it purchases treasury instruments and other permissible investments within its cash and investments portfolio. Accordingly, the City does not record interfund activity related to the above transactions.

I. USE OF ESTIMATES

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying footnotes. Actual results could differ from those estimates.

Note 2. Stewardship, Compliance and Accountability

1. Net Position/Fund Balance Deficit

One Technology Center – This enterprise fund has a deficit net position of \$4,490 resulting from operating income levels insufficient to cover costs. It is the City's intent to secure additional revenues and manage expenses to eliminate the deficit.

Vision 2025 Capital Projects Fund – This nonmajor capital projects fund has a deficit fund balance of \$748. The City will identify other funds that can be appropriately assigned to eliminate the deficit.

Office Services fund - This internal service fund has a deficit fund balance of \$3. The City will continue to set fees in amounts sufficient to fund current expenditures to eliminate the deficit.

2. Tax Abatements

The City of Tulsa provides tax abatements under two economic development programs: Tax Incentive District Number One and the Retail Incentives Policy.

The Tax Incentive District Number One provides ad valorem tax abatements to promote development within an enterprise zone in downtown Tulsa. The tax abatement was established to encourage the development, renovation and redevelopment of residential, both single-family and multiple-unit dwellings, as well as commercial retail space and hotels. The Program is established in conformity with the provisions of the State's Local Development Act and under the auspices of City Ordinance 18058, as amended by City Ordinance 19168, which authorized the creation of Tax Incentive District Number One for the City of Tulsa. The abatements up to 100 percent of the additional property tax resulting from the increase in assessed value as a result of the improvements, are administered as a reduction in the tax bill, and last for up to 6 years (or fewer, if the property is sold).

The City then participates in the ad valorem tax abatement of 15.8%. Abatements are obtained through application by the property owner prior to commencing the improvements and require subsequent provision by the owner of proof that the improvements have been made. Because taxes are not abated until after the improvements have been made, there are no provisions for recapturing abated taxes. The property owner has three years from the date of City Council adoption of the agreement to qualify for the tax exemption, otherwise the agreement immediately terminates. No other commitments were made by the City as part of those agreements. For the fiscal year ended June 30, 2019, the City had twelve active agreements which resulted in a total tax abatement of \$137 and four other agreements which are currently under construction and will not result in tax abatements until such time that the project is complete and the ad valorem taxes are determined by the Tulsa County Tax Assessor.

The Retail Incentives Policy offers individual incentive packages to attract new businesses to the City. The City granted two current abatements to two major business that allow for the Owners to apply for a refund of sales taxes to reimburse their actual costs for construction of certain public infrastructure features that are ancillary to newly constructed facilities. The maximum sales tax abatement is the equivalent of 30 percent from every two cents (\$0.02) of the sales tax revenue stream dedicated by City Ordinance to general operations that the City receives in Sales Tax Revenue attributable to sales at the Owner's facility up to a maximum reimbursement amount per the agreement, regardless of the Owner's actual costs of the public improvements.

Note 2. Stewardship, Compliance and Accountability, continued

For the fiscal year ended June 30, 2019, the City abated sales taxes totaling \$928 under this program, including the following tax abatement agreements which are the percentage the City considers to be material for purposes of individual disclosure:

Project Name	Purpose	Percent Abated	Amount Abated
Costco Wholesale Corporation	To construct a public storm water line and public sanitary sewer line in connection with the acquisition and development of property for the operation and maintenance of a wholesale and retail general merchandise facility with a total investment by the Owner of approximately \$19,000.	30% from every two cents (\$0.02) of the sales tax revenue stream up to a maximum reimbursement of \$2,000.	\$ 511
Walk at Tulsa Hills	To develop certain real property near the Tulsa Hills shopping center for the operation and maintenance of a retail, dining, and entertainment complex, with parking and other improvements totaling an estimated \$32,500, with an additional estimated \$8,000 in tenant improvements.	25% from every two cents (\$0.02) of the sales tax revenue stream up to a maximum annual abatement amount of \$250 and a total not to exceed abatement of \$1,200.	\$ 417
Crossing Oaks Investments, LLC	To develop certain real property near the Woodland Hills Mall shopping center for the operation and maintenance of a retail grocery store and other retail complex, with parking and other improvements totaling an estimated \$27,000.	20% from every two cents (\$0.02) of the sales tax revenue stream not to exceed abatement of \$583.	\$ -

Note 3. Deposits and Investments

Custodial Credit Risk—City of Tulsa Policy:

Deposits - The City's investment policy requires that demand deposits be collateralized at least by 110% of the amount that is not federally insured. An irrevocable letter of credit issued to the City, by the Federal Home Loan Bank of Topeka (FHLB), serves as collateral for the City's cash deposits.

Securities pledged as collateral are held by a third party. Joint custody safekeeping receipts are held in the name of the depository institution but pledged to the City. The security cannot be released, substituted or sold without the City's approval and release of the security.

Certificates of deposit are, according to the City's investment policy, to be collateralized at least by 102% of the amount that is not federally insured. As of June 30, 2019, the City had no deposits exposed to custodial credit risk.

Investments - The City's investment policy requires that securities be registered in the name of the City. This excludes MERP, which has its own investment policy, and credit risk disclosures. All safekeeping receipts for investment instruments are held in accounts in the City's name and all securities are registered in the City's name.

State statutes and City ordinances govern the City's investment policies. Permissible investments include direct obligations of the U.S. Government and agency securities, municipal bonds, money market funds, certificates of deposit and savings accounts, repurchase agreements, judgments, and bank or guaranteed investment contracts. Collateral is required for demand deposits, certificates of deposit and repurchase agreements at 102% of all amounts not covered by federal deposit insurance. Obligations that may be pledged as collateral are obligations of the United States and its agencies and obligations of the State and its subdivisions.

Interest Rate Risk - Investments are made based upon prevailing market conditions at the time of the transaction with the intent to hold the instrument until maturity. If the yield of the portfolio can be improved upon by the sale of an investment, prior to its maturity, with the reinvestment of the proceeds, then this provision is also allowed.

In accordance with its investment policy, the City manages its interest rate risk by limiting the weighted average maturity of its investment portfolio to three (3) years or less. No security, at the time of purchase, shall have a maturity exceeding five (5) years, with the exception that GNMA mortgage backed pass-through securities, as a group shall, at time of purchase, have an average life not to exceed five (5) years.

Credit Risk - The City's investment policy prohibits purchasing any investments rated below AA at the time of purchase.

Concentration of Credit Risk - While the City may choose to maintain one-hundred percent (100%) of its investment portfolio in U. S. Treasury bills, notes, and bonds, at no time will the portfolio be composed of more than seventy percent (70%) related federal agencies. The agencies in which the City invests are outlined in Section 7.0 of the City's investment policy. The policy requires diversification among authorized investment broker/dealers, with not more than fifty percent (50%) of the City's investment portfolio invested through any one financial institution or broker/dealer.

Investment Policy - Repurchase agreements under 14 days are limited to thirty percent (30%) of the investment portfolio. Money market funds, collateralized repurchase agreements over 14 days, certificates of deposit and demand deposits are all limited to not exceed twenty percent (20%) of the investment portfolio. Prime bankers acceptances are limited to five percent (5%) of the investment portfolio.

The City invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the investment amounts reported in the accompanying financial statements of the City and its component units.

Note 3. Deposits and Investments, continued

Fair Value Measurements – The City categorizes its assets and liabilities measured at fair value within the hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.

- Level 1 inputs are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- Level 2 inputs are observable inputs other than quoted prices within Level 1. The observable inputs, either directly or indirectly, include prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data from third-party pricing agencies for substantially the full term of the asset or liabilities.
- Level 3 inputs are unobservable inputs for an asset or liability.

Hierarchy – The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest to Level 3 inputs.

Inputs – If the fair value of an asset or a liability is measured using inputs from more than one level of the fair value hierarchy, the measurement is considered to be based on the lowest priority level input that is significant to the entire measurement.

Information regarding the interest rate risk and concentrations of credit risk of the City’s pooled and non-pooled investments, any credit ratings by Moody’s Investors Service and Standard & Poor’s, as well as fair value measurements, are as follows:

Pooled Portfolio Investments:

Investments:	Carrying Value	Weighted Average Maturity (years)	Concentration	Moody's	S & P	Fair Value Measurement
Investments measured by fair value levels:						
U.S. Treasury securities	\$ 147,949	1.22	n/a	n/a	n/a	Level 1
Federal Farm Credit Bank securities	131,508	1.91	17.0%	Aaa	AA	Level 2
Federal Home Loan Bank securities	149,059	1.71	19.3%	Aaa	AA+	Level 2
Federal Home Loan Mortgage Corporation securities	157,346	2.33	20.3%	Aaa	AA	Level 2
Federal National Mortgage Association securities	103,870	1.63	13.4%	Aaa	AA	Level 2
Municipal obligations	19,610	0.57	2.5%	AAA	Aaa	Level 2
Municipal obligations	3,323	0.50	0.4%	Aaa	n/a	Level 2
Municipal obligations	4,352	1.00	0.6%	Aa	AA	Level 2
Municipal obligations	7,010	3.61	0.9%	n/a	n/a	
	724,027					
Investments measured at NAV:						
Money market mutual funds	45,000	0.09	5.80%	Aaa	AA	
Investments measured at amortized cost:						
Property tax judgments	4,521	1.27	0.6%	--	--	N/A
	\$ 773,548	1.65				

Pooled Portfolio Investments reported in:

Governmental activities	\$ 528,563
Business-type activities	32,546
Fiduciary funds	5,751
Component units	204,880
Organizations not in reporting entity	1,808
	\$ 773,548

Note 3. Deposits and Investments, continued

Non- Pooled Investments – Primary Government:

The City had no non-pooled investments at June 30, 2019.

Non- Pooled Investments – Fiduciary Funds:

The Municipal Employees Retirement Plan (“MERP”) investment policy’s objective is to balance risk and expected return. MERP’s policy deems the following asset classes as appropriate: domestic equities, international equities, fixed income, real estate, timber, commodities and cash equivalents.

Custodial Credit Risk. Custodial credit risk is the risk that, in the event of the failure of the counterparty, MERP will not be able to recover the value of its investments that are in the possession of the counterparty. Investment securities are exposed to custodial credit risk if they are both uninsured and are not registered in the name of the MERP and are held by the counterparty or the counterparty’s trust department but not in the name of MERP. MERP does not have a policy for custodial credit risk. MERP has no exposure to custodial credit risk because all of MERP’s investments that are evidenced by securities are registered in MERP’s name.

Credit Risk. Fixed income securities are subject to credit risk. Credit quality rating is one method of assessing the ability of the issuer to meet its obligation. MERP’s investment policy requires that at the time of purchase all fixed income portfolios are to be invested primarily in high quality securities but also allows up to 10% of the portfolio to be invested in below grade securities rated lower than BBB- (by Standard & Poor’s and Fitch) or BBB3 (by Moody’s) and emerging markets bonds.

The credit ratings of debt securities held by MERP are as follows:

Investment Type	Rated				Not Rated or	
	Standard & Poors/Moody’s				Rating Not	
	AAA/Aaa	AA/Aa	A/A	BBB/Baa	Available	Total
U.S. agency obligations	\$ 5,263	\$ -	\$ -	\$ -	\$ -	\$ 5,263
Government mortgage backed securities	9,058	-	-	-	-	9,058
Corporate bonds	-	250	660	790	161	1,861
Asset backed securities	1,961	452	-	206	286	2,905
Commercial mortgage backed securities	781	403	-	-	533	1,717
Foreign obligations	-	296	1,630	1,767	-	3,693
Domestic fixed income mutual funds ⁽¹⁾	-	-	-	-	27,293	27,293
Foreign fixed income mutual funds ⁽¹⁾	-	-	-	-	30,763	30,763
	<u>\$ 17,063</u>	<u>\$ 1,401</u>	<u>\$ 2,290</u>	<u>\$ 2,763</u>	<u>\$ 59,036</u>	<u>\$ 82,553</u>

(1)- Commingled funds. Management believes the underlying investments of the commingled funds meet the requirements of the investment policy.

Custodial Credit Risk. Custodial credit risk is the risk that, in the event of the failure of the counterparty, MERP will not be able to recover the value of its investments that are in the possession of the counterparty. Investment securities are exposed to custodial credit risk if they are both uninsured and are not registered in the name of the MERP and are held by the counterparty or the counterparty’s trust department but not in the name of MERP. MERP does not have a policy for custodial credit risk. MERP has no exposure to custodial credit risk because all of MERP’s investments that are evidenced by securities are registered in MERP’s name.

Concentration of Credit Risk. MERP’s investment guidelines do not specifically address concentration of credit risk. The asset allocation guidelines for fixed income investments at June 30, 2019 were 24% strategic with a lower limit of 20% and an upper limit of 28%.

Note 3. Deposits and Investments, continued

Interest Rate Risk. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. While all investments are subject to market changes, securities invested in index funds are more sensitive to market risk. Although MERP's investment policy does not specifically address the duration of fixed-income securities, MERP's management does monitor interest rate risk by monitoring the performance of each investment manager.

Foreign Currency Risk. MERP'S policy is to invest in International Equities at a strategic asset allocation of 24% with a lower limit of 20% and an upper limit of 28%. Responsibility for foreign currency management has been delegated to MERP's investment managers.

MERP's investments with associated maturities and fair value measurements:

	Balance	Weighted Average Maturity (years)	Fair Value Measurement
Investments measured by fair value levels:			
U.S. Treasury securities	\$ 30,432	8.35	Level 1
Federal Home Loan Mortgage Corp securities	5,263	27.69	Level 2
Federal National Mortgage Association securities	7,462	20.02	Level 2
Government National Mortgage Association securities	1,596	29.44	Level 2
Equity mutual funds	13,645	n/a	Level 1
Foreign equity mutual funds	68,592	n/a	Level 1
Corporate obligations	6,483	13.40	Level 2
Foreign obligations	3,693	20.69	Level 2
Common Stock	32,612	n/a	Level 1
Preferred Stock	116	n/a	Level 2
Investments measured by fair value levels:	<u>169,894</u>		
Investments measured by NAV:			
Equity mutual funds	160,902	n/a	
Foreign equity mutual funds	20,049	n/a	
Domestic fixed income mutual funds	27,293	n/a	
Foreign fixed income mutual funds	30,763	n/a	
Real Estate funds	37,840	n/a	
Timber Limited Partnership	20,436	n/a	
Investments measured by NAV:	<u>297,283</u>	17.48	
	<u>\$ 467,177</u>		

Non- Pooled Investments – Fiduciary Funds:

Investments measured by Net Asset Value (NAV):

The fair value of certain investments of MERP are established by using the net asset value (NAV) per share (or its equivalent), such as member units or an ownership interest in partners' capital to which a proportionate share of net assets is attributed. The NAV provided by the investee is measured as of the City's fiscal year end and is not categorized within the fair value hierarchy.

Note 3. Deposits and Investments, continued

MERP invests in two real estate funds. These funds make strategic property acquisition primarily in the U.S. As part of the valuation process, independent appraisers value properties on an annual basis (at a minimum). The funds are valued at NAV monthly. The funds allow withdrawals once per quarter subject to "available cash" as determined by a pool trustee with 45 days advance written notice. MERP had no unfunded commitments to the real estate funds.

MERP invests in a timber partnership. The partnership seeks to gain income through acquisition, holding and sale of timberland primarily in the U.S. The term of the partnership is ten years with options to extend. MERP receives income distributions. In general, redemption in this investment won't occur until the partnership has ended. MERP had commitments of \$846 remaining at June 30, 2019 to the timber partnership.

MERP invests in multiple mutual funds for both equity and fixed income investments seeking to achieve positive returns utilizing experienced portfolio managers. Managers use strategies of selecting individual investments or overbalancing certain sectors compared to the benchmark index in order to achieve a greater return. For certain mutual funds quoted market prices are not able to be obtained from exchanges. These investments are instead valued using NAV at least monthly. The funds allow for withdraw at the most recent valued date or end of the month with some funds requiring 30 days notice. MERP had no unfunded commitments to the mutual funds.

Fair Value Measurement Techniques:

For the City and MERP, the following fair value techniques were utilized in measuring the fair value of its investments:

U.S. Treasury securities, corporate equities and mutual funds: These investments are reported at fair value based on quoted market prices obtained from exchanges.

Corporate obligations and fixed income securities:

These investments are reported at fair value based on evaluation using market sources and integrating relative credit information, observed market movements, and sector news into the evaluated pricing applications and models.

U.S. Government securities: U.S. Government securities are reported at fair value based on bullet (non-call) spread scale for each issuer for maturities going out to forty years. These spreads represent credit risk and are obtained from the new issue market, secondary trading, and dealer quotes.

An Option Adjusted Spread (OAS) model is incorporated to adjust spreads of issues that have early redemption features. Final spreads are added to a U.S. Treasury curve. A cash discounting yield/price routine calculates prices from final yields to accommodate odd coupon payment dates typical of medium-term notes.

Mortgage-backed securities: Mortgage-backed securities are reported at fair value via model using various inputs such as but not limited to daily cash flow, snapshots of the TBA market and the U.S. Treasury market, floating rate Indices such as LIBOR, CMT and Prime as a benchmark yield, spread over index, periodic and life caps, next coupon adjustment date, and convertibility of the bond.

Municipal bonds: Municipal bonds are reported at fair value based on trades, bid price or spread, two-sided markets, quotes, benchmark curves including but not limited to treasury benchmarks and LIBOR and swap curves, market data feeds such as MSRB, financial statements, discount rate, capital rates, and trustee reports.

Preferred stock: Preferred stock is reported at fair value by calculating the appropriate spread over a comparable U.S. Treasury security for each issue. These spreads represent the amount of additional yield required to account for the risks inherent with preferred stocks, including credit, refunding and liquidity. Evaluators obtain benchmark quotes on liquid issues, follow both the listed and new issue market, and focus on changing market conditions.

The City has no assets reported at fair value on a nonrecurring basis and no other investments meeting the fair value disclosure requirements.

Note 4. Receivables

Receivables for the City's individual major funds, aggregate nonmajor funds, internal service funds, and component units, including applicable allowances for uncollectible accounts, are as follows:

Governmental Funds								
	General Fund	Debt Service	Sales Tax	Limited-Purpose Sales Tax	Nonmajor Governmental Funds	Total Governmental Funds	Internal Service Funds	Total Governmental Activities
Current receivables, net:								
Interest receivable	\$ 723	\$ -	\$ 604	\$ 584	\$ 82	\$ 1,993	\$ 39	\$ 2,032
Taxes receivable	29,239	87,503	11,732	4,260	3,779	136,513	-	136,513
Accounts receivable	5,030	-	10	-	1,006	6,046	366	6,412
Due from other governments	-	-	-	-	4,725	4,725	356	5,081
	<u>34,992</u>	<u>87,503</u>	<u>12,346</u>	<u>4,844</u>	<u>9,592</u>	<u>149,277</u>	<u>761</u>	<u>150,038</u>
Less: Allowance for uncollectible	(1,949)	(153)	-	-	(2)	(2,104)	(19)	(2,123)
	<u>\$ 33,043</u>	<u>\$ 87,350</u>	<u>\$ 12,346</u>	<u>\$ 4,844</u>	<u>\$ 9,590</u>	<u>\$ 147,173</u>	<u>\$ 742</u>	<u>\$ 147,915</u>

Business-type Activities Enterprise Funds						
	Stormwater Management	One Technology Center	Arena & Convention Center	Tulsa Stadium Trust	Nonmajor-Golf Courses	Total Business-type Activities
Current receivables, net:						
Interest receivable	\$ 45	\$ 25	\$ 12	\$ -	\$ 2	\$ 84
Utility receivable	3,558	-	-	-	-	3,558
Accounts receivable, gross	7	314	2,902	3	-	3,226
Capital lease receivable	-	746	-	-	-	746
	<u>3,610</u>	<u>1,085</u>	<u>2,914</u>	<u>3</u>	<u>2</u>	<u>7,614</u>
Less: Allowance for uncollectibles	(61)	-	(11)	-	-	(72)
	<u>\$ 3,549</u>	<u>\$ 1,085</u>	<u>\$ 2,903</u>	<u>\$ 3</u>	<u>\$ 2</u>	<u>\$ 7,542</u>
Noncurrent receivables, net:						
Capital lease receivable	-	8,685	-	-	-	8,685
Interest receivable	18	-	-	-	-	18
	<u>\$ 18</u>	<u>\$ 8,685</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,703</u>

Note 4. Receivables, continued

TPFA Capital Lease - On August 28, 2013, the TPFA entered into an amended lease agreement (agreement) with a tenant of OTC effective July 1, 2013 for approximately 153,000 square feet of commercial office space. The agreement extended the term of the lease to June 30, 2029. Lease payments will total \$2,207 annually. The tenant assigned the lease to an affiliated company. Throughout the term of the lease, \$1,200 of the total annual lease payments will be applied to the lease and the remainder will be apportioned to operating expense reimbursement. The affiliated company will have the option to purchase the occupied space for one dollar at June 30, 2029. TPFA accounts for the lease agreement as a capital lease.

Minimum future rentals on the capital lease are as follows:

TPFA Capital Lease			
Years	Principal	Interest	Total
2020	746	454	1,200
2021	784	416	1,200
2022	824	376	1,200
2023	866	334	1,200
2024	911	289	1,200
2025-2029	5,300	700	6,000
	<u>\$ 9,431</u>	<u>\$ 2,569</u>	<u>\$ 12,000</u>

	Component Units				
	Tulsa Metropolitan Utility Authority	Tulsa Authority for Recovery of Energy	Tulsa Airports	Other Component Units	Total Component Units
Current receivables, net:					
Interest receivable	\$ 1,240	\$ 48	\$ -	\$ 118	\$ 1,406
Interest receivable - restricted	-	-	-	23	23
Taxes receivable	1,279	-	-	688	1,967
Accounts receivable	510	-	2,490	402	3,402
Utility receivable	29,635	2,927	-	-	32,562
Due from other governments	-	-	3,017	803	3,820
	<u>32,664</u>	<u>2,975</u>	<u>5,507</u>	<u>2,034</u>	<u>43,180</u>
Less: Allowance for uncollectibles	(269)	(29)	(35)	(13)	(346)
	<u>\$ 32,395</u>	<u>\$ 2,946</u>	<u>\$ 5,472</u>	<u>\$ 2,021</u>	<u>\$ 42,834</u>
Noncurrent receivables:					
Accounts receivable	-	-	863	-	863
Interest receivable	146	-	24	-	170
	<u>\$ 146</u>	<u>\$ -</u>	<u>\$ 887</u>	<u>\$ -</u>	<u>\$ 1,033</u>

Note 5. Payables

Payables for the City's individual major funds, aggregate nonmajor governmental funds, internal service funds, enterprise funds, and component units are as follows:

	Governmental Funds						Internal Service Funds	Total Governmental Funds	Adjustments to Government Wide Statements	Total Governmental Activities
	General	Bond	Sales Tax	Limited-Purpose Sales Tax	Nonmajor Governmental Funds	Total				
Accounts payable	\$ 4,949	\$ 9,139	\$ 13,585	\$ 5,375	\$ 2,579	\$ 35,627	\$ 808	\$ 36,435	\$ -	\$ 36,435
Accrued payroll	2,840	-	-	-	311	3,151	-	3,151	-	3,151
Accrued interest	-	-	-	-	-	-	15	15	4,752	4,767
	<u>\$ 7,789</u>	<u>\$ 9,139</u>	<u>\$ 13,585</u>	<u>\$ 5,375</u>	<u>\$ 2,890</u>	<u>\$ 38,778</u>	<u>\$ 823</u>	<u>\$ 39,601</u>	<u>\$ 4,752</u>	<u>\$ 44,353</u>

	Business-type Activities - Enterprise Funds					Total
	Stormwater Management	One Technology Center	Arena & Convention Center	Tulsa Stadium Trust	Golf Courses	
Accounts payable	\$ 3,147	\$ 1,070	\$ 3,859	\$ 2	\$ 180	\$ 8,258
Accrued payroll	184	15	-	-	-	199
Accrued interest	-	159	103	74	-	336
	<u>\$ 3,331</u>	<u>\$ 1,244</u>	<u>\$ 3,962</u>	<u>\$ 76</u>	<u>\$ 180</u>	<u>\$ 8,793</u>

	Component Units				Total Component Units
	Tulsa Metropolitan Utility Authority	Tulsa Authority for Recovery of Energy	Tulsa Airports	Other Component Units	
Accounts payable	\$ 21,620	\$ 1,876	\$ 5,195	\$ 2,146	\$ 30,837
Accrued payroll	916	75	395	344	1,730
Accrued interest	3,396	-	662	155	4,213
	<u>\$ 25,932</u>	<u>\$ 1,951</u>	<u>\$ 6,252</u>	<u>\$ 2,645</u>	<u>\$ 36,780</u>

Note 6. Interfund Transactions

Primary government interfund receivables and payables consist of the following:

<u>Amount</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>	<u>Purpose</u>
748	General Fund	Vision 2025 Capital Projects	To finance capital projects
<u>\$ 748</u>			
	<u>Advances To Other Funds</u>	<u>Advances From Other Funds</u>	<u>Purpose</u>
146	General Fund	Office Services	To provide cash flow
<u>\$ 146</u>			
	<u>Advances To Primary Government</u>	<u>Advances From Component Units</u>	<u>Purpose</u>
127	Tulsa Airports	General Fund	Payment in advance - Fire Department services
<u>\$ 127</u>			
	<u>Advances To Component Units</u>	<u>Advances From Primary Government</u>	<u>Purpose</u>
326	General Fund	MTTA	To provide cash flow
12	TPFA Internal Service Fund	TARE	To finance capital improvements
<u>\$ 338</u>			

Note 6. Interfund Transactions, continued

Primary government interfund transfers for the year ended consist of the following amounts:

Transfers To	Total	Transfers From				
		General Fund	Sales Tax Fund	Limited Purpose Sales Tax	Nonmajor Governmental Funds	Stormwater Management Fund
Governmental Funds:						
Major Funds:						
General Fund	\$ 2,630	\$ -	\$ -	\$ -	\$ 650	\$ 1,980
Sales Tax Funds	192	192	-	-	-	-
Nonmajor Funds	1,303	360	26	-	917	-
Total Governmental Funds	4,125	552	26		1,567	1,980
Internal Service Funds	1,515	300	1,215		-	-
Enterprise Funds:						
Stormwater Management Fund	2,029	-	1,587	-	442	-
One Technology Center	218	-	218	-	-	-
Arena & Convention Center	17,750	-	932	14,428	2,390	-
Tulsa Stadium Trust	2,198	-	-	-	2,198	-
Golf Courses Fund	296	110	186	-	-	-
Total Enterprise Funds	22,491	110	2,923	14,428	5,030	-
Total Primary Government	\$ 28,131	\$ 962	\$ 4,164	\$ 14,428	\$ 6,597	\$ 1,980

Transfers - in		Transfers - out	
Governmental Funds	\$ 4,125	Governmental Funds	\$ 26,151
Internal Service Funds	1,515	Internal Service Funds	-
Enterprise Funds	22,491	Enterprise Funds	1,980
Total Primary Government	\$ 28,131	Total Primary Government	\$ 28,131

1. Purpose of Transfers

The above transfers occur principally to fund operations and finance capital asset acquisitions. Transfers are used to: (1) move revenues from the fund that State statutes or City ordinances requires to collect them to the fund that State statutes or City ordinances requires to expend them; (2) move receipts restricted to debt service from the funds collecting the receipts to the fund making the payments; (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations; (4) payments in lieu of franchise taxes; and (5) provide matching funds for grants.

In fiscal year 2019, significant transfers include the following: 1) \$1,980 on-going transfer from the Stormwater Management Fund to the General Fund for payments in lieu of franchise taxes, 2) \$917 from the nonmajor fund, Vision Public Safety Sales Tax Fund, to provide matching in the Federal and State Grants Fund for emergency response grants, 3) \$4,164 from the Sales Tax Fund to various funds for capital projects, 4) \$14,428 from the Limited Purpose Sales Tax Fund to the Arena and Convention Fund for capital improvement projects at the Cox Business Convention Center, 5) \$2,390 on-going transfer from the Economic Development Fund, a nonmajor governmental fund to subsidize Cox Business Convention Center operations in the Arena & Convention Center Fund, and 6) \$2,198 on-going transfer from the nonmajor governmental fund, Tulsa Stadium Improvement District, to the Tulsa Stadium Trust for debt service and capital improvements.

2. Eliminations

Interfund transfers are reported in the governmental activities and business-type activities fund financial statements. In the government-wide statements, interfund transfers are eliminated within the governmental activities column and within the business-type activities column.

Note 7. Capital Assets

Capital asset activity for the year ended is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
GOVERNMENTAL ACTIVITIES:				
Nondepreciable capital assets:				
Land	\$ 39,715	\$ 16,889	\$ -	\$ 56,604
Land - Infrastructure use	492,833	10,763	-	503,596
Construction in progress:				
General government	56,248	101,108	(112,837)	44,519
Infrastructure	126,508	76,351	(101,437)	101,422
Total construction in progress	182,756	177,459	(214,274)	145,941
Total nondepreciable capital assets	715,304	205,111	(214,274)	706,141
Depreciable capital assets:				
Land improvements	84,537	4,822	(111)	89,248
Buildings	233,868	16,159	(1,099)	248,928
Equipment	208,460	13,677	(3,456)	218,681
Street network	3,408,044	95,708	-	3,503,752
Bridge network	40,567	10,680	-	51,247
Total depreciable capital assets	3,975,476	141,046	(4,666)	4,111,856
Total capital assets	4,690,780	346,157	(218,940)	4,817,997
Accumulated depreciation:				
Land improvements	(56,757)	(1,611)	111	(58,257)
Buildings	(90,156)	(6,523)	852	(95,827)
Equipment	(133,953)	(13,134)	3,360	(143,727)
Street network	(2,640,100)	(45,010)	-	(2,685,110)
Bridge network	(12,334)	(1,822)	-	(14,156)
Total accumulated depreciation	(2,933,300)	(68,100)	4,323	(2,997,077)
Total depreciable capital assets, net	1,042,176	72,946	(343)	1,114,779
Governmental activities capital assets, net	\$ 1,757,480	\$ 278,057	\$ (214,617)	\$ 1,820,920

Note 7. Capital Assets, continued

	Beginning Balance	Additions	Reductions	Ending Balance
BUSINESS-TYPE ACTIVITIES:				
Nondepreciable capital assets:				
Land	\$ 98,517	\$ 171	\$ -	\$ 98,688
Works of Art	653	-	-	653
Construction in progress	6,478	25,172	(5,239)	26,411
Total nondepreciable assets	<u>105,648</u>	<u>25,343</u>	<u>(5,239)</u>	<u>125,752</u>
Depreciable capital assets:				
Land improvements	402,184	7,150	-	409,334
Buildings	290,887	3,509	-	294,396
Equipment	61,556	3,234	(923)	63,867
Total depreciable capital assets	<u>754,627</u>	<u>13,893</u>	<u>(923)</u>	<u>767,597</u>
Total capital assets	<u>860,275</u>	<u>39,236</u>	<u>(6,162)</u>	<u>893,349</u>
Accumulated depreciation:				
Land improvements	(139,837)	(11,347)	-	(151,184)
Buildings	(108,394)	(9,053)	-	(117,447)
Equipment	(46,044)	(2,714)	916	(47,842)
Total accumulated depreciation	<u>(294,275)</u>	<u>(23,114)</u>	<u>916</u>	<u>(316,473)</u>
Total depreciable capital assets, net	<u>460,352</u>	<u>(9,221)</u>	<u>(7)</u>	<u>451,124</u>
Business-type activities capital assets, net	<u>\$ 566,000</u>	<u>\$ 16,122</u>	<u>\$ (5,246)</u>	<u>\$ 576,876</u>
DISCRETELY PRESENTED COMPONENT UNITS:				
Nondepreciable capital assets:				
Land, easements and other	\$ 193,102	\$ 741	\$ -	\$ 193,843
Water rights	9,594	-	-	9,594
Construction in progress	70,503	84,288	(93,706)	61,085
Total nondepreciable capital assets	<u>273,199</u>	<u>85,029</u>	<u>(93,706)</u>	<u>264,522</u>
Depreciable capital assets:				
Land improvements and water and sewer lines	2,089,721	98,132	(676)	2,187,177
Buildings	395,870	5,915	(18)	401,767
Equipment	159,812	10,495	(4,322)	165,985
Total depreciable capital assets	<u>2,645,403</u>	<u>114,542</u>	<u>(5,016)</u>	<u>2,754,929</u>
Total capital assets	<u>2,918,602</u>	<u>199,571</u>	<u>(98,722)</u>	<u>3,019,451</u>
Accumulated depreciation:				
Land improvements and water and sewer lines	(845,949)	(42,703)	666	(887,986)
Buildings	(217,735)	(10,113)	11	(227,837)
Equipment	(94,629)	(11,938)	3,964	(102,603)
Total accumulated depreciation	<u>(1,158,313)</u>	<u>(64,754)</u>	<u>4,641</u>	<u>(1,218,426)</u>
Total depreciable capital assets, net	<u>1,487,090</u>	<u>49,788</u>	<u>(375)</u>	<u>1,536,503</u>
Component unit capital assets, net	<u>\$1,760,289</u>	<u>\$ 134,817</u>	<u>\$ (94,081)</u>	<u>\$1,801,025</u>

Depreciation expense is charged to functional activities as follows:

Governmental Activities		Business-type Activities		Component Units	
General government	\$ 1,547	Stormwater Management	\$ 10,511	TMUA	\$ 40,590
Public safety and protection	9,298	One Technology Center	1,256	TARE	2,007
Public works and transportation	51,284	Arena & Convention Center	8,972	Tulsa Airports	17,559
Social and economic development	1,013	Tulsa Stadium Trust	2,034	Other	4,598
Culture and recreation	4,958	Golf Courses	341		<u>\$ 64,754</u>
	<u>\$ 68,100</u>		<u>\$ 23,114</u>		

Note 8. Risk Management

The City is exposed to various risk of loss related to the following: workers' compensation; torts including errors and omissions; theft of, damage to and destruction of assets; and natural disasters. The City purchases commercial insurance for general liability and property damage as well as employee health and dental. There have been no significant reductions in insurance coverage in the current year or in the three prior years. There have been no losses that exceeded coverage in the current year or in the three prior years.

Judgments against the City for workers' compensation and torts are recovered through property taxes. As judgments are paid, they are included in property tax levies over the following three years. Property tax revenue and expenditures for judgments as paid are included in the Debt Service Fund. The City records a liability in the entity wide statements for judgments.

The City self-insures for medical and injury leave related to workers' compensation claims not included in a judgment. These claims are paid from the City's Employee Insurance Fund and funded by charges to the City's other funds and component units and is based primarily upon the contributing funds' claims experience.

Liabilities for judgments and workers' compensation claims are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The liability also includes an amount for claims that have been incurred but not reported (IBNR). The result of the process to estimate the claims liability is not an exact amount as it depends on many complex factors, such as inflation, changes in legal doctrines, economic and social factors, and trends in damage awards. Accordingly, claims are reevaluated periodically to consider the effect of these factors. The estimate of the claims liability also includes amounts for incremental claim adjustment expense related to specific claims and other claim adjustment expense regardless of whether allocated to specific claims. Estimated recoveries, for example subrogation, are another component of the liability estimate.

Changes in the balances of claims liability, including judgments, during the past two years are as follows:

Workers' Compensation Liability	2019	2018
Claims liability at beginning of year	\$ 18,893	\$ 19,412
Current year claims and changes in estimates	4,512	2,671
Claims payments	(3,849)	(3,190)
Claims liability at end of year	19,556	18,893
Tort Claims Liability		
Claims liability at beginning of year	4,273	7,151
Current year claims and changes in estimates	1,298	493
Claims payments	(3,328)	(3,371)
Claims liability at end of year	2,243	4,273
Total claims liability	\$ 21,799	\$ 23,166

Note 9. Pension and Deferred Compensation Plans

Each qualified employee is included in one of the three pension plans in which the City participates. The three plans are:

- Municipal Employees’ Retirement Plan (“MERP”)
- Oklahoma Firefighters Pension Fund
- Oklahoma Police Pension and Retirement System

Plan information is as follows. Unless otherwise described, amounts relate to the primary government of the City and exclude discretely presented component units.

Below is a summary of amounts reported by the City:

	MERP	Firefighters	OPPRS	Total
Net Pension Asset	\$ -	\$ -	\$ 8,154	\$ 8,154
Net Pension Liability	112,110	190,918	-	303,028
Deferred Outflows of Resources	17,717	57,775	15,346	90,838
Deferred Inflows of Resources	5,502	22,025	8,136	35,663
Pension Expense	21,072	790	5,565	27,427

A. MUNICIPAL EMPLOYEES’ RETIREMENT PLAN

1. Plan Description - MERP is a cost-sharing multiple-employer defined benefit pension trust. MERP covers full-time non-sworn employees of the City, its component units and employees of four other governmental organizations.

The Plan was established by the City in accordance with the City Charter and State statutes, and provides retirement, disability and death benefits to plan members.

Management of the Plan is vested in the Board of Trustees consisting of seven members – two elected by active plan members, one elected by retirees, two mayoral appointments and the Director of Finance and the Director of Human Resources who serve as ex-officio members.

The Plan does not issue a stand-alone financial report and is not included in the report of a public employee retirement system or a report of another entity.

2. Summary of Significant Accounting Policies

Basis of Accounting – The MERP financial statements are prepared on the accrual basis of accounting. Employer and employee contributions are recognized when due and a formal commitment to provide the contributions is made. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Method Used to Value Investments – Investment income is recognized when earned. Investments are reported at fair value in accordance with the fair value techniques disclosed in Note 3. Realized gains and losses on sales and exchanges are recognized on the transaction date. Changes in fair value between periods are reported as investment income.

3. Benefits and Refunds Paid - Any member entering the plan prior to July 1, 2018 whose years of continuous employment, when added to the member’s age equals or exceeds 80, may retire without a reduction in the monthly benefit. Any member entering the plan on or after July 1, 2018 whose years of continuous employment, when added to the member’s age equals or exceeds 90, may retire without a reduction in the monthly benefit. The amount of retirement benefit is established by City ordinance and is equal to 2.35% for those members in the plan prior to July 1, 2018 and 2.00% for those entering the plan on or after July 1, 2018 of final average earnings of highest 30 months within last five years of service, up to covered compensation, times years of service.

Pension provisions include death benefits for the surviving spouse. Disability benefits are determined in the same manner as normal retirement. Benefits vest at 100% after five years of service.

Note 9. Pension and Deferred Compensation Plans, continued

4. Membership data (for MERP):

Active members	2,352
Retirees and beneficiaries	
currently receiving benefits	2,069
Inactive members entitled to but	
not yet receiving a benefit	932
	<u>5,353</u>

5. Contributions - The contribution requirements of active members and the participating employers are established by City ordinance. Plan members are required to contribute 6.5% of covered compensation to the Plan. The City is required to contribute the remaining amounts necessary to fund the system, which was 15.5% of covered compensation for 2019. During the year the City contributed \$9,184 in employer contributions.

6. Investments - The Board of Trustees established an investment policy guiding the allocation of invested assets. This policy may be amended by the Board of Trustees. Plan assets are managed on a total return basis with a long-term objective of achieving and maintaining a fully funded status for the benefits provided through the Plan.

7. Asset Allocation - Following is the Plans' asset allocation policy, and the long-term expected geometric real rate of return for each major asset class:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Fixed income	24%	1.16%
Domestic equity	36%	6.19%
International equity	24%	6.59%
Real estate	8%	4.24%
Commodities	3%	0.95%
Timber	4%	4.15%
Cash	1%	0.11%

There are no investments in any one organization representing 5% or more of MERP's net position. There are no investments in, loans to, or leases with related parties.

For the year ended, the annual money-weighted rate of return on MERP investments, net of investment expense, was 4.2%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

8. Net Pension Liability (for MERP):

Total pension liability	\$ 709,670
Plan fiduciary net position	(474,834)
Net pension liability	<u>\$ 234,836</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>66.9%</u>

The total pension liability was determined using an actuarial valuation date of January 1, 2019 rolled forward from the valuation date to the fiscal year ending June 30, 2019 using generally accepted actuarial principles and methods.

Note 9. Pension and Deferred Compensation Plans, continued

Proportionate share and net pension liability reported in:

Governmental activities	41.5629%	\$ 97,605
Business type activities	6.1770%	14,505
Component units	37.8140%	88,801
Organizations not in reporting entity	14.4461%	33,925
	<u>100.0000%</u>	<u>\$ 234,836</u>

9. Actuarial Assumptions - The total pension liability was determined by an actuarial valuation as of the date below.

Valuation date	January 1, 2019
Investment rate of return*	7.00%
Projected salary increases*	3.50% - 11.25%
* Includes inflation at	2.50%
Mortality rates	RP-2014 Combined Healthy Mortality Tables with Blue Collar adjustments. Generational mortality improvements with Scale MP-2015 from the table's base year of 2014.

The actuarial assumptions used were based on the results of an actuarial experience study for the five-year period ending December 31, 2015.

10. Discount Rate (for MERP) - A discount rate of 7.0% was used to measure the total estimated pension liability. This discount rate was based on an expected rate of return on pension plan investments of 7.0%.

The projection of cash flows used to determine this discount rate assumed that MERP member contributions will be made at the current contribution rate and that employer contributions will be made as specified in MERP's funding policy.

Based on these assumptions, MERP's fiduciary net position and future contributions were sufficient to finance all the future benefit payments of the current active and inactive plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of the projected benefit payments to determine the total pension liability.

Regarding the sensitivity of the net pension liability to changes in the discount rate, the following presents the Plan's estimated net pension liability, calculated using a discount rate of 7.0% as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower and higher.

	1% Decrease 6.00%	Discount Rate 7.00%	1% Increase 8.00%
Plan	\$319,675	\$234,836	\$164,058
Primary Government	\$152,613	\$112,110	\$ 78,321

Note 9. Pension and Deferred Compensation Plans, continued

11. Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pension

The primary government's pension expense for the year was \$21,072. At June 30, 2019, the primary government's deferred outflows of resources and deferred inflows of resources were as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual plan experience	\$ 529	\$ 3,744
Assumption Change	12,998	-
Net difference between projected and actual earnings on pension plan investments	3,340	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	850	1,758
	<u>\$ 17,717</u>	<u>\$ 5,502</u>

The deferred outflows related to the difference between projected and actual investment earnings are being amortized over a closed 5-year period beginning in the current year. The remaining amount of deferred outflows and inflows of resources are being amortized over a closed period equal to the average of the expected service lives of all participants as of the beginning of the associated measurement period, which ranges from 4.09 to 4.45 years. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (gain) as follows:

Year ended June 30 th	
2020	\$ 6,254
2021	1,036
2022	3,160
2023	1,765
	<u>\$ 12,215</u>

B. OKLAHOMA FIREFIGHTERS PENSION AND RETIREMENT SYSTEM

The Firefighters Plan is a statewide retirement system for firefighters and is administered by the State of Oklahoma. The City is neither involved in the administration of the Firefighters System nor does it maintain the accounting records or hold Plan investments.

Unless otherwise indicated, information in this note related to the Firefighters Pension and Retirement systems are provided as of July 1, 2018, the most recent actuarial valuation.

1. Plan Description - Sworn firefighters of the City are provided with pensions through the Oklahoma Firefighters Pension Retirement System (Firefighters System)—a cost-sharing multiple-employer defined benefit pension plan administered by the Oklahoma Firefighters Pension Plan established by Oklahoma Statutes for both paid and volunteer firefighters of participating municipalities and protection districts. Firefighters System provides retirement and death benefits which are established by State statute to plan members and beneficiaries. Firefighters System issues a publicly available financial report that includes financial statements and required supplementary information. The report is located at <http://www.ok.gov/fprs/Financials/index.html>.

Note 9. Pension and Deferred Compensation Plans, continued

2. Benefits provided - In general, the Firefighters System provides defined retirement benefits based on members' final average compensation, age, and term of service. In addition, the retirement program provides for benefits upon disability and to survivors upon death of eligible members. Benefits are established and amended by State statute. The normal retirement date is the date upon which the participant completes 20 years of credited service, regardless of age for participants who entered the plan prior to November 1, 2013. For participants entering the plan after November 1, 2013 normal retirement is upon completion of 22 years of services and at least age 50. Normal benefits equal 50% of final average compensation for participants entering prior to November 1, 2013 and 55% of final average compensation for participants entering after November 1, 2013.

3. Contributions - The Oklahoma Legislature sets the required contribution rate based on payroll and is not determined by actuarial calculations. The City's contractually required contribution rate for the year ended June 30, 2019, was 14% of annual payroll, employee participants were required to contribute 9%. Contributions to the pension plan from the City were \$7,141 for the year ended June 30, 2019. The State of Oklahoma, a non-employer contributing agency, contributes 36% of taxes received from the tax on premiums collected by insurance companies operating in Oklahoma. The State of Oklahoma contributed \$17,017 to the Firefighters System on behalf of the City for the year ended June 30, 2019.

4. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2019, the City reported a liability of \$190,918 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating governments. At June 30, 2018, the City's proportion was 16.9607%.

For the year ended June 30, 2019, the City recognized pension expense of \$790. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual Plan experience	\$ 39,877	\$ -
Net difference between projected and actual earnings on pension plan investments	-	15,864
Changes in proportion and differences between employer contributions and proportionate share of contributions	10,757	6,161
City contributions subsequent to the measurement date	7,141	-
	<u>\$ 57,775</u>	<u>\$ 22,025</u>

\$7,141 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020.

Note 9. Pension and Deferred Compensation Plans, continued

The deferred outflow related to the difference between projected and actual investment earnings is being amortized over a closed 5-year period beginning in the current year. The remaining amount of deferred outflows and inflows of resources are being amortized over a closed period equal to the average of the expected service lives of all participants as of the beginning of the associated measurement period, which ranges from 5.47 to 6.37 years. Amounts reported as deferred outflows of resources (other than contributions) and deferred inflows of resources related to pensions will be recognized in pension expense (gain) as follows:

Year	Amortization of Deferred Outflows
2020	\$ 9,170
2021	7,087
2022	2,739
2023	6,262
2024	3,351
	<u>\$ 28,609</u>

5. Actuarial assumptions - The total pension liability was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

Investment rate of return*	7.5% compounded annually, net of investment expense
Projected salary increases*	3.5% - 9.0%
* Includes inflation at	3.00%

Mortality rates were based on the RP-2000 Combined Healthy Blue Collar adjustments, as appropriate, with adjustments for generational mortality improvements based on Scale AA for healthy lives and no mortality improvements for disabled lives.

The actuarial assumptions used in the June 30, 2018 valuation were based on the results of an actuarial experience study for the five-year period ending June 30, 2012.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following tables:

Asset Class	Target Allocation	Asset Class	Long-Term Expected Real Rate of Return
Equities	62%	Domestic equity	4.75%
Fixed income	20%	International equity	6.57%
Real estate and other	18%	Fixed income	2.11%
	<u>100%</u>	Real estate	4.32%
		Other investments	3.44%

Note 9. Pension and Deferred Compensation Plans, continued

6. Discount Rate - The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from cities will be made at contractually required rates, determined by Oklahoma Statutes. Projected cash flows also assume the State of Oklahoma will continue contributing 36% of the insurance premium, as established by Oklahoma statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

7. Sensitivity of the City's proportionate share of the net pension liability to changes in the discount rate - The following presents the City's proportionate share of the net pension liability calculated using the discount rate of 7.50%, as well as what the City's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
City's proportionate share of the net pension liability	\$ 250,064	\$ 190,918	\$ 141,244

Pension plan fiduciary net position- Detailed information about the pension plan's fiduciary net position is available in the separately issued Firefighters System financial report; which can be located at <http://www.ok.gov/fprs/>.

C. OKLAHOMA POLICE PENSION AND RETIREMENT SYSTEM

1. Plan Description - Sworn police officers of the City are provided with pensions through the Oklahoma Police Pension and Retirement System (OPPRS)—a cost-sharing multiple-employer defined benefit pension plan administered by the Oklahoma Police Pension Plan established by Oklahoma Statutes for police officers of an Oklahoma municipality or state agency. OPPRS provides retirement and death benefits which are established by State statute to plan members and beneficiaries. OPPRS issues a publicly available financial report that includes financial statements and required supplementary information. The report is located at <http://www.ok.gov/opprs/Financials/index.html>.

2. Benefits - In general OPPRS provides defined retirement benefits based on members' final average compensation, age, and term of service. In addition, the retirement program provides for benefits upon disability and to survivors upon death of eligible members. Benefits are established and amended by State statute. The normal retirement date is the date upon which the participant completes 20 years of credited service, regardless of age.

3. Contributions - The Oklahoma Legislature sets the required contribution rate based on payroll and is not determined by actuarial calculations. The City's contractually required contribution rate for the year ended June 30, 2019, was 13% of annual payroll, employee participants were required to contribute 8%. The State of Oklahoma, a non-employer contributing agency, contributes 14% of taxes received from the tax on premiums collected by insurance companies operating in Oklahoma. Contributions to the pension plan from the City were \$7,382 for the year ended June 30, 2019. The State of Oklahoma contributed \$7,225 to the Police System on behalf of the City for the year ended June 30, 2019.

4. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions - At June 30, 2019, the City reported an asset of \$8,154 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2018, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date. The City's proportion of the net pension asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating governments. At June 30, 2018, the City's proportion was 17.1181%.

Note 9. Pension and Deferred Compensation Plans, continued

For the year ended June 30, 2019, the City recognized pension expense of \$5,565. At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual Plan experience	\$ 48	\$ 7,641
Assumption Change	3,561	-
Net difference between projected and actual earnings on pension plan investments	4,246	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	109	495
City contributions subsequent to the measurement date	7,382	-
	<u>\$ 15,346</u>	<u>\$ 8,136</u>

\$7,382 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020.

The deferred outflows related to the difference between projected and actual investment earnings are being amortized over a closed 5-year period beginning in the current year. The remaining amount of deferred outflows and inflows of resources are being amortized over a closed period equal to the average of the expected service lives of all participants as of the beginning of the associated measurement period, which ranges from 5.62 to 5.83 years. Amounts reported as deferred outflows of resources (other than contributions) and deferred inflows of resources related to pensions will be recognized in pension expense (gain) as follows:

Year	Amortization of Deferred Inflows
2020	\$ 4,067
2021	1,524
2022	(4,513)
2023	(1,481)
2024	231
	<u>\$ (172)</u>

Note 9. Pension and Deferred Compensation Plans, continued

7. Sensitivity of the City’s proportionate share of the net pension liability (asset) to changes in the discount rate - The following presents the City’s proportionate share of the net pension liability (asset) calculated using the discount rate of 7.50%, as well as what the City’s proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.50%) or 1-percentage-point higher (8.50%) than the current rate:

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
City’s proportionate share of the net pension liability (asset)	\$ 37,825	\$ (8,154)	\$ (47,024)

Pension plan fiduciary net position. - Detailed information about the pension plan’s fiduciary net position is available in the separately issued OPPRS financial report; which can be located at <http://www.ok.gov/opprs/Financials/index.html>.

D. DEFERRED COMPENSATION PLAN

The City offers a deferred compensation plan created in accordance with Internal Revenue Code Section 457 (“the Plan”).

The Plan, available to all City employees, permits them to defer a portion of their current salary to future years. Each participant may direct the Plan to invest his or her account balance in one or more of several investment funds. The Plan offers a variety of investment options that will provide participants with a reasonable opportunity to build diversified portfolios.

The compensation deferred is available to the employees upon termination, retirement, death, or unforeseeable emergency.

The Plan is administered by the Deferred Compensation Board of Trustees (“Board”), created by Executive Order of the Mayor. The Board has full power and authority to adopt investment policies and to select and monitor the funds made available to participants. The Board also has the authority to establish rules and regulations for the administration of the plan and advises the Mayor on employment of investment providers.

The Plan is not reported in the City’s financial statements because the assets are held in trust by an independent trustee for the benefit of the participating employees.

Note 10. Other Post-Employment Benefits

A. OPEB

1. Plan Description - The City provides post-employment healthcare benefits (OPEB) for retired employees and their dependents through the City of Tulsa Postretirement Medical Plan (the Plan), a cost-sharing multi-employer defined benefit healthcare plan. The governmental activities, business type activities and component units account for 96% of the OPEB liability. Other organizations, not in the reporting entity account for the remaining 4%. The benefits, coverage levels, employee contributions and employer contributions are governed by the City and can be amended by the City through its personnel manual and union contracts. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The Plan does not issue a stand-alone financial report.

2. Benefits Provided - The Plan covers all current retirees who elected postretirement medical coverage through the City of Tulsa and future retired general employees. All current active police officers and firefighters are covered by a separate trust established specifically to provide medical benefits to the City of Tulsa police officers and firefighters and are not considered for this disclosure.

All healthcare benefits are provided through the City's fully insured health plan. The benefit levels are the same as those afforded to active employees. Benefits include general inpatient and outpatient medical services and prescriptions. General employees are eligible for membership in the Plan if they retire from the City on or after age 55 with 5 years of service or with age and service totaling 80 points. Coverage ceases upon eligibility of the member (retiree or dependent) for Medicare. Coverage for dependents can continue upon the death of the retiree. Spouses of employees eligible for benefits and who die in active service can receive coverage.

3. Membership - As of the most recent actuarial valuation date, membership consisted of the following:

Retired participants	109
Active employees	2,116
	<u>2,225</u>

4. Contributions - Contribution rates are set by the City. Retiree plan participants pay the entire amount of the premium charged by the insurer for coverage thus the employer does not directly contribute to the Plan. Retiree and active participants are included in the same cost pool used to determine the rates set by the insurer. An implicit subsidy results from this method of rate setting.

5. Total OPEB Liability - The total OPEB liability of \$6,133 was measured as of June 30, 2019 and was determined by an actuarial valuation as of June 30, 2018. Standard update procedures were used to roll forward the total OPEB liability to June 30, 2019.

Proportionate share and OPEB liability reported in:

Governmental activities	47.30%	\$ 2,901
Business type activities	7.87%	483
Component units	40.70%	2,497
Organizations not in reporting entity	4.13%	252
		<u>\$ 6,133</u>

Note 10. Other Post-Employment Benefits, continued

6. Actuarial Methods and Assumptions - Projections of benefits for financial reporting purposes are based on the substantive Plan (the Plan as understood by the employer and Plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality and the healthcare cost trend.

Actuarial Methods and Assumptions

Valuation date	June 30, 2018
Inflation rate	3.0%
Current year healthcare cost trend rate	8.5%
Annual reduction of healthcare cost trend	0.5%
Ultimate annual healthcare cost trend rate	5%

Thirty-five percent of future retirees with coverage are assumed to elect healthcare coverage.

Mortality rates were based on RPH-2017 Total Dataset Mortality fully generational using Scale 2017.

The actuarial assumptions used were based on an actuarial experience study for the five-year period ending December 31, 2015, with the exception of the healthcare election rate which was based on an experience study from June 30, 2010 through June 30, 2016.

7. Discount Rate - The OPEB plan is financed on a pay-as-you-go basis, thus a long-term rate of return was not used. The discount rate used to measure the total OPEB liability was 3.51 percent as of June 30, 2019, based on a yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The source of the discount rate used is the Bond Buyer 20-Bond GO Index.

8. Discount Rate Sensitivity - The following presents the total OPEB liability as a whole and for the primary government, calculated using the 3.51% discount rate and if the discount rate was decreased 1% to 2.51% and if the discount rate was increased 1% to 4.51%:

	1% Decrease 2.51%	Discount Rate 3.51%	1% Increase 4.51%
Plan	\$ 6,585	\$ 6,133	\$ 5,719
Primary Government	\$ 3,633	\$ 3,384	\$ 3,155

9. Healthcare Rate Sensitivity - The following presents the total OPEB liability as a whole and for the primary government, calculated using the current healthcare cost rate trend of 8.5% decreasing .5% to an ultimate trend of 5%. It also presents the total OPEB liability if the healthcare cost rate trend was decreased to 7.5% decreasing .5% to an ultimate trend rate of 4% as well as if the trend rate was increased to 9.5% decreasing .5% to an ultimate trend rate of 6%:

	1% Decrease	Healthcare Cost Trend Rates Assumption	1% Increase
Plan	\$ 5,554	\$ 6,133	\$ 6,804
Primary Government	\$ 3,064	\$ 3,384	\$ 3,754

Note 10. Other Post-Employment Benefits, continued

10. OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB - The primary government's OPEB expense for the year was \$414. At June 30, 2019, the primary government's deferred outflows of resources and deferred inflows of resources related to OPEB were as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual plan experience	\$ 417	\$ 174
Assumption Change	146	78
Changes in proportion and differences and differences between employer contributions and proportionate share of contributions	38	35
	<u>\$ 601</u>	<u>\$ 287</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized as OPEB expense over the average remaining service lives of plan participants (actives and retirees) as follows:

Year ended June 30 th	
2020	\$ 134
2021	134
2022	54
2023	17
2024	(25)
	<u>\$ 314</u>

B. DEFINED CONTRIBUTION OPEB PLANS

1. Tulsa Firefighters Health and Welfare Trust – The Tulsa Firefighters Health and Welfare Trust is a single employer defined contribution OPEB Plan that provides health, dental, and vision insurance for full time, sworn Tulsa firefighters and retirees. Assets accumulated in the trust meet the criteria in paragraph 4 of GASB Statement No. 75. Rates are established by the Trust. The City contributed \$8,056 to the Trust during the year as required by the annual collective bargaining contract and recognized the same amount as expense. No additional amounts were due to the Trust by the City at year-end.

2. Tulsa FOP #93 Health and Welfare Trust – The Tulsa FOP #93 Health and Welfare Trust is a single employer defined contribution OPEB Plan that provides health, dental and vision insurance for full time, sworn Tulsa police officers and retirees. Assets accumulated in the trust meet the criteria in paragraph 4 of GASB Statement No. 75. Rates are established by the Trust. The City contributed \$7,767 to the Trust during the year as required by the annual collective bargaining contract and recognized the same amount as expense. No additional amounts were due to the Trust by the City at year-end.

Note 11. Long-Term Liabilities

A. LONG-TERM LIABILITIES

A summary of long-term liability activity is as follows (detailed information is available on the following pages):

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
PRIMARY GOVERNMENT					
Governmental activities:					
General obligation bonds	\$ 440,229	\$ 32,230	\$ (86,844)	\$ 385,615	\$ 76,371
Revenue bonds	118,180	118,100	(8,450)	227,830	15,355
Other long-term liabilities	349,627	27,904	(29,674)	347,857	26,251
Premium on debt issuance - GO bonds	11,833	19	(3,695)	8,157	-
Discount on debt issuance - Revenue bonds	(246)	-	15	(231)	-
Premium on debt issuance - Revenue bonds	3,208	7,830	(1,761)	9,277	23
Total governmental activities	<u>922,831</u>	<u>186,083</u>	<u>(130,409)</u>	<u>978,505</u>	<u>118,000</u>
Business-type activities:					
Revenue bonds	90,605	-	(3,810)	86,795	3,730
Unamortized discount--revenue bonds	(436)	-	18	(418)	-
Unamortized premium--revenue bonds	1,619	-	(197)	1,422	-
Compensated absences	843	930	(866)	907	593
Total other post-employment benefits liability	483	-	-	483	-
Net pension liability	11,388	3,117	-	14,505	-
Total business-type activities	<u>104,502</u>	<u>4,047</u>	<u>(4,855)</u>	<u>103,694</u>	<u>4,323</u>
Total primary government	<u>\$ 1,027,333</u>	<u>\$ 190,130</u>	<u>\$ (135,264)</u>	<u>\$ 1,082,199</u>	<u>\$ 122,323</u>
DISCRETELY PRESENTED COMPONENT UNITS					
Revenue bonds:					
TAIT	\$ 158,800	\$ 19,825	\$ (8,020)	\$ 170,605	\$ 8,441
TMUA	181,220	31,135	(37,755)	174,600	15,500
TPA	9,075	-	(1,910)	7,165	970
Premium on debt issuance - TMUA	7,780	3,010	(1,518)	9,272	-
Unamortized bond discount - TMUA	(64)	(35)	3	(96)	-
Premium on debt issuance - TAIT	6,147	1,447	(390)	7,204	-
Unamortized bond discount - TAIT	(505)	-	23	(482)	-
Premium on debt issuance - TPA	317	-	(56)	261	-
	<u>362,770</u>	<u>55,382</u>	<u>(49,623)</u>	<u>368,529</u>	<u>24,911</u>
General obligation bonds - TMUA	13,616	-	(3,631)	9,985	2,339
Premium on debt issuance - TMUA	474	-	(200)	274	-
	<u>14,090</u>	<u>-</u>	<u>(3,831)</u>	<u>10,259</u>	<u>2,339</u>
Promissory notes - TMUA	186,221	161	(13,327)	173,055	13,530
Premium on debt issuance - TMUA	6,968	-	(480)	6,488	-
	<u>193,189</u>	<u>161</u>	<u>(13,807)</u>	<u>179,543</u>	<u>13,530</u>
Capital lease	3,381	-	(214)	3,167	220
Watermain extension contracts	761	-	(677)	84	84
Claims and judgments - Airport	373	-	(172)	201	158
Compensated absences	5,950	5,378	(4,935)	6,393	3,100
Total other post-employment benefits liability	2,591	-	(94)	2,497	-
Net pension liability	81,463	14,301	-	95,764	-
Total discretely presented component units	<u>\$ 664,568</u>	<u>\$ 75,222</u>	<u>\$ (73,353)</u>	<u>\$ 666,437</u>	<u>\$ 44,342</u>

Note 11. Long-Term Liabilities, continued

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities and for improvements to the waste water utility system, an operation of TMUA, a component unit. The bonds are direct obligations and pledge the full faith and credit of the City.

General obligation bonds issued for governmental activity purposes are liquidated by the Debt Service Fund. General obligation bonds issued for a component unit's activity is liquidated by the component unit.

The General Fund is typically used to liquidate other governmental long-term liabilities for pension, compensated absences, and other post-employment benefits. The Debt Service Fund is used to liquidate general obligation bonds and judgments.

Revenue bonds issued for governmental activities are liquidated by the TPFA internal service fund from lease and loan repayments. Revenue bonds are subject to acceleration if TPFA defaults.

Revenue bonds, promissory notes and other long-term liabilities of business-type activities or by component units are repaid from those activities or component units.

B. PRIMARY GOVERNMENT

The Constitution of Oklahoma prohibits the City from becoming indebted for any amount exceeding the revenue to be received for any fiscal year, without the approval of the voters. General obligation bonds have been approved by the voters and issued by the City for various municipal improvements. These bonds are to be fully paid, generally within 20 years from the date of issue, and are backed by the full faith and credit of the City.

General Obligation Bond Refunding - On June 3, 2019, the City issued \$32,230 in Series 2019A General Obligation Refunding Bonds. The proceeds of the issue along with \$3,178 of other City resources were used to currently refund the City's Series 2011 General Obligation Bonds.

The transaction will reduce debt service payments by approximately \$4,312 over the next 2 years and result in an economic loss (difference between the present values of the debt service payments on the old and new debt) of approximately \$1,525. The refunding resulted in a deferred loss of \$901 which will be amortized over the life of the new bonds.

Collateral - The Lease Revenue Refunding Series 2017A and 2017B Bonds are collateralized by TPFA's interest in the One Technology Center and the One Technology Center Garage and all other rights, title and interest of TPFA under the lease agreement between the City and TPFA, including gross revenues and payments from the City.

CITY OF TULSA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019
(dollar amounts expressed in thousands)

Note 11. Long-Term Liabilities, continued

Primary government long-term liability activity is as follows:

	Issue Amount	Maturity Date	Interest Rate	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities								
General obligation bonds:								
Series 2009B	\$ 70,000	2019	5.00%	\$ 15,400	\$ -	\$ (7,800)	\$ 7,600	\$ 7,600
Series 2009A, Refunding	9,153	2019	4.00%	973	-	(973)	-	-
Series 2009B, Refunding	14,405	2021	5.00%	3,690	-	(1,229)	2,461	1,205
Series 2010	70,000	2020	5.00%	23,200	-	(7,800)	15,400	7,800
Series 2011	50,000	2031	3.0-3.50%	36,750	-	(36,750)	-	-
Series 2011A, Refunding	21,105	2022	3.375-4.25%	6,900	-	(1,800)	5,100	1,745
Series 2013A, Refunding	23,746	2025	2.50%	12,667	-	(2,005)	10,662	1,938
Series 2013	45,000	2023	4.0%	25,000	-	(5,000)	20,000	5,000
Series 2014	50,000	2034	3.0-4.0%	42,080	-	(2,630)	39,450	2,630
Series 2014A, Refunding	15,875	2025	3.00%	10,993	-	(1,533)	9,460	1,495
Series 2015	70,000	2040	2.0-3.25%	64,130	-	(2,915)	61,215	2,915
Series 2015A, Refunding	41,198	2027	2.0-2.5%	29,579	-	(3,637)	25,942	3,533
Series 2016	57,000	2036	3.0%	54,000	-	(3,000)	51,000	3,000
Series 2016A, Refunding	23,133	2019	5.0%	5,667	-	(5,667)	-	-
Series 2017	78,000	2037	3.0-4.0%	78,000	-	(4,105)	73,895	4,105
Series 2017A, Refunding	31,200	2021	5.0%	31,200	-	-	31,200	10,275
Series 2019A, Refunding	32,230	2021	2.6%	-	32,230	-	32,230	23,130
				440,229	32,230	(86,844)	385,615	76,371
Premium on debt issuance				11,833	19	(3,695)	8,157	-
				452,062	32,249	(90,539)	393,772	76,371
Revenue bonds:								
Capital Improvements - 2012	\$ 10,900	2020	4.00%	2,880	-	(1,420)	1,460	1,460
Capital Improvements - 2017	115,300	2032	3.00%	115,300	-	(7,030)	108,270	7,150
Capital Improvements - 2018	118,100	2031	4.00%	-	118,100	-	118,100	6,745
				118,180	118,100	(8,450)	227,830	15,355
Discount on debt issuance				(246)	-	15	(231)	-
Premium on debt issuance				3,208	7,830	(1,761)	9,277	23
				121,142	125,930	(10,196)	236,876	15,378
Other long-term liabilities:								
Compensated absences				31,987	20,991	(19,652)	33,326	21,803
Total other post-employment benefits liability				3,014	-	(113)	2,901	-
Net pension liability				290,766	-	(2,243)	288,523	-
Parking Meter Capital Lease				-	1,103	(135)	968	209
Arbitrage rebate liability				11	-	(11)	-	-
Claims and judgments				23,166	5,810	(7,177)	21,799	3,899
Due to other governments				683	-	(343)	340	340
				349,627	27,904	(29,674)	347,857	26,251
Total governmental activities				\$ 922,831	\$ 186,083	\$ (130,409)	\$ 978,505	\$ 118,000
Business-type activities								
Revenue bonds:								
Capital Improvements - 2008	16,000	2027	6.069%	\$ 7,575	\$ -	\$ (775)	\$ 6,800	\$ 835
Capital Improvements - 2012, Refunding	9,480	2018	1.25%	2,400	-	(2,400)	-	-
TPFA Lease Reve Bonds 2017A Refunding	34,185	2037	3.125-4.00%	34,185	-	-	34,185	-
TPFA Lease Reve Bonds 2017B Refunding	25,465	2028	3.00-3.10%	25,465	-	-	25,465	2,235
Improvement District - 2013, Tax-exempt	19,355	2038	4.26%	17,410	-	(535)	16,875	560
Improvement District - 2013, Taxable	3,950	2038	5.24%	3,570	-	(100)	3,470	100
				90,605	-	(3,810)	86,795	3,730
Unamortized discount				(436)	-	18	(418)	-
Unamortized premium				1,619	-	(197)	1,422	-
				91,788	-	(3,989)	87,799	3,730
Other long-term liabilities:								
Compensated absences				843	930	(866)	907	593
Total other post-employment benefits liability				483	-	-	483	-
Net pension liability				11,388	3,117	-	14,505	-
Total business-type activities				\$ 104,502	\$ 4,047	\$ (4,855)	\$ 103,694	\$ 4,323

Note 11. Long-Term Liabilities, continued

Summary of general obligation bonds outstanding and allocation between primary government and component units, at year end:

General Obligation Series	Ending Balance	Primary Government	Discretely Presented Component Units
Series 2009B	\$ 7,600	\$ 7,600	\$ -
Series 2009B, Refunding (30.5625% Sewer)	3,545	2,461	1,084
Series 2010	15,400	15,400	-
Series 2011A, Refunding	5,100	5,100	-
Series 2013A Refunding (26.438% Sewer)	14,495	10,662	3,833
Series 2013	20,000	20,000	-
Series 2014	39,450	39,450	-
Series 2014A, Refunding (2.6354839% Sewer)	9,715	9,460	255
Series 2015	61,215	61,215	-
Series 2015A, Refunding (9.2949512% Sewer)	28,600	25,942	2,658
Series 2016	51,000	51,000	-
Series 2017	73,895	73,895	-
Series 2017A, Refunding (6.4604247% Sewer)	33,355	31,200	2,155
Series 2019A, Refunding	32,230	32,230	-
	<u>\$ 395,600</u>	<u>\$ 385,615</u>	<u>\$ 9,985</u>

Note 11. Long-Term Liabilities, continued

C. DISCRETELY PRESENTED COMPONENT UNITS

1. Revenue Bonds

Revenue bonds outstanding include debt issued by component units of the City. The debt of these component units does not constitute debt of the City and is payable solely from resources of the authorities or trusts. Revenue bonds are collateralized primarily by the trust estates and revenues derived there from.

Various bond indentures, loan agreements, and pledge and security agreements contain significant limitations and restrictions for annual debt requirements and flow of monies through various restricted accounts. Revenue bonds are subject to acceleration if component units default.

Revenue Bond Refunding - On April 5, 2019, TMUA issued \$18,705 Refunding Series 2019A Utility Revenue Bonds. The proceeds of the issue were used to currently refund the Series 2011 and the Series 2012 Revenue Bonds. This transaction will reduce debt service payments by \$6,344 over the next 8 years and result in an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$4,924. The refunding resulted in a deferred charge of \$501 which will be amortized over the life of the new bonds. The amortization and related deferred charge are reported in the financial statements.

Collateral - The Series 2012 Bonds are collateralized solely by the monies and assets in the Trust Estate of TPA. The Trust Estate is defined as the revenues; any parking subscription agreements or guarantee agreements; any subordinate lien or claim upon nonsystem revenues; TPA's interest in the Civic Center Parking Facility, Main Street Parking Facility, the 100 West Facility, the Boulder Lot and the North and South Garages; all of TPA's right, title and interest under the Amended Project Site Lease Agreement (dated as of September 1, 1985) between the City and the TPA; and any concession fees or charges and lease rentals derived from any rental space owned or operated by the TPA or operated for the benefit of TPA.

2. Promissory Notes

TMUA borrows from the Oklahoma Water Resources Board through two types of program loans: The State Financial Assistance Program (FAP) Loans and the Clean Water State Revolving Fund (SRF) Loan Program. FAP loan proceeds are received at closing and SRF loan proceeds are received on a reimbursement basis.

On April 1, 2019 TMUA issued \$10,626 of Clean Water SRF Promissory Note Series 2019A, maturing 2041 with an interest rate of 2.32%. As of June 30, 2019, there was no outstanding balance on Promissory Note 2019A.

TMUA's outstanding loans with the Oklahoma Water Resources Board are collateralized by a first lien and security interest in the TMUA's wastewater treatment system and the revenues derived there from and generally requires semi-annual principal and interest payments. TMUA promissory notes are subject to acceleration if TMUA defaults.

3. Conduit Debt – Tulsa Industrial Authority

Notes and bonds issued by the Tulsa Industrial Authority are utilized by industrial, commercial and other organizations to promote economic development within and near the territorial limits of the City of Tulsa.

TIA loans the proceeds from the notes and bonds to organizations or enters into lease-purchase agreements for the facilities. The notes and bonds issued by TIA are special and limited obligations payable solely from and collateralized by a pledge of revenues from the loan agreements. The bonds do not constitute a debt or pledge of faith and credit of TIA or the City, and accordingly, they have not been reported in the accompanying financial statements. At June 30, 2019, the aggregate outstanding principal balances due on these notes and bonds are approximately \$183,000.

CITY OF TULSA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019
(dollar amounts expressed in thousands)

Note 11. Long-Term Liabilities, continued

Discretely Presented Component Units long-term liability activity is as follows:

	Authorized Amount	Maturity Date	Interest Rate	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
REVENUE BONDS:								
<u>Tulsa Airports Improvement Trust</u>								
Series 2010-A	\$ 5,770	2021	4.57-5.0%	\$ 2,050	\$ -	\$ (655)	\$ 1,395	\$ 680
Series 2010-B	8,215	2021	6.0-6.50%	2,740	-	(855)	1,885	915
Series 2010-C	13,520	2026	4.0-5.25%	4,110	-	(585)	3,525	580
Series 2013-A	33,665	2043	5.0-5.625%	32,435	-	(660)	31,775	695
Series 2013-B	3,275	2024	1.389-5.087%	2,325	-	(255)	2,070	255
Series 2015-A	44,045	2045	2.0-5.0%	38,155	-	(3,025)	35,130	3,210
Series 2015-C	895	2045	2.0-4.25%	835	-	(20)	815	20
Series 2015-D	24,395	2028	2.0-5.0%	21,835	-	(1,850)	19,985	1,940
Series 2016-A	1,500	2027	3.82%	915	-	(85)	830	96
Series 2017-A	54,180	2037	1.888-3.977%	53,400	-	(30)	53,370	50
Series 2018-A	19,825	2048	4.0-5.25%	-	19,825	-	19,825	-
				<u>158,800</u>	<u>19,825</u>	<u>(8,020)</u>	<u>170,605</u>	<u>8,441</u>
Premium on debt issuance				6,147	1,447	(390)	7,204	-
Unamortized discount				(505)	-	23	(482)	-
				<u>164,442</u>	<u>21,272</u>	<u>(8,387)</u>	<u>177,327</u>	<u>8,441</u>
<u>Tulsa Metropolitan Utility Authority</u>								
Series 2011	24,100	2031	3.0-4.375%	\$ 17,975	\$ -	\$ (17,975)	\$ -	\$ -
Series 2012 Refunding	12,685	2025	2.0-2.65%	6,865	-	(6,865)	-	-
Series 2013 Refunding	61,280	2025	2.5-3.0%	39,340	-	(4,580)	34,760	4,600
Series 2014	17,825	2034	2.0-3.50%	15,830	-	(680)	15,150	690
Series 2015 Refunding	9,940	2027	2.0-3.0%	7,100	-	(705)	6,395	745
Series 2016A	16,565	2031	3.0-3.25%	14,755	-	(920)	13,835	935
Series 2016B	10,885	2036	2.0-3.50%	10,040	-	(430)	9,610	435
Series 2016C Refunding	34,810	2025	5%	31,540	-	(3,310)	28,230	3,355
Series 2017A Refunding	27,765	2030	3.00 - 3.125%	25,925	-	(1,865)	24,060	1,880
Series 2018A	11,850	2038	3.125-3.250%	11,850	-	(425)	11,425	430
Series 2019B	12,430	2039	3%	-	12,430	-	12,430	465
Series 2019A Refunding	18,705	2027	5%	-	18,705	-	18,705	1,965
				<u>181,220</u>	<u>31,135</u>	<u>(37,755)</u>	<u>174,600</u>	<u>15,500</u>
Unamortized discount				(64)	(35)	3	(96)	-
Premium on debt issuance				7,780	3,010	(1,518)	9,272	-
				<u>188,936</u>	<u>34,110</u>	<u>(39,270)</u>	<u>183,776</u>	<u>15,500</u>
<u>Tulsa Parking Authority</u>								
Series 2012 - Refunding	\$ 17,860	2028	3.0-4%	9,075	-	(1,910)	7,165	970
Premium on debt issuance				317	-	(56)	261	-
				<u>9,392</u>	<u>-</u>	<u>(1,966)</u>	<u>7,426</u>	<u>970</u>
				<u>\$ 362,770</u>	<u>\$ 55,382</u>	<u>\$ (49,623)</u>	<u>\$ 368,529</u>	<u>\$ 24,911</u>

Continued

CITY OF TULSA
NOTES TO BASIC FINANCIAL STATEMENTS
June 30, 2019
(dollar amounts expressed in thousands)

Note 11. Long-Term Liabilities, continued

Discretely Presented Component Units long-term liability activity, continued

Description	Issue Amount	Maturity Date	Interest Rate	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
PROMISSORY NOTES:								
<u>Tulsa Metropolitan Utility Authority</u>								
Series 2001-B, Sanitary Sewer (SRF)	\$ 4,996	2020	0.50%	\$ 526	\$ -	\$ (263)	\$ 263	\$ 263
Series 2002-D, Sanitary Sewer (SRF)	6,813	2021	0.50%	1,223	-	(349)	874	349
Series 2004-B, Sanitary Sewer (SRF)	1,560	2023	0.50%	440	-	(80)	360	80
Series 2005-B, Sanitary Sewer (SRF)	7,900	2027	3.10%	4,171	-	(383)	3,788	395
Series 2005-C, Sanitary Sewer (SRF)	1,203	2025	0.50%	451	-	(60)	391	60
Series 2006-A, Sanitary Sewer (SRF)	3,130	2027	3.10%	1,611	-	(148)	1,463	153
Series 2006-C, Sanitary Sewer (SRF)	17,825	2029	3.10%	10,911	-	(801)	10,110	826
Series 2007-A, Sanitary Sewer (SRF)	5,131	2026	0.50%	2,237	-	(263)	1,974	263
Series 2009-A, Sanitary Sewer (SRF)	11,320	2032	3.22%	6,967	158	(566)	6,559	566
Series 2009-B, Sanitary Sewer (SRF)	7,350	2032	2.91%	3,983	-	(234)	3,749	240
Series 2010-A, Sanitary Sewer (SRF)	27,757	2032	2.89%	19,470	-	(1,388)	18,082	1,388
Series 2010-B, Sanitary Sewer (FAP)	29,380	2030	3.145-5.145%	21,460	-	(1,265)	20,195	1,330
Series 2011 A, Sanitary Sewer (SRF)	23,480	2033	3.11%	17,278	-	(1,174)	16,104	1,174
Series 2011-B, Sanitary Sewer (FAP)	14,275	2031	2.145-5.145%	11,080	-	(595)	10,485	615
Series 2011-C, Sanitary Sewer (SRF)	16,700	2034	2.55%	13,199	-	(835)	12,364	835
Series 2012-A, Sanitary Sewer (SRF)	4,347	2034	2.43%	3,176	-	(217)	2,959	217
Series 2012-B, Sanitary Sewer (FAP)	11,355	2032	3.145-3.395%	8,895	-	(480)	8,415	495
Series 2013-A, Sanitary Sewer (SRF)	9,850	2035	2.24%	5,987	-	(518)	5,469	518
Series 2013-B, Sanitary Sewer (FAP)	27,605	2033	2.645-5.145%	23,295	-	(1,035)	22,260	1,065
Series 2014-A, Sanitary Sewer (SRF)	2,910	2035	2.58%	2,396	-	(146)	2,250	146
Series 2014-B, Sanitary Sewer (FAP)	10,180	2033	2.145-4.06%	8,690	-	(440)	8,250	445
Series 2014-C, Sanitary Sewer (FAP)	17,735	2034	2.145-5.145%	15,920	-	(670)	15,250	690
Series 2015-A, Sanitary Sewer (SRF)	28,330	2038	2.46%	2,855	-	(1,417)	1,438	1,417
Series 2018-A, Sanitary Sewer (SRF)	14,350	2041	2.53%	-	3	-	3	-
				<u>186,221</u>	<u>161</u>	<u>(13,327)</u>	<u>173,055</u>	<u>13,530</u>
Premium on debt issuance-TMUA				<u>6,968</u>	<u>-</u>	<u>(480)</u>	<u>6,488</u>	<u>-</u>
				<u>\$ 193,189</u>	<u>\$ 161</u>	<u>\$ (13,807)</u>	<u>\$ 179,543</u>	<u>\$ 13,530</u>
GENERAL OBLIGATION BONDS:								
<u>Tulsa Metropolitan Utility Authority</u>								
Series 2009A Refunding, Sanitary Sewer	\$ 5,532	2019	4.00%	\$ 587	\$ -	\$ (587)	\$ -	\$ -
Series 2009B Refunding, Sanitary Sewer	6,340	2021	5.00%	1,625	-	(541)	1,084	530
Series 2013A Refunding, Sanitary Sewer	8,534	2025	2.50%	4,553	-	(720)	3,833	697
Series 2014A Refunding, Sanitary Sewer	430	2026	3.00%	297	-	(42)	255	40
Series 2015A Refunding, Sanitary Sewer	4,222	2027	2.0-2.5%	3,031	-	(373)	2,658	362
Series 2016A Refunding, Sanitary Sewer	5,587	2019	5.00%	1,368	-	(1,368)	-	-
Series 2017A Refunding, Sanitary Sewer	2,155	2021	5.00%	2,155	-	-	2,155	710
				<u>13,616</u>	<u>-</u>	<u>(3,631)</u>	<u>9,985</u>	<u>2,339</u>
Premium on debt issuance-TMUA				<u>474</u>	<u>-</u>	<u>(200)</u>	<u>274</u>	<u>-</u>
				<u>\$ 14,090</u>	<u>\$ -</u>	<u>\$ (3,831)</u>	<u>\$ 10,259</u>	<u>\$ 2,339</u>

Note 11. Long-Term Liabilities, continued

Principal and interest scheduled maturities in subsequent years:

Year	Primary Government					
	General Obligation		Revenue Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 76,371	\$ 11,937	\$ 19,085	\$ 11,119	\$ 95,456	\$ 23,056
2021	54,457	9,558	17,405	10,442	71,862	20,000
2022	36,418	7,773	16,725	9,847	53,143	17,620
2023	24,058	6,735	18,635	9,224	42,693	15,959
2024	18,895	6,034	20,745	8,517	39,640	14,551
2025-2029	76,356	23,018	119,010	30,105	195,366	53,123
2030-2034	63,250	12,532	79,490	9,629	142,740	22,161
2035-2039	32,895	3,119	23,530	2,011	56,425	5,130
2040-2043	2,915	95	-	-	2,915	95
	<u>\$ 385,615</u>	<u>\$ 80,801</u>	<u>\$ 314,625</u>	<u>\$ 90,894</u>	<u>\$ 700,240</u>	<u>\$ 171,695</u>

Year	Discretely Presented Component Units							
	General Obligation		Revenue Bonds		Promissory Notes		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 2,339	\$ 303	\$ 24,911	\$ 14,066	\$ 13,530	\$ 6,077	\$ 40,780	\$ 20,446
2021	2,338	215	24,985	12,755	12,069	5,705	39,392	18,675
2022	1,762	126	24,769	11,802	12,074	5,327	38,605	17,255
2023	1,007	84	25,323	11,239	12,160	4,911	38,490	16,234
2024	980	60	24,897	10,256	12,399	4,485	38,276	14,801
2025-2029	1,559	61	102,310	36,996	64,452	15,561	168,321	52,618
2030-2034	-	-	55,440	22,298	44,977	4,268	100,417	26,566
2035-2039	-	-	43,435	11,731	1,394	35	44,829	11,766
2040-2044	-	-	19,995	4,651	-	-	19,995	4,651
2045-2049	-	-	6,305	715	-	-	6,305	715
	<u>\$ 9,985</u>	<u>\$ 849</u>	<u>\$ 352,370</u>	<u>\$ 136,509</u>	<u>\$ 173,055</u>	<u>\$ 46,369</u>	<u>\$ 535,410</u>	<u>\$ 183,727</u>

D. APPLICABILITY OF FEDERAL ARBITRAGE REGULATIONS

Debt issuances of the City and various Authorities issued after the Tax Reform Act of 1986 are subject to the federal arbitrage regulations. The arbitrage rebate regulations require that all earnings from the investment of gross proceeds of a bond issue in excess of the amount that could have been earned, had the yield on the investment been equal to the yield on the bonds, be remitted to the federal government. These rules carry strict penalties for noncompliance, including taxability of interest retroactive to the date of the issue. City management believes the City is in compliance with these rules and regulations.

Note 11. Long-Term Liabilities, continued

E. DEFEASED DEBT

Certain outstanding general obligation and revenue bonds of the City and its component units have been defeased by placing the proceeds of refunding bonds and cash received from a tenant in irrevocable escrow accounts held and managed by bank trustees, and invested in U. S. Treasury obligations, the principal and interest on which would provide amounts sufficient to pay the principal and interest on the defeased bonds in accordance with the schedule of remaining payments due or until the date callable. Accordingly, the escrow accounts and the defeased bonds are not included in the financial statements of the City or its component units. The defeased bonds outstanding and considered extinguished are as follows:

<u>Tulsa Airports Improvement Trust</u>	
2000A Revenue Bonds	\$ 960
<u>City of Tulsa General Government</u>	
2011 General Obligation Bonds	\$ 34,100

Note 12. Fund Balances of Governmental Funds

The details for the City's Governmental Funds fund balances are:

	General	Debt Service	Bond	Sales Tax	Limited-Purpose Sales Tax Fund	Other Governmental Funds	Total Governmental Funds
Fund balances:							
Nonspendable:							
Not in spendable form:							
Advances to other funds	\$ 472	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 472
Inventory	40	-	-	-	-	-	40
Land held for sale	38	-	-	-	-	-	38
	<u>550</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>550</u>
Restricted for:							
Economic stabilization reserve	2,000	-	-	-	-	-	2,000
Debt service	-	68,289	-	-	7,511	-	75,800
Capital projects	-	-	119,566	251,619	217,135	4,339	592,659
Federal and state grants	-	-	-	-	-	970	970
E-911 operations	-	-	-	-	-	1,864	1,864
Economic development	-	-	-	-	-	3,510	3,510
Transportation	-	-	-	-	-	10,713	10,713
Tulsa Stadium district improvements	-	-	-	-	-	660	660
Public safety	-	-	-	-	-	13,785	13,785
Other governmental purposes	-	-	-	-	-	1,996	1,996
	<u>2,000</u>	<u>68,289</u>	<u>119,566</u>	<u>251,619</u>	<u>224,646</u>	<u>37,837</u>	<u>703,957</u>
Committed:							
Tourism promotion	-	-	-	-	-	146	146
Medical services program	-	-	-	-	-	3,993	3,993
Operation of Air Force Plant 3 facility	-	-	-	-	-	1,660	1,660
Whittier Square district improvements	-	-	-	-	-	69	69
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,868</u>	<u>5,868</u>
Assigned to:							
Budgetary resources - subsequent year	7,424	-	-	-	-	-	7,424
Unassigned (deficit)	<u>61,495</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(893)</u>	<u>60,602</u>
	<u>\$ 71,469</u>	<u>\$ 68,289</u>	<u>\$ 119,566</u>	<u>\$ 251,619</u>	<u>\$ 224,646</u>	<u>\$ 42,812</u>	<u>\$ 778,401</u>

The purpose of governmental funds and their revenue sources are listed below:

Major Governmental Funds	Revenue sources	Purpose
Debt Service	Property tax	To pay debt service on general obligation bonds and judgments
Bond	Proceeds from bond issuances	Capital improvements
Sales Tax	Sales taxes	Capital improvements
Limited-Purpose Sales Tax	Sales taxes Proceeds from bond issuances	Capital improvements and debt service

Note 13. Pledged Revenues

1. Sales and Use Tax Revenues Pledged

Advance Funding Sales Tax Projects – TPFA has entered into a projects agreement with the City to provide financing for certain capital projects and subsequently issued its Capital Improvement Revenue Bonds, Series 2017 and 2018. The City has pledged certain sales and use tax revenues to repay the advance from the Authority. The total principal and interest remaining on the debt is \$283,116 with annual debt service requirements ranging from \$12,770 to \$24,891 through 2032. Principal and interest paid during the year amounted to \$12,745. Sales and use tax revenue recorded by the City was \$29,997.

2. Revenues Pledged in Connection with Proprietary Fund Debt

One Technology Center Lease Revenue – TPFA has pledged future gross lease revenues derived from the operation of the OTC facility, including money received from the City pursuant to the lease and other funds, to repay approximately \$59,650 in revenue bonds. Proceeds from the bonds provided financing for the acquisition and improvement of the facilities. The bonds are payable from new and existing leases and other revenues and are payable through 2038. Annual principal and interest payments on the bonds required 61% of gross revenues. The total principal and interest remaining to be paid on the bonds is \$80,172. Principal and interest paid on the bonds amounted to \$4,321. Total gross revenues were \$7,045.

Capital Improvements 2008 - TPFA has pledged future sponsorship and naming rights revenues derived from the operation of the BOK Arena to repay approximately \$16,000 in capital improvement bonds. Proceeds from the bonds provided financing for the acquisition, construction, furnishing and equipping of capital improvements and additions to the BOK Arena. The bonds are payable from new and existing sponsorship and naming rights revenues and are payable through 2027. Annual principal and interest payments on the bonds required 81% of sponsorship and naming right revenues. The total principal and interest remaining to be paid on the bonds is \$8,727. Principal and interest paid for the year was \$1,235. Total gross sponsorship and naming rights revenues were \$1,538.

Capital Improvements 2012 - TPFA has entered into a projects agreement with TARE to provide financing for the acquisition and delivery of trash carts and other capital improvements for use in the operations of TARE's system for solid waste management providing collection and disposal of residential solid waste. In return TARE has pledged future revenues to repay \$10,900 in capital improvement bonds issued payable through 2020. Total principal and interest remaining to be paid on the bonds is \$1,518. Principal and interest paid for the year was \$1,538. Total solid waste collection and disposal revenue was \$26,723.

Improvement District Series 2013 – TST has pledged future gross revenues derived from operations of the baseball stadium and related facilities to repay approximately \$23,305 in revenue bonds. Proceeds from the bonds provided financing for construction of the baseball stadium and related facilities. The bonds are payable from gross revenues along with property tax assessments of the Tulsa Stadium Improvement District received from the City and are payable through 2039. Annual principal and interest payments on the bonds required 65% of total gross revenues. The total principal and interest remaining to be paid on the bonds is \$31,987. Principal and interest required to be paid for the year was \$1,601 exclusive of any additional amounts paid. Total gross revenues were \$248 and property tax assessments received from the City were \$2,198.

3. Revenues Pledged in Connection with Component Unit Debt

TMUA - TMUA has pledged future water and wastewater customer revenues, net of specified operating expenses and net of amounts pledged for promissory note debt service to repay \$174,600 in water and wastewater system revenue bonds and future wastewater customer revenues, net of specified operating expenses, to repay \$173,055 in wastewater promissory notes. Proceeds from the bonds and promissory notes provided financing for the construction of various water and wastewater capital projects. The bonds and promissory notes are payable solely from water and wastewater net revenues and are payable through 2041. Annual principal and interest payments on the bonds and promissory notes required 19% and 32% of water and wastewater net revenues, respectively. The total principal and interest remaining to be paid on the bonds and promissory notes is \$134,215 and \$298,394 for water and wastewater, respectively. Combined principal and interest paid for the year were \$13,667 and \$26,099, for water and wastewater, respectively. Total net revenues as described above were \$103,393 and \$61,541 respectively.

Note 13. Pledged Revenue, continued

Airports - TAIT has pledged future revenues derived from the operation of the Airports to repay approximately \$170,605 in revenue bonds. Proceeds from the bonds provided financing for various airport capital projects and debt refundings. The bonds are payable solely from gross revenues and are payable through 2048. Annual principal and interest payments on the bonds required 35% of gross revenues. The total principal and interest remaining to be paid on the bonds is \$267,223. Principal and interest paid for the year was \$15,942. Total gross revenues were \$54,651.

TPA - TPA has pledged future gross revenues derived from the operation of the parking facilities to repay approximately \$17,860 in revenue bonds. Proceeds from the bonds provided financing for various parking facilities and debt refundings. The bonds are payable solely from gross revenues and are payable through 2028. Annual principal and interest payments on the bonds required 27% of gross revenues. The total principal and interest remaining to be paid on the bonds is \$8,471. Principal and interest paid for the year were \$1,910 and \$281, respectively. Total gross revenues were \$8,263.

Note 14. Lease Commitments

Operating Leases

The City has entered into several operating leases. These leases contain cancellation provisions and are subject to annual appropriation clauses. Lease expenditures were \$444 for all types of leases for the primary government and \$248 for its component units.

Capital Leases

On October 9, 2018, The City entered into a lease agreement with BciCapital, Inc. to acquire 175 parking meters with total cost of \$1,103. The lease agreement provides for 60 monthly payments of \$20, beginning on November 9, 2018 through October 9, 2023. Payments include interest at 3.98%. Upon expiration of the lease, with continued payment of rental costs, the City has the option to purchase the equipment for one dollar. The City accounts for the lease agreement as a capital lease.

Minimum future lease payments under the capital lease are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 209	\$ 35	\$ 244
2021	217	26	243
2022	226	17	243
2023	235	8	243
2024	81	1	82
	<u>\$ 968</u>	<u>\$ 87</u>	<u>\$ 1,055</u>

On December 2, 1984, TMUA entered a contract with the United States of America to utilize the water storage in Oologah Lake as a source of a municipal and industrial water supply.

The lease terms call for annual payment of principal and interest along with operations and maintenance costs, which is subject to adjustment based upon the consumer price index. The lease carries an interest rate of 3.23% and matures in 2031.

Minimum lease payments for TMUA under the lease are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Operating Expense</u>	<u>Total</u>
2020	\$ 220	\$ 102	\$ 269	\$ 591
2021	228	95	269	592
2022	235	88	269	592
2023	242	80	269	591
2024	250	72	269	591
2025-2029	1,377	235	1,347	2,959
2030-2031	615	30	539	1,184
	<u>\$ 3,167</u>	<u>\$ 702</u>	<u>\$ 3,231</u>	<u>\$ 7,100</u>

Note 15. Contingent Liabilities

Other Litigation: The City is a party to numerous legal proceedings, many of which normally occur in governmental operations. Such litigation includes, but is not limited to, claims assessed against the City for property damages and personal injury, employment related matters, civil rights matters, alleged breaches of contract, condemnation proceedings and other alleged violations of city, state and federal laws. Management has recorded an estimate for losses that have been determined to be probable. Management believes that the resolution of these matters will not have a material adverse effect on the financial condition of the City government. Resulting judgments, if any, will likely be paid from ad valorem taxes to be received over a three-year period.

Federal Grants: In the normal course of operations, the City receives grant funds from various federal and state agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to insure compliance with conditions precedent to the granting of funds. Any liability for reimbursement which may arise as the result of audits of grant funds is not believed to be material.

Note 16. Commitments

Primary Government Encumbrances:

Governmental Funds:

Major Funds:

General Fund	\$ 5,158
Sales Tax	66,574
Bond	31,362
Limited-Purpose Sales Tax	83,412
Nonmajor Funds	8,775
	<u>195,281</u>

Internal Service Funds

4,271

Enterprise Funds:

Stormwater Management	8,518
One Technology Center	109
Arena & Convention Center	4,987
	<u>13,614</u>

Total

\$ 213,166

Note 17. Subsequent Events

The City has evaluated events or transactions for potential recognition or disclosure in these financial statements that occurred subsequent to June 30, 2019 through December 19, 2019, the date these financial statements were available to be issued.

Improve Our Tulsa Capital Improvement Proposition – On November 12, 2019, Tulsa voters approved \$427 million in street and transportation system construction and repair bonds.

General Obligation Bonds, 2020– On December 18, 2019, the City authorized a General Obligation Bond issuance not to exceed \$90,000 in Series 2020 General Obligation Bonds. The proceeds of the bonds will be used for the construction, reconstruction, improving and repairing of streets and bridges. The issuance is expected in March 2020.

TPFA Capital Improvements Revenue Bonds, Series 2019 – On November 1, 2019, the TPFA issued \$113,895 in Series 2019 Capital Improvements Revenue Bonds. The proceeds of the bonds together with certain other funds of the City will be used for acquiring, constructing, furnishing, operating and maintaining certain economic development projects in the City.

TPFA Capital Improvements Revenue Bonds – On September 11, 2019, the City authorized the issuance of an amount not to exceed \$9,000 of TPFA Revenue Bonds. The proceeds of the bonds will be used for constructing, furnishing, maintaining certain leased capital assets of the City. Currently a date has not been set for issuance.

TAIT General Airport Revenue Bonds– On October 23, 2019, the City authorized TAIT to issue General Airport Revenue Refunding Bonds in an amount not to exceed \$20,000. The proceeds will be used for refunding the Series 2015D General Airport Revenue Bonds. The issuance is expected in March 2020.

Note 18. Future Changes in Accounting Pronouncements

The Governmental Accounting Standards Board (GASB) has issued several statements not yet effective and not yet implemented by the City. The City plans to implement all applicable standards by the required dates. The City's management has not yet determined the effect these statements will have on the City's financial statements.

GASB Statement No. 84 – Fiduciary Activities- Issued in January 2017, this Statement will be effective for the City beginning with its fiscal year ending June 30, 2020. This statement will improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The statement establishes criteria for identifying fiduciary activities. The statement also provides for recognition of a liability to the beneficiary in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources.

GASB Statement No. 87 – Leases – Issued in June 2017, this Statement will be effective for the City beginning with its fiscal year ending June 30, 2021. This Statement increases the usefulness of the City's financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, the City, as a lessee, is required to recognize a lease liability and an intangible right-to-use lease asset, and as a lessor, is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about the City's leasing activities. GASB Statement 87 has the potential to have a significant impact on the City's financial statements.

GASB Statement No. 90 – Majority Equity Interests – An Amendment to GASB Statement No. 14 and No. 61 – Issued August 2018, this Statement will be effective for the City beginning with its fiscal year ending June 30, 2020. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value.

GASB Statement No. 91 – Conduit Debt Obligations – Issued in May 2019, this Statement will be effective for the City beginning with its fiscal year ending June 30, 2022. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. This Statement also addresses arrangements—often characterized as leases—that are associated with conduit debt obligations. In those arrangements, capital assets are constructed or acquired with the proceeds of a conduit debt obligation and used by third-party obligors in the course of their activities. Payments from third-party obligors are intended to cover and coincide with debt service payments. During those arrangements, issuers retain the titles to the capital assets. Those titles may or may not pass to the obligors at the end of the arrangements.

Municipal Employees' Retirement Plan Defined Benefits Pension Plan
Schedule of City's Proportionate Share
For the current and prior five years

	2019	2018	2017	2016	2015	2014
Total pension liability:						
Service cost	\$ 14,554	\$ 14,049	\$ 13,853	\$ 12,203	\$ 12,561	\$ 15,518
Interest	49,088	47,429	46,331	41,536	40,928	38,247
Changes of benefit terms	(72)	-	(191)	-	(788)	-
Differences between expected and actual experience	(7,790)	1,547	(6,652)	2,979	(8,598)	(1,581)
Changes of assumptions	27,868	-	-	61,038	-	(71,058)
Benefit payments, including refunds of member contributions	(41,909)	(40,431)	(37,222)	(36,326)	(35,842)	(33,472)
Net change in total pension liability	<u>41,739</u>	<u>22,594</u>	<u>16,119</u>	<u>81,430</u>	<u>8,261</u>	<u>(52,346)</u>
Total pension liability—beginning	<u>667,931</u>	<u>645,337</u>	<u>629,218</u>	<u>547,788</u>	<u>539,527</u>	<u>591,873</u>
Total pension liability—ending (a)	<u>\$ 709,670</u>	<u>\$ 667,931</u>	<u>\$ 645,337</u>	<u>\$ 629,218</u>	<u>\$ 547,788</u>	<u>\$ 539,527</u>
Plan fiduciary net position:						
Contributions—employer	\$ 19,251	\$ 18,512	\$ 13,562	\$ 14,016	\$ 12,886	\$ 12,003
Contributions—member	8,065	7,794	7,653	7,533	7,182	6,677
Net investment income	18,283	38,461	51,278	5,523	10,797	61,164
Benefit payments, including refunds of member contributions	(41,909)	(40,431)	(37,222)	(36,326)	(35,842)	(33,472)
Administrative expense	(466)	(493)	(409)	(375)	(295)	(313)
Net change in plan fiduciary net position	<u>3,224</u>	<u>23,843</u>	<u>34,862</u>	<u>(9,629)</u>	<u>(5,272)</u>	<u>46,059</u>
Plan fiduciary net position—beginning	<u>471,610</u>	<u>447,767</u>	<u>412,905</u>	<u>422,534</u>	<u>427,806</u>	<u>381,747</u>
Plan fiduciary net position—ending (b)	<u>\$ 474,834</u>	<u>\$ 471,610</u>	<u>\$ 447,767</u>	<u>\$ 412,905</u>	<u>\$ 422,534</u>	<u>\$ 427,806</u>
Plan's net pension liability—ending (a) – (b)	<u>\$ 234,836</u>	<u>\$ 196,321</u>	<u>\$ 197,570</u>	<u>\$ 216,313</u>	<u>\$ 125,254</u>	<u>\$ 111,721</u>

Notes:

Information for years prior to 2014 is not available.

Changes of assumptions- In 2019, amounts reported as change of assumptions resulted primarily from the decrease in the inflation rate from 3% to 2.5% and corresponding investment rate of return from 7.5% to 7.0% as well as a reduction in the payroll growth rate assumption.

Changes of assumptions- In 2016, amounts reported as changes of assumptions resulted primarily from the change in the mortality table from the 1994 Group Annuity Tables, set forward 2 year for males and 1 year for females to the RP-2014 Combined Healthy Mortality Tables with Blue Collar adjustments and generational mortality improvements with Scale MP-2015 from the table's base year of 2014. Additionally, the discount rate changed from 7.75% to 7.5%.

Changes of assumptions- In 2014, amounts reported as changes of assumptions resulted primarily from the change in the discount rate from 6.56% to 7.75%.

*Municipal Employees' Retirement Plan Defined Benefits Pension Plan
 Schedule of City's Proportionate Share
 For the current and prior five years*

Year	Primary Government Proportion of Net Pension Liability	Primary Government Proportionate Share of Net Pension Liability	Primary Government Covered Payroll	Primary Government Proportionate Share of Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary net Position as a Percentage of Total Pension Liability
2019	47.7399%	\$ 112,110	\$ 59,252	189%	66.9%
2018	48.3256%	94,873	57,400	165%	70.6%
2017	48.5084%	95,838	58,643	163%	69.4%
2016	48.6849%	105,312	55,991	188%	65.6%
2015	47.7731%	59,838	54,059	111%	77.1%
2014	48.8840%	54,614	52,162	105%	79.3%

Note:

Information for years prior to 2014 is not available.

*Municipal Employees' Retirement Plan Defined Benefits Pension Plan
 Schedule of City's Contributions
 For the current and past nine years, and
 Schedule of Actuarial Valuation, Methods and Assumptions*

Fiscal Year Ended June 30	Primary Government Contractually Required Contribution	Primary Government Actual Contributions	Contribution Deficiency (Excess)	Primary Government Covered Payroll	Contributions as a Percentage of Covered Payroll
2019	\$ 9,184	\$ 9,184	\$ -	\$ 59,252	15.5%
2018	8,897	8,897	-	57,400	15.5%
2017	6,744	6,744	-	58,643	11.5%
2016	6,439	6,439	-	55,991	11.5%
2015	6,217	6,217	-	54,059	11.5%
2014	5,216	5,520	(304)	52,162	10.6%
2013	5,707	7,061	(1,354)	57,070	12.4%
2012	4,988	6,886	(1,898)	53,638	12.8%
2011	3,289	3,289	-	52,204	6.3%
2010	3,732	3,732	-	59,235	6.3%

Actuarial Valuation, Methods and Assumptions

Valuation date	January 1, 2019
Actuarial cost method	Entry Age Normal
Amortization method	Level percent, 30 year closed period beginning January 1, 2016
Remaining amortization periods	30 years
Asset valuation method	5 year smoothed FMV
Investment rate of return	7.00%
Projected salary increases	3.50%-11.25%
Inflation	2.50%
Cost-of-living adjustments	None
Mortality	RP-2014 Combined Healthy Mortality Tables with Blue Collar adjustments Generational mortality improvements with Scale MP-2015 from the table's base year of 2014

Note:

Actuarial valuation methods and assumptions are utilized in the calculation of the required contribution rates.

Municipal Employees' Retirement Plan Defined Benefits Pension Plan
Schedule of Investment Returns
For the current and prior six years

Annual Money-weighted Rate of Return, Net of Investment Expense
(Information for years prior to 2013 is not available)

2019	2018	2017	2016	2015	2014	2013
4.2%	8.7%	13.0%	1.7%	2.7%	16.9%	11.8%

Oklahoma Firefighters Pension and Retirement System
Schedule of City's Proportionate Share
For the current and prior four years

<u>Year</u>	<u>Measurement Date</u>	<u>City's Proportion of Net Pension Liability</u>	<u>City's Proportionate Share of Net Pension Liability</u>	<u>City's Covered Payroll</u>	<u>City's Proportionate Share of Net Pension Liability as a Percentage of its Covered Payroll</u>	<u>Plan Fiduciary Net Position as a Percentage of Total Pension Liability</u>
2019	6/30/2018	16.9607%	\$ 190,918	\$ 48,800	391.23%	70.7%
2018	6/30/2017	16.3726%	205,921	48,299	426.35%	64.9%
2017	6/30/2016	16.6406%	203,300	46,505	437.16%	64.9%
2016	6/30/2015	15.7228%	166,883	42,958	388.48%	68.3%
2015	6/30/2014	16.6964%	171,697	45,889	374.16%	68.1%

Note:

Information for years prior to 2015 is not available.

Oklahoma Firefighters Pension and Retirement System
Schedule of City's Contributions
For the current and past nine years

Fiscal Year Ended June 30	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
2019	\$ 7,141	\$ 7,141	\$ -	\$ 51,007	14%
2018	6,862	6,862	-	48,800	14%
2017	6,762	6,762	-	48,299	14%
2016	6,511	6,511	-	46,505	14%
2015	6,014	6,014	-	42,958	14%
2014	5,995	5,995	-	45,889	13%
2013	5,661	5,661	-	43,543	13%
2012	5,456	5,456	-	41,968	13%
2011	5,092	5,092	-	39,170	13%
2010	5,306	5,306	-	40,814	13%

Oklahoma Police Pension and Retirement System
Schedule of City's Proportionate Share
For the current and prior four years

Year	Measurement Date	City's Proportion of Net Pension Liability (Asset)	City's Proportionate Share of Net Pension Liability (Asset)	City's Covered Payroll	City's Proportionate Share of Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of Total Pension Liability (Asset)
2019	6/30/2018	17.1181%	\$ (8,154)	\$ 53,592	-15.21%	101.9%
2018	6/30/2017	17.6817%	1,360	54,316	2.50%	99.7%
2017	6/30/2016	18.3388%	28,084	53,854	52.15%	93.5%
2016	6/30/2015	17.8728%	728	50,332	1.45%	99.8%
2015	6/30/2014	19.1732%	(6,455)	50,720	-12.73%	101.5%

Note:

Information for years prior to 2015 is not available.

Oklahoma Police Pension and Retirement System
Schedule of City's Contributions
For the current and past nine years

Fiscal Year Ended June 30	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
2019	\$ 7,382	\$ 7,382	\$ -	\$ 56,785	13%
2018	6,967	6,967	-	53,592	13%
2017	7,061	7,061	-	54,316	13%
2016	7,001	7,001	-	53,854	13%
2015	6,543	6,543	-	50,332	13%
2014	6,594	6,594	-	50,720	13%
2013	6,595	6,595	-	50,727	13%
2012	6,135	6,135	-	47,189	13%
2011	5,961	5,961	-	45,855	13%
2010	6,112	6,112	-	47,018	13%

City of Tulsa Postretirement Benefit Plan -- Schedule of Changes in the Total OPEB Liability

For the current and prior three years

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Total OPEB liability:				
Service cost	\$ 262	\$ 271	\$ 297	\$ 241
Interest	245	207	167	210
Changes of benefit terms	-	-	-	-
Differences between expected and actual experience	(378)	427	637	459
Changes of assumptions	154	(23)	(250)	409
Benefit payments, including refunds of member contributions	(464)	(202)	(1,234)	(796)
Net change in total OPEB liability	<u>(181)</u>	<u>680</u>	<u>(383)</u>	<u>523</u>
Total OPEB liability—beginning	6,314	5,634	6,017	5,494
Total OPEB liability—ending	<u>\$ 6,133</u>	<u>\$ 6,314</u>	<u>\$ 5,634</u>	<u>\$ 6,017</u>
Covered payroll	\$ 106,985	\$ 103,869	\$ 104,090	\$ 101,059
Total OPEB liability as a percent of covered payroll	5.7%	6.1%	5.4%	6.0%

Change in assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period.

2019	3.51%
2018	3.87%
2017	3.56%
2016	4.00%

Note:

Information for years prior to 2016 is unavailable

City of Tulsa Postretirement Benefit Plan -- Schedule of City's Total OPEB Liability and Related Ratios
For the current and prior three years

Year	Primary Government Proportion of Total OPEB Liability	Primary Government Proportionate Share of Total OPEB Liability	Primary Government Covered Payroll	Primary Government Proportionate Share of Total OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary net Position as a Percentage of Total OPEB Liability
2019	55.1724%	\$ 3,384	\$ 59,026	5.7%	0.0%
2018	55.4002%	3,497	57,544	6.1%	0.0%
2017	55.1098%	3,104	57,364	5.4%	0.0%
2016	54.9639%	3,307	55,546	6.0%	0.0%

Note:
 Information for years prior to 2016 is unavailable

General Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Budgetary Basis)

	Budgeted Amounts		Actual Amounts Budgetary	Variance
	Original	Final	Basis	
Revenues				
Taxes	\$ 205,540	\$ 205,540	\$ 213,675	\$ 8,135
Licenses and permits	9,201	9,709	11,022	1,313
Intergovernmental	8,310	8,752	8,844	92
Charges for service	20,019	20,019	19,228	(791)
Fines and forfeitures	8,262	8,262	7,853	(409)
Investment income	5,000	5,000	5,732	732
Payments from component unit	16,218	15,853	16,052	199
Miscellaneous	3,313	3,313	2,917	(396)
Total revenues	<u>275,863</u>	<u>276,448</u>	<u>285,323</u>	<u>8,875</u>
Expenditures				
Current				
General government	44,880	45,122	43,470	1,652
Public works and transportation	19,287	19,933	19,865	68
Social and economic development	12,095	12,038	11,671	367
Public safety and protection	174,479	177,453	175,566	1,887
Culture and recreation	22,086	22,075	21,564	511
Payments to component units	7,489	7,489	7,489	-
Total expenditures	<u>280,316</u>	<u>284,110</u>	<u>279,625</u>	<u>4,485</u>
Excess (deficiency) of revenues over expenditures	(4,453)	(7,662)	5,698	13,360
Other financing sources (uses)				
Transfers in	2,630	2,630	2,630	-
Transfers out	(3,138)	(3,980)	(3,980)	-
Total other financing uses	<u>(508)</u>	<u>(1,350)</u>	<u>(1,350)</u>	<u>-</u>
Net change in fund balances	(4,961)	(9,012)	4,348	13,360
Fund balances, beginning of year	33,481	33,481	33,481	-
Fund balances, end of year	<u>\$ 28,520</u>	<u>\$ 24,469</u>	<u>37,829</u>	<u>\$ 13,360</u>
Reconciliation to GAAP basis - basis differences:				
Reserve for encumbrances			5,158	
Reserve for advances			472	
Reserve for land inventory			38	
Other current assets			945	
Receivables			33,043	
Non-budgetary payables			(2,967)	
Unearned revenue			(1,810)	
Decrease in fair value of investments			(1,239)	
Fund balance - GAAP basis			<u>\$ 71,469</u>	

General Fund - Notes to Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual (Budgetary Basis)

Budgetary Process - City Charter and the Oklahoma Municipal Budget Act (Act) require the Mayor to prepare and submit an annual budget to the City Council for adoption in the form of an ordinance. An annual budget is adopted for the General Fund. There are no major Special Revenue Funds with a legally adopted annual budget.

Budget Policy - Under the Municipal Budgetary Act, it is unlawful for the City to create or authorize creation of a deficit in any fund that is subject to the Act.

Transfers of available budgetary balances appropriated for one purpose may be transferred for another purpose with the following levels of approval:

- The Budget and Planning Division Manager may approve budget amendments affecting accounts within the same expenditure account group, department, fund and project.
- The Mayor has the authority to approve budget amendments of less than \$100 from one expenditure account group to another expenditure account group or from one project to another project with the same department and fund.
- The City Council has the authority to approve budget amendments from one department to another department and transfers in excess of \$100 between account groups within a department.

Generally, appropriations lapse at the end of the fiscal year except for multi-year project appropriations, unexpended grant appropriations and encumbered appropriations. Encumbered appropriations carry over from one year to the next.


Budgetary Basis of Accounting - The City's policy is to prepare the governmental fund type annual budgets on a cash basis, which is modified to include encumbrances as the equivalent of expenditures. Estimated revenues are prepared on a cash basis and may include any available amounts in fund balance.

Legal Level of Budgetary Control - Excess of Expenditures over Appropriations - Expenditures cannot exceed appropriations at the legal level of budgetary control. The level at which expenditures cannot exceed appropriations is by department and category of expenditure within a fund. Expenditure categories at this level are personal services, materials and supplies, other services, debt service, and capital outlay. There were no expenditures in excess of appropriations and the legal level of budgetary control.

Budgeting and Budgetary Control - The accounting principles employed by the City in its budgetary accounting and reporting system are designed to enhance budgetary control. Certain of these principles differ from those used to present financial statements in accordance with U.S. generally accepted accounting principles. The significant differences are the exclusion of accrued and deferred revenues and accrued expenditures and transfers out from the budgetary-basis statement.

Encumbrances - Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of moneys are recorded to reserve that portion of the applicable appropriations, is employed as an extension of formal budgetary integration in the funds.

Budgetary Amounts – Original and Final - The original budget includes that adopted by ordinance including provision for encumbered amounts carried over from the prior year. The final budget amounts include the original budget along with amendments.



SECTION 2 (CONT'D.)
**NONMAJOR
GOVERNMENTAL
FUNDS**

Nonmajor Governmental Funds

Special Revenue Funds—are used to account for specific revenues that are legally restricted to expenditure for particular purposes.

- Federal and State Grants Fund—Accounts for grants received from various federal agencies and the State of Oklahoma.
- Medical Services Program—Accounts for the collection of service fees and operating expenditures to help ensure quality emergency ambulance service in the City.
- Vision Public Safety Sales Tax Fund—Accounts for a limited-purpose sales tax levy for the purpose of providing revenue for the support of the public safety functions of the City of Tulsa.
- Vision Transportation Sales Tax Fund—Accounts for a limited-purpose sales tax levy for the purpose of providing revenue for the support of street maintenance, traffic and public transportation functions of the City of Tulsa.
- E-911 Operating Fund—Accounts for the collection of E-911 fees and operating expenditures incurred in the provision of emergency 911 services.
- Economic Development Fund—Accounts for City's hotel/motel excise tax revenue. The monies are used for and economic development and to promote the convention center.
- Tulsa Stadium Improvements District Fund—Accounts for a special assessment tax to be used for funding for ONEOK Field Baseball Park, home of the Tulsa Drillers minor league baseball team and to provide services to the downtown area.
- Special Development Fund—A grouping of eight small funds with varying restricted revenue expenditure types. The two most significant funds are the Air Force Plant 3 Fund, and Penalty Assessment Law Enforcement Training Fund.

Capital Projects Funds—are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds.

- Graham Trust Park Division—Accounts for park capital improvements financed with donations from the Graham Trust.
- Long Range Capital Projects Fund—Accounts for other capital projects that will take more than one year to complete.
- Vision 2025 Capital Projects Fund—Accounts for revenue and capital improvements financed through contributions from the Tulsa County Bond Fund.
- Parkway Arterial Street—Accounts for fee in lieu of payments from developers for sidewalk improvements.
- Enhanced 911 Construction Fund—Accounts for funds allocated for the construction of the E-911 facility.

Budget And Actual Schedules—Budgetary Basis—Budgetary Level of Control

- General Fund:
 - Schedule of Revenues
 - Schedule of Expenditures and Encumbrances
- Nonmajor Governmental Funds:
 - Schedules of Revenues, Expenditures and Changes in Fund Balances

CITY OF TULSA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2019
(amounts expressed in thousands)

	Special Revenue								Capital Projects					Total
	Federal	Medical	Vision	Vision	E-911	Economic	Tulsa Stadium	Special	Grahams	Long Range	Vision 2025	Parkway	Enhanced 911	Nonmajor
	and State	Services	Public Safety	Transportation	Operating	Development	Improvement	Development	Park Trust	Capital	Capital	Arterial	Construction	Governmental
	Grants	Program	Sales Tax	Sales Tax			District		Capital Projects	Projects	Projects	Streets		Funds
Assets														
Cash and cash equivalents	\$ 775	\$ 3,368	\$ 12,453	\$ 9,980	\$ 1,890	\$ 1,909	\$ 857	\$ 5,196	\$ 64	\$ 4,207	\$ -	\$ 1	\$ 21	\$ 40,721
Receivables, net	4,729	641	1,734	928	350	797	62	303	-	46	-	-	-	9,590
Total assets	<u>\$ 5,504</u>	<u>\$ 4,009</u>	<u>\$ 14,187</u>	<u>\$ 10,908</u>	<u>\$ 2,240</u>	<u>\$ 2,706</u>	<u>\$ 919</u>	<u>\$ 5,499</u>	<u>\$ 64</u>	<u>\$ 4,253</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 21</u>	<u>\$ 50,311</u>
Liabilities														
Accounts payable and accrued liabilities	1,106	16	418	198	376	458	207	111	-	-	-	-	-	2,890
Due to other funds	-	-	-	-	-	-	-	-	-	-	748	-	-	748
Unearned revenue	292	-	-	-	-	-	-	126	-	-	-	-	-	418
Total liabilities	<u>1,398</u>	<u>16</u>	<u>418</u>	<u>198</u>	<u>376</u>	<u>458</u>	<u>207</u>	<u>237</u>	<u>-</u>	<u>-</u>	<u>748</u>	<u>-</u>	<u>-</u>	<u>4,056</u>
Deferred inflows of resources														
Unavailable revenue - special assessments	-	-	-	-	-	-	52	156	-	-	-	-	-	208
Unavailable revenue - intergovernmental	3,136	-	-	-	-	-	-	-	-	-	-	-	-	3,136
Unavailable revenue- long-term receivables	-	-	-	-	-	-	-	99	-	-	-	-	-	99
Total unavailable revenue	<u>3,136</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>52</u>	<u>255</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,443</u>
Fund balances (deficit):														
Restricted	970	-	13,769	10,710	1,864	2,248	660	3,277	64	4,253	-	1	21	37,837
Committed	-	3,993	-	-	-	-	-	1,875	-	-	-	-	-	5,868
Unassigned (deficit)	-	-	-	-	-	-	-	(145)	-	-	(748)	-	-	(893)
Total fund balances (deficit)	<u>970</u>	<u>3,993</u>	<u>13,769</u>	<u>10,710</u>	<u>1,864</u>	<u>2,248</u>	<u>660</u>	<u>5,007</u>	<u>64</u>	<u>4,253</u>	<u>(748)</u>	<u>1</u>	<u>21</u>	<u>42,812</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 5,504</u>	<u>\$ 4,009</u>	<u>\$ 14,187</u>	<u>\$ 10,908</u>	<u>\$ 2,240</u>	<u>\$ 2,706</u>	<u>\$ 919</u>	<u>\$ 5,499</u>	<u>\$ 64</u>	<u>\$ 4,253</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 21</u>	<u>\$ 50,311</u>

CITY OF TULSA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
Year ended June 30, 2019
(amount expressed in thousands)

	Special Revenue								Capital Projects					Total Nonmajor Governmental Funds
	Federal and State Grants	Medical Services Program	Vision Public Safety Sales Tax	Vision Transportation Sales Tax	E-911 Operating	Economic Development	Tulsa Stadium Improvement District	Special Development	Grahams Park Trust Capital Projects	Long Range Capital Projects	Vision 2025 Capital Projects	Parkway Arterial Street	Enhanced 911 Construction	
Revenues:														
Sales tax	\$ -	\$ -	\$ 12,490	\$ 6,635	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,125
Franchise tax	-	-	-	-	-	-	-	-	-	416	-	-	-	416
Hotel/Motel tax	-	-	-	-	-	7,713	-	-	-	-	-	-	-	7,713
Special assessment	-	-	-	-	-	-	3,472	155	-	-	-	-	-	3,627
Charges for services	-	6,736	-	-	3,916	867	5	1,518	-	-	-	-	-	13,042
Intergovernmental revenues	15,126	-	-	-	33	-	-	323	-	-	528	-	-	16,010
Fines and forfeitures	-	-	-	-	-	-	30	91	-	-	-	-	-	121
Investment income	14	80	310	198	58	42	31	45	2	53	-	-	-	833
Program income from grants	2,644	-	-	-	-	-	-	-	-	-	-	-	-	2,644
Miscellaneous	-	-	-	-	-	-	-	273	-	-	-	-	-	273
Total revenue	17,784	6,816	12,800	6,833	4,007	8,622	3,538	2,405	2	469	528	-	-	63,804
Expenditures:														
Current:														
General government	-	-	-	-	-	-	66	-	-	-	-	-	-	66
Public safety and protection	5,921	5,673	6,067	-	3,408	-	-	650	-	-	-	-	-	21,719
Public works and transportation	150	-	-	2,446	-	-	-	23	-	-	-	-	-	2,619
Culture and recreation	-	-	-	-	-	740	-	-	-	-	-	-	-	740
Social and economic development	8,233	-	-	-	-	4,082	1,202	270	-	-	-	-	-	13,787
Payments to component units	-	-	-	390	-	888	-	-	-	-	-	-	-	1,278
Capital outlay	3,180	29	2,661	-	670	105	20	414	-	237	371	-	8	7,695
Total expenditures	17,484	5,702	8,728	2,836	4,078	5,815	1,288	1,357	-	237	371	-	8	47,904
Excess (deficiency) of revenues over expenditures	300	1,114	4,072	3,997	(71)	2,807	2,250	1,048	2	232	157	-	(8)	15,900
Other financing sources (uses):														
Transfers in	943	-	-	-	-	350	-	10	-	-	-	-	-	1,303
Transfers out	(442)	(650)	(917)	-	-	(2,390)	(2,198)	-	-	-	-	-	-	(6,597)
Total other financing sources (uses)	501	(650)	(917)	-	-	(2,040)	(2,198)	10	-	-	-	-	-	(5,294)
Net change in fund balances	801	464	3,155	3,997	(71)	767	52	1,058	2	232	157	-	(8)	10,606
Fund balance (deficit), beginning of year	169	3,529	10,614	6,713	1,935	1,481	608	3,949	62	4,021	(905)	1	29	32,206
Fund balance (deficit), end of year	\$ 970	\$ 3,993	\$ 13,769	\$ 10,710	\$ 1,864	\$ 2,248	\$ 660	\$ 5,007	\$ 64	\$ 4,253	\$ (748)	\$ 1	\$ 21	\$ 42,812

**CITY OF TULSA
GENERAL FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL (BUDGETARY BASIS)
Budgetary Level of Control
Year ended June 30, 2019
(amounts expressed in thousands)**

	Final Budget	Actual	Variance with Final Budget
Taxes			
Sales tax	\$ 153,871	\$ 156,663	\$ 2,792
Use tax	27,128	33,654	6,526
Franchise tax:			
Gas	4,100	3,893	(207)
Power and light	9,400	9,606	206
Cable television	5,300	4,493	(807)
Right of way fee	5,594	5,212	(382)
Hotel/Motel tax	147	154	7
	205,540	213,675	8,135
Licenses and Permits			
Charges for Services	1,721	1,933	212
Non-business licenses and permits:			
Building inspections- residential	1,136	901	(235)
Building inspections- commercial	2,536	2,823	287
Electrical inspections	545	722	177
Mechanical inspections	570	697	127
Other non-business	3,201	3,946	745
	9,709	11,022	1,313
Intergovernmental Revenue			
Grants and reimbursements	1,342	1,795	453
Shared revenue:			
State liquor tax	740	950	210
State gasoline tax	770	738	(32)
State tobacco tax	2,800	2,509	(291)
State vehicle license	3,100	2,852	(248)
	\$ 8,752	\$ 8,844	\$ 92

Continued

**CITY OF TULSA
GENERAL FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL (BUDGETARY BASIS)
Budgetary Level of Control
Year ended June 30, 2019
(amounts expressed in thousands)**

Continued

	Final Budget	Actual	Variance with Final Budget
Charges for Services			
Indirect costs:			
Airport	\$ 51	\$ 52	\$ 1
TARE	588	588	-
Stormwater	1,053	1,053	-
Water	3,143	3,114	(29)
Sewer	2,677	2,677	-
Other general government	525	480	(45)
Public safety:			
Code enforcement	1,300	797	(503)
Airport fire reimbursement	1,700	1,923	223
Other service fees	797	796	(1)
Cultural and recreational:			
Performing Arts Center	1,825	2,237	412
Parks	808	451	(357)
Highways and streets:			
Paving cut repair charges	4,575	4,576	1
Parking meters and other	977	484	(493)
	20,019	19,228	(791)
Fines and Forfeitures			
Parking and traffic fines	8,262	7,853	(409)
Interest on Investments	5,000	5,732	732
Payments from component units			
TMUA	14,201	14,101	(100)
TARE	1,652	1,636	(16)
TDA	-	315	315
	15,853	16,052	199
Miscellaneous	3,313	2,917	(396)
Total revenues	\$ 276,448	\$ 285,323	\$ 8,875

**CITY OF TULSA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
Budgetary Level of Control
Year ended June 30, 2019
(amounts expressed in thousands)**

	Appropriations			Actual			Variance with Final Budget
	Original Budget	Revisions	Final Budget	Expenditures	Encumbrances	Total	
General government							
Departments:							
Mayor:							
Personnel services	\$ 1,790	\$ (200)	\$ 1,590	\$ 1,535	\$ -	\$ 1,535	\$ 55
Materials & supplies	15	-	15	8	-	8	7
Other services & charges	136	-	136	92	-	92	44
City Auditor:							
Personnel services	1,196	(273)	923	872	1	873	50
Materials & supplies	16	(6)	10	7	-	7	3
Other services & charges	142	170	312	166	118	284	28
City Council:							
Personnel services	1,133	(100)	1,033	1,005	-	1,005	28
Materials & supplies	17	-	17	11	1	12	5
Other services & charges	68	(3)	65	51	1	52	13
Finance:							
Personnel services	6,576	(50)	6,526	6,476	30	6,506	20
Materials & supplies	85	(3)	82	53	3	56	26
Other services & charges	3,174	322	3,496	2,329	1,100	3,429	67
Legal:							
Personnel services	3,553	80	3,633	3,598	-	3,598	35
Materials & supplies	86	-	86	70	16	86	-
Other services & charges	534	(44)	490	233	251	484	6
Human Resources:							
Personnel services	3,006	(175)	2,831	2,795	3	2,798	33
Materials & supplies	133	(3)	130	75	4	79	51
Other services & charges	1,287	(9)	1,278	638	384	1,022	256

Continued

**CITY OF TULSA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
Budgetary Level of Control
Year ended June 30, 2019
(amounts expressed in thousands)**

Continued

	Appropriations			Actual			Variance with Final Budget
	Original Budget	Revisions	Final Budget	Expenditures	Encumbrances	Total	
General government, continued							
Departments:							
Information Technology:							
Personnel services	7,359	135	7,494	7,409	45	7,454	40
Materials & supplies	345	(20)	325	244	19	263	62
Other services & charges	3,719	(71)	3,648	2,809	839	3,648	-
Communications:							
Personnel services	702	(100)	602	558	-	558	44
Materials & supplies	11	-	11	2	-	2	9
Other services & charges	19	-	19	10	-	10	9
Customer Care:							
Personnel services	488	6	494	479	6	485	9
Materials & supplies	3	-	3	1	-	1	2
Other services & charges	15	-	15	10	-	10	5
Asset Management:							
Personnel services	1,744	31	1,775	1,716	14	1,730	45
Materials & supplies	402	60	462	430	4	434	28
Other services & charges	2,709	(36)	2,673	2,371	110	2,481	192
General Government:							
Other services & charges	3,398	(202)	3,196	2,180	536	2,716	480
Indian Nations Council of Government:							
Other services & charges	1,019	733	1,752	1,752	-	1,752	-
	<u>\$ 44,880</u>	<u>\$ 242</u>	<u>\$ 45,122</u>	<u>\$ 39,985</u>	<u>\$ 3,485</u>	<u>\$ 43,470</u>	<u>\$ 1,652</u>

Continued

**CITY OF TULSA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
Budgetary Level of Control
Year ended June 30, 2019
(amounts expressed in thousands)**

Continued

	Appropriations			Actual			Variance with Final Budget
	Original Budget	Revisions	Final Budget	Expenditures	Encumbrances	Total	
Public Works and Transportation							
Departments:							
Streets and Stormwater:							
Personnel services	\$ 5,087	\$ 650	\$ 5,737	\$ 5,723	\$ 10	\$ 5,733	\$ 4
Materials & supplies	671	(63)	608	430	167	597	11
Other services & charges	9,441	106	9,547	9,327	215	9,542	5
Engineering:							
Personnel services	3,638	(55)	3,583	3,544	-	3,544	39
Materials & supplies	73	(2)	71	61	6	67	4
Other services & charges	377	10	387	338	44	382	5
	<u>19,287</u>	<u>646</u>	<u>19,933</u>	<u>19,423</u>	<u>442</u>	<u>19,865</u>	<u>68</u>
Social and Economic Development							
Mayor's Office of Economic Development:							
Personnel services	826	(65)	761	740	-	740	21
Materials & supplies	10	-	10	9	-	9	1
Other services & charges	111	-	111	84	16	100	11
Working in Neighborhoods:							
Personnel services	3,417	193	3,610	3,540	2	3,542	68
Materials & supplies	262	112	374	366	2	368	6
Other services & charges	1,388	(27)	1,361	1,314	1	1,315	46
Development Services:							
Personnel services	4,555	301	4,856	4,741	2	4,743	113
Materials & supplies	70	4	74	66	7	73	1
Other services & charges	176	90	266	172	40	212	54
Planning:							
Personnel services	1,189	(623)	566	553	-	553	13
Materials & supplies	14	(5)	9	1	-	1	8
Other services & charges	77	(37)	40	15	-	15	25
	<u>\$ 12,095</u>	<u>\$ (57)</u>	<u>\$ 12,038</u>	<u>\$ 11,601</u>	<u>\$ 70</u>	<u>\$ 11,671</u>	<u>\$ 367</u>

Continued

**CITY OF TULSA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
Budgetary Level of Control
Year ended June 30, 2019
(amounts expressed in thousands)**

Continued

	Appropriations			Actual			Variance with Final Budget
	Original Budget	Revisions	Final Budget	Expenditures	Encumbrances	Total	
Public Safety and Protection							
Departments:							
Municipal Court:							
Personnel services	\$ 2,275	\$ (55)	\$ 2,220	\$ 2,196	\$ 1	\$ 2,197	\$ 23
Materials & supplies	26	(12)	14	11	-	11	3
Other services & charges	164	(25)	139	109	3	112	27
Police:							
Personnel services	87,000	2,175	89,175	87,788	1	87,789	1,386
Materials & supplies	2,161	217	2,378	1,784	415	2,199	179
Other services & charges	9,537	69	9,606	9,443	131	9,574	32
Fire:							
Personnel services	67,901	55	67,956	67,750	-	67,750	206
Materials & supplies	1,303	430	1,733	1,399	332	1,731	2
Other services & charges	3,969	120	4,089	3,969	91	4,060	29
Agencies:							
Tulsa Area Emergency Management Authority:							
Other services & charges	143	-	143	143	-	143	-
	<u>\$ 174,479</u>	<u>\$ 2,974</u>	<u>\$ 177,453</u>	<u>\$ 174,592</u>	<u>\$ 974</u>	<u>\$ 175,566</u>	<u>\$ 1,887</u>

Continued

**CITY OF TULSA
GENERAL FUND
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)
Budgetary Level of Control
Year ended June 30, 2019
(amounts expressed in thousands)**

Continued

	Appropriations			Actual			Variance with Final Budget
	Original Budget	Revisions	Final Budget	Expenditures	Encumbrances	Total	
Culture and Recreation							
Departments:							
Gilcrease Museum:							
Other services & charges	\$ 3,131	\$ -	\$ 3,131	\$ 3,131	\$ -	\$ 3,131	\$ -
Parks:							
Personnel services	5,752	-	5,752	5,371	29	5,400	352
Materials & supplies	970	(109)	861	759	25	784	77
Other services & charges	9,433	99	9,532	9,397	124	9,521	11
Convention & Performing Arts Centers:							
Personnel services	1,628	-	1,628	1,628	-	1,628	-
Materials & supplies	61	-	61	38	-	38	23
Other services & charges	457	(1)	456	399	9	408	48
Agencies:							
River Parks:							
Other services & charges	654	-	654	654	-	654	-
	<u>22,086</u>	<u>(11)</u>	<u>22,075</u>	<u>21,377</u>	<u>187</u>	<u>21,564</u>	<u>511</u>
 Total expenditures and encumbrances	 <u>272,827</u>	 <u>3,794</u>	 <u>276,621</u>	 <u>266,978</u>	 <u>5,158</u>	 <u>272,136</u>	 <u>4,485</u>
 Operating transfers:							
Transfers to TPFA - OTC	2,675	-	2,675	2,675	-	2,675	-
Transfers to Golf Course Fund	110	-	110	110	-	110	-
Transfers to Whittier Square Improvement District	10	-	10	10	-	10	-
Transfers to Equipment Management Fund	-	300	300	300	-	300	-
Transfers to Economic Development Commission	-	350	350	350	-	350	-
Transfers to Federal and State Grants Fund	343	-	343	343	-	343	-
Transfers to Misc Cap Projects	-	192	192	192	-	192	-
Total transfers	<u>3,138</u>	<u>842</u>	<u>3,980</u>	<u>3,980</u>	<u>-</u>	<u>3,980</u>	<u>-</u>
 Payments to component units:							
Transfers to MTTA	7,489	-	7,489	7,489	-	7,489	-
Total expenditures, encumbrances, and transfers	<u>\$ 283,454</u>	<u>\$ 4,636</u>	<u>\$ 288,090</u>	<u>\$ 278,447</u>	<u>\$ 5,158</u>	<u>\$ 283,605</u>	<u>\$ 4,485</u>

CITY OF TULSA
E-911 OPERATING FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
(Budgetary Basis)
Year ended June 30, 2019
(amounts expressed in thousands)

	Final Budget	Actual	Variance
Revenues			
Intergovernmental Revenue	\$ 196	\$ 33	\$ (163)
E-911 fees	3,600	3,899	299
Investment income	13	40	27
Total revenues	<u>3,809</u>	<u>3,972</u>	<u>163</u>
Expenditures			
Public Safety and Protection:			
Current:			
Personnel services	1,761	1,716	45
Materials and supplies	85	26	59
Other services and charges	2,231	1,849	382
Capital outlay	866	886	(20)
Total expenditures	<u>4,943</u>	<u>4,477</u>	<u>466</u>
Excess (deficiency) of revenues over expenditures and encumbrances	<u>(1,134)</u>	<u>(505)</u>	<u>629</u>
Net change in fund balances	(1,134)	(505)	629
Fund balances, beginning of year (budgetary basis)	1,824	1,824	-
Fund balances, end of year (budgetary basis)	<u>\$ 690</u>	<u>\$ 1,319</u>	<u>\$ 629</u>

CITY OF TULSA
ECONOMIC DEVELOPMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
(Budgetary Basis)
Year ended June 30, 2019
(amounts expressed in thousands)

	Final Budget	Actual	Variance
Revenues			
Hotel/Motel taxes	\$ 7,252	\$ 7,558	\$ 306
Charge for services	2,187	2,135	(52)
Investment income	23	35	12
Total revenues	<u>9,462</u>	<u>9,728</u>	<u>266</u>
Expenditures			
Current:			
Cultural Development and Recreation:			
Personnel services	233	209	24
Materials and supplies	31	18	13
Other services and charges	564	554	10
Capital outlay	401	113	288
Social and Economic Development:			
Personnel services	55	55	-
Materials and supplies	5	1	4
Other services and charges	4,462	4,379	83
Payments to component units:	888	888	-
Total expenditures and encumbrances	<u>6,639</u>	<u>6,217</u>	<u>422</u>
Excess of revenues over expenditures and encumbrances	<u>2,823</u>	<u>3,511</u>	<u>688</u>
Other financing sources (uses):			
Transfers out	(3,740)	(3,668)	72
Net change in fund balances	<u>(917)</u>	<u>(157)</u>	<u>760</u>
Fund balances, beginning of year (budgetary basis)	<u>1,234</u>	<u>1,234</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ 317</u>	<u>\$ 1,077</u>	<u>\$ 760</u>

CITY OF TULSA
TULSA STADIUM IMPROVEMENT DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
(Budgetary Basis)
Year ended June 30, 2019
(amounts expressed in thousands)

	Final Budget	Actual	Variance
Revenues			
Special assessment tax	\$ 3,496	\$ 3,437	\$ (59)
Fines and forfeitures	15	30	15
Investment income	21	26	5
Total revenues	<u>3,532</u>	<u>3,493</u>	<u>(39)</u>
Expenditures			
Current:			
General government:			
Personnel services	61	61	-
Materials and supplies	6	1	5
Other services and charges	11	5	6
Social and economic development:			
Personnel services	305	284	21
Materials and supplies	42	40	2
Other services and charges	922	901	21
Capital outlay	20	20	-
Total expenditures	<u>1,367</u>	<u>1,312</u>	<u>55</u>
Excess of revenues over expenditures and encumbrances	<u>2,165</u>	<u>2,181</u>	<u>16</u>
Other financing uses:			
Transfers out	<u>(2,253)</u>	<u>(2,196)</u>	<u>57</u>
Net change in fund balances	(88)	(15)	73
Fund balances, beginning of year (budgetary basis)	<u>654</u>	<u>654</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ 566</u>	<u>\$ 639</u>	<u>\$ 73</u>

CITY OF TULSA
MEDICAL SERVICES PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
(Budgetary Basis)
Year ended June 30, 2019
(amounts expressed in thousands)

	Final Budget	Actual	Variance
Revenues			
Medical services fee	\$ 7,012	\$ 6,744	\$ (268)
Investment income	29	54	25
Total revenues	<u>7,041</u>	<u>6,798</u>	<u>(243)</u>
Expenditures			
Public Safety and Protection:			
Current:			
Personnel services	233	205	28
Materials and supplies	199	198	1
Other services and charges	8,072	5,255	2,817
Capital outlay	29	29	-
Total expenditures and encumbrances	<u>8,533</u>	<u>5,687</u>	<u>2,846</u>
Excess of revenues over expenditures and encumbrances	<u>(1,492)</u>	<u>1,111</u>	<u>2,603</u>
Other financing (uses):			
Transfers out	<u>(650)</u>	<u>(650)</u>	<u>-</u>
Net change in fund balances	(2,142)	461	2,603
Fund balances, beginning of year (budgetary basis)	<u>2,954</u>	<u>2,954</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ 812</u>	<u>\$ 3,415</u>	<u>\$ 2,603</u>

CITY OF TULSA
VISION PUBLIC SAFETY SALES TAX
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
(Budgetary Basis)
Year ended June 30, 2019
(amounts expressed in thousands)

	Final Budget	Actual	Variance
Revenues			
Sales tax	\$ 12,310	\$ 12,534	\$ 224
Investment income	150	226	76
Total revenues	<u>12,460</u>	<u>12,760</u>	<u>300</u>
Expenditures			
Public Safety and Protection:			
Current:			
Personnel services	7,607	5,549	2,058
Materials and supplies	492	467	25
Other services and charges	577	159	418
Capital outlay	<u>3,632</u>	<u>3,632</u>	<u>-</u>
Total expenditures and encumbrances	<u>12,308</u>	<u>9,807</u>	<u>2,501</u>
Excess of revenues over expenditures and encumbrances	<u>152</u>	<u>2,953</u>	<u>2,801</u>
Other financing (uses):			
Transfers out	<u>(1,000)</u>	<u>(917)</u>	<u>83</u>
Net change in fund balances	(848)	2,036	2,884
Fund balances, beginning of year (budgetary basis)	<u>8,981</u>	<u>8,981</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ 8,133</u>	<u>\$ 11,017</u>	<u>\$ 2,884</u>

CITY OF TULSA
VISION TRANSPORTATION SALES TAX
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
(Budgetary Basis)
Year ended June 30, 2019
(amounts expressed in thousands)

	Final Budget	Actual	Variance
Revenues			
Sales tax	\$ 6,539	\$ 6,658	\$ 119
Investment income	80	152	72
Total revenues	<u>6,619</u>	<u>6,810</u>	<u>191</u>
Expenditures			
Public Works and Transportation:			
Current:			
Personnel services	1,746	1,518	228
Materials and supplies	1,129	969	160
Other services and charges	826	397	429
Payments to component units	868	852	16
Capital outlay	967	390	577
Total expenditures and encumbrances	<u>5,536</u>	<u>4,126</u>	<u>1,410</u>
Excess of revenues over expenditures and encumbrances	<u>1,083</u>	<u>2,684</u>	<u>1,601</u>
Net change in fund balances	1,083	2,684	1,601
Fund balances, beginning of year (budgetary basis)	<u>6,022</u>	<u>6,022</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ 7,105</u>	<u>\$ 8,706</u>	<u>\$ 1,601</u>

CITY OF TULSA
AIRFORCE PLANT 3 (A SUBFUND OF SPECIAL DEVELOPMENT)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
(Budgetary Basis)
Year ended June 30, 2019
(amounts expressed in thousands)

	Final Budget	Actual	Variance
Revenues			
Property rentals and leases	\$ 58	\$ (14)	\$ (72)
Investment income	21	26	5
Total revenues	<u>79</u>	<u>12</u>	<u>(67)</u>
Expenditures			
Social and Economic Development:			
Current:			
Other services and charges	20	1	19
Capital outlay	1,486	-	1,486
Total expenditures and encumbrances	<u>1,506</u>	<u>1</u>	<u>1,505</u>
Excess of revenues over expenditures and encumbrances	<u>(1,427)</u>	<u>11</u>	<u>1,438</u>
Net change in fund balances	(1,427)	11	1,438
Fund balances, beginning of year (budgetary basis)	<u>1,555</u>	<u>1,555</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ 128</u>	<u>\$ 1,566</u>	<u>\$ 1,438</u>

CITY OF TULSA
PERMITS AND LICENSING SYSTEM (A SUBFUND OF SPECIAL DEVELOPMENT)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
(Budgetary Basis)
Year ended June 30, 2019
(amounts expressed in thousands)

	Final Budget	Actual	Variance
Revenues			
System development fees	\$ 340	\$ 633	\$ 293
Total revenues	<u>340</u>	<u>633</u>	<u>293</u>
Expenditures			
Social and Economic Development:			
Current:			
Personnel services	47	21	26
Other services and charges	248	104	144
Capital outlay	<u>442</u>	<u>442</u>	<u>-</u>
Total expenditures and encumbrances	<u>737</u>	<u>567</u>	<u>170</u>
Excess of revenues over expenditures and encumbrances	<u>(397)</u>	<u>66</u>	<u>463</u>
Net change in fund balances	(397)	66	463
Fund balances, beginning of year (budgetary basis)	<u>1,920</u>	<u>1,920</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ 1,523</u>	<u>\$ 1,986</u>	<u>\$ 463</u>

CITY OF TULSA
PA LAW ENFORCEMENT TRAINING (A SUBFUND OF SPECIAL DEVELOPMENT)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
(Budgetary Basis)
Year ended June 30, 2019
(amounts expressed in thousands)

	Final Budget	Actual	Variance
Revenues			
Fines and forfeitures	\$ 65	\$ 86	\$ 21
Intergovernmental revenue	12	12	-
Total revenues	<u>77</u>	<u>98</u>	<u>21</u>
Expenditures			
Public Safety and Protection:			
Current:			
Other services and charges	<u>78</u>	<u>77</u>	<u>1</u>
Total expenditures and encumbrances	<u>78</u>	<u>77</u>	<u>1</u>
Excess of revenues over expenditures and encumbrances	<u>(1)</u>	<u>21</u>	<u>22</u>
Net change in fund balances	(1)	21	22
Fund balances, beginning of year (budgetary basis)	<u>34</u>	<u>34</u>	-
Fund balances, end of year (budgetary basis)	<u>\$ 33</u>	<u>\$ 55</u>	<u>\$ 22</u>

CITY OF TULSA
JUVENILE CURFEW FINES (A SUBFUND OF SPECIAL DEVELOPMENT)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
(Budgetary Basis)
Year ended June 30, 2019
(amounts expressed in thousands)

	Final Budget	Actual	Variance
Revenues			
Fines and forfeitures	\$ 13	\$ 5	\$ (8)
Total revenues	<u>13</u>	<u>5</u>	<u>(8)</u>
Expenditures			
Public Safety and Protection:			
Current:			
Other services and charges	<u>13</u>	<u>-</u>	<u>13</u>
Total expenditures and encumbrances	<u>13</u>	<u>-</u>	<u>13</u>
Excess of revenues over expenditures and encumbrances	<u>-</u>	<u>5</u>	<u>5</u>
Net change in fund balances	-	5	5
Fund balances, beginning of year (budgetary basis)	<u>(4)</u>	<u>(4)</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ (4)</u>	<u>\$ 1</u>	<u>\$ 5</u>

CITY OF TULSA
TECHNOLOGY FEE ASSESSMENT (A SUBFUND OF SPECIAL DEVELOPMENT)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
(Budgetary Basis)
Year ended June 30, 2019
(amounts expressed in thousands)

	Final Budget	Actual	Variance
Revenues			
Technology fee	\$ 886	\$ 793	\$ (93)
Total revenues	<u>886</u>	<u>793</u>	<u>(93)</u>
Expenditures			
Public safety and protection:			
Current:			
Personnel services	<u>237</u>	<u>184</u>	<u>53</u>
Total expenditures and encumbrances	<u>237</u>	<u>184</u>	<u>53</u>
Excess of revenues over expenditures and encumbrances	<u>649</u>	<u>609</u>	<u>(40)</u>
Net change in fund balances	649	609	(40)
Fund balances, beginning of year (budgetary basis)	<u>212</u>	<u>212</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ 861</u>	<u>\$ 821</u>	<u>\$ (40)</u>

CITY OF TULSA
WHITTIER SQUARE IMPROVEMENT DISTRICT (A SUBFUND OF SPECIAL DEVELOPMENT)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
(Budgetary Basis)
Year ended June 30, 2019
(amounts expressed in thousands)


	Final Budget	Actual	Variance
Revenues			
Special assessment	\$ 9	\$ 9	\$ -
Investment income	1	2	1
Total revenues	<u>10</u>	<u>11</u>	<u>1</u>
Expenditures			
Social and Economic Development:			
Current:			
Other services and charges	<u>25</u>	<u>8</u>	<u>17</u>
Total expenditures and encumbrances	<u>25</u>	<u>8</u>	<u>17</u>
Excess of revenues over expenditures and encumbrances	<u>(15)</u>	<u>3</u>	<u>18</u>
Other financing (uses):			
Transfers in	<u>10</u>	<u>-</u>	<u>10</u>
Net change in fund balances	(5)	3	8
Fund balances, beginning of year (budgetary basis)	<u>58</u>	<u>58</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ 53</u>	<u>\$ 61</u>	<u>\$ 8</u>

CITY OF TULSA
TOURISM IMPROVEMENT DISTRICT (A SUBFUND OF SPECIAL DEVELOPMENT)
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
(Budgetary Basis)
Year ended June 30, 2019
(amounts expressed in thousands)

	Final Budget	Actual	Variance
Revenues			
Special assessment	\$ -	\$ (41)	\$ (41)
Total revenues	<u>-</u>	<u>(41)</u>	<u>(41)</u>
Expenditures			
Total expenditures and encumbrances	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures and encumbrances	<u>-</u>	<u>(41)</u>	<u>(41)</u>
Net change in fund balances	-	(41)	(41)
Fund balances, beginning of year (budgetary basis)	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ -</u>	<u>\$ (41)</u>	<u>\$ (41)</u>

An aerial night photograph of Riverwest Festival Park. The scene is illuminated by colorful lights from various rides and structures. A large, multi-arched bridge spans a river in the background. In the foreground, a large circular graphic is centered, featuring a white inner circle and a dark outer ring. The text 'SECTION 2 (CONT'D.)' is positioned above the main title 'INTERNAL SERVICE FUNDS', which is written in a large, bold, blue font. The words 'ARKANSAS RIVER DEVELOPMENT' are repeated in a smaller, white font along the inner edge of the dark ring. At the bottom center, there is a small white box containing the text '+ RIVERWEST FESTIVAL PARK +' flanked by plus signs.

SECTION 2 (CONT'D.)
**INTERNAL
SERVICE FUNDS**



Internal Service Funds—are used to account for the financing of goods or services provided by one department or agency to another department or agency of the City or to other government units on a cost-reimbursement basis.

- Employee Insurance Fund—Accounts for the costs of employee insurance plans for City employees and the related charges to user departments.
- Workers' Compensation Fund—Accounts for the costs of employee workers compensation claims for City employees and the related charges to user departments.
- Tulsa Public Facilities Authority—Accounts for the financing of acquisition and construction of certain facilities and public improvements in and for the City.
- Office Services—Used to manage the City's postage, printing and reproduction costs and subsequent charges to user departments for associated services.
- Equipment Management Fund—Used to account for the centralized maintenance program for City vehicles and a rate structure for charges to user departments.

CITY OF TULSA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
June 30, 2019
(amounts expressed in thousands)

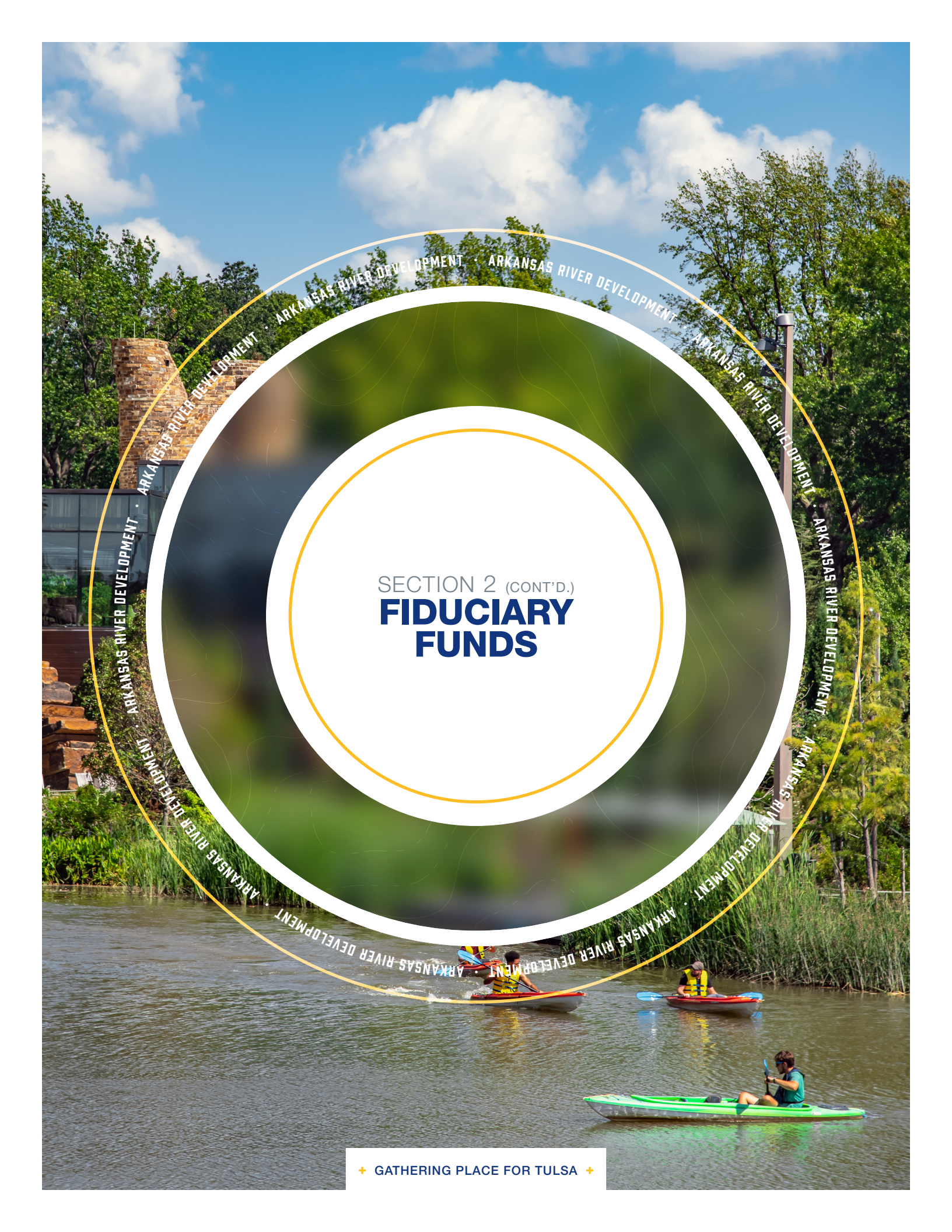
	Employee Insurance	Workers' Compensation	Tulsa Public Facilities Authority	Office Services	Equipment Management	Total
ASSETS						
Current assets:						
Cash and cash equivalents	\$ 1,306	\$ 16,894	\$ 7	\$ 151	\$ 752	\$ 19,110
Cash and cash equivalents - restricted	-	-	1,483	-	-	1,483
Receivables, net	329	392	3	-	18	742
Inventories, net	-	-	-	-	1,048	1,048
Advances to component unit	-	-	12	-	-	12
	<u>1,635</u>	<u>17,286</u>	<u>1,505</u>	<u>151</u>	<u>1,818</u>	<u>22,395</u>
Noncurrent assets:						
Nondepreciable capital assets	-	-	4,500	-	856	5,356
Capital assets, net	-	19	-	-	6,340	6,359
	<u>-</u>	<u>19</u>	<u>4,500</u>	<u>-</u>	<u>7,196</u>	<u>11,715</u>
Total assets	<u>1,635</u>	<u>17,305</u>	<u>6,005</u>	<u>151</u>	<u>9,014</u>	<u>34,110</u>
DEFERRED OUTFLOW OF RESOURCES						
Pension related items	79	-	-	-	982	1,061
OPEB related items	2	-	-	-	40	42
	<u>81</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,022</u>	<u>1,103</u>
LIABILITIES						
Current liabilities:						
Accounts payable and accrued liabilities	266	93	15	8	441	823
Current portion of long-term liabilities	-	-	1,483	-	323	1,806
Workers compensation claims	-	3,127	-	-	-	3,127
	<u>266</u>	<u>3,220</u>	<u>1,498</u>	<u>8</u>	<u>764</u>	<u>5,756</u>
Noncurrent liabilities:						
Long-term liabilities	146	-	-	-	6,434	6,580
Workers compensation claims	-	8,954	-	-	-	8,954
Advances from other funds	-	-	-	146	-	146
	<u>146</u>	<u>8,954</u>	<u>-</u>	<u>146</u>	<u>6,434</u>	<u>15,680</u>
Total liabilities	<u>412</u>	<u>12,174</u>	<u>1,498</u>	<u>154</u>	<u>7,198</u>	<u>21,436</u>
DEFERRED INFLOW OF RESOURCES						
Pension related items	12	-	-	-	449	461
OPEB related items	-	-	-	-	23	23
	<u>12</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>472</u>	<u>484</u>
NET POSITION (DEFICIT)						
Investment in capital assets	-	19	4,500	-	7,196	11,715
Unrestricted	1,292	5,112	7	(3)	(4,830)	1,578
Total net position (deficit)	<u>\$ 1,292</u>	<u>\$ 5,131</u>	<u>\$ 4,507</u>	<u>\$ (3)</u>	<u>\$ 2,366</u>	<u>\$ 13,293</u>

CITY OF TULSA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
Year ended June 30, 2019
(amounts expressed in thousands)


	Employee Insurance	Workers' Compensation	Tulsa Public Facilities Authority	Office Services	Equipment Management	Total
Operating revenues						
Charges for services	\$ -	\$ -	\$ -	\$ 1,351	\$ 14,998	\$ 16,349
Insurance premiums	22,086	-	-	-	-	22,086
Workers compensation premiums	-	4,088	-	-	-	4,088
Other	-	12	51	-	15	78
	<u>22,086</u>	<u>4,100</u>	<u>51</u>	<u>1,351</u>	<u>15,013</u>	<u>42,601</u>
Operating expenses						
Salaries and wages	146	-	-	-	5,640	5,786
Materials and supplies	-	-	-	-	7,834	7,834
Services and charges	394	-	51	1,497	2,175	4,117
Workers compensation claims	-	4,346	-	-	-	4,346
Insurance claims and premiums	22,042	-	-	-	-	22,042
Depreciation and amortization	-	25	-	-	390	415
	<u>22,582</u>	<u>4,371</u>	<u>51</u>	<u>1,497</u>	<u>16,039</u>	<u>44,540</u>
Operating income (loss)	(496)	(271)	-	(146)	(1,026)	(1,939)
Nonoperating revenues (expenses)						
Investment income (loss)	12	451	-	2	(19)	446
Gain on sale of equipment	-	-	-	-	3	3
Intergovernmental revenue	-	881	-	-	-	881
	<u>12</u>	<u>1,332</u>	<u>-</u>	<u>2</u>	<u>(16)</u>	<u>1,330</u>
Income (loss) before transfers	(484)	1,061	-	(144)	(1,042)	(609)
Transfers in	-	-	-	-	1,515	1,515
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,515</u>	<u>1,515</u>
Change in net position	(484)	1,061	-	(144)	473	906
Net position - beginning of year	1,776	4,070	4,507	141	1,893	12,387
Net position (deficit) - end of year	<u>\$ 1,292</u>	<u>\$ 5,131</u>	<u>\$ 4,507</u>	<u>\$ (3)</u>	<u>\$ 2,366</u>	<u>\$ 13,293</u>

CITY OF TULSA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
Year ended June 30, 2019
(amounts expressed in thousands)

	Employee Insurance	Workers' Compensation	Tulsa Public Facilities Authority	Office Services	Equipment Management	Total
Cash flows from operating activities:						
Receipts from customers	\$ 14,607	\$ 451	\$ 1,533	\$ 502	\$ 5,342	\$ 22,435
Receipts from interfund charges for services	8,066	3,648	-	850	9,669	22,233
Payments to suppliers and service providers	(22,270)	(3,902)	(1,538)	(1,503)	(10,220)	(39,433)
Payments to employees for salaries and benefits	(106)	-	-	-	(4,993)	(5,099)
Net cash provided (used) by operating activities	297	197	(5)	(151)	(202)	136
Cash flows from noncapital financing activities:						
Transfers from other funds	-	-	-	-	300	300
Proceeds from insurance reimbursements	-	525	-	-	-	525
Net cash provided by noncapital financing activities	-	525	-	-	300	825
Cash flows from capital and related financing activities:						
Acquisition and construction of capital assets	-	-	-	-	(1,052)	(1,052)
Proceeds from disposition of capital assets	-	-	-	-	3	3
Transfers from other funds for capital additions	-	-	-	-	1,215	1,215
Net cash provided by capital and related financing activities	-	-	-	-	166	166
Cash flows from investing activities:						
Interest received	13	465	-	2	(20)	460
Net cash provided (used) by investing activities	13	465	-	2	(20)	460
Net increase (decrease) in cash and cash equivalents	310	1,187	(5)	(149)	244	1,587
Cash and cash equivalents, beginning of year	996	15,707	1,495	300	508	19,006
Cash and cash equivalents, end of year	\$ 1,306	\$ 16,894	\$ 1,490	\$ 151	\$ 752	\$ 20,593
Reconciliation of cash and cash equivalents to the Statement of Net Position						
Unrestricted cash and cash equivalents	1,306	16,894	7	151	752	19,110
Restricted cash and cash equivalents	-	-	1,483	-	-	1,483
Total cash and cash equivalents	\$ 1,306	\$ 16,894	\$ 1,490	\$ 151	\$ 752	\$ 20,593
Reconciliation of operating income (loss) to cash provided (used) by operating activities:						
Operating income (loss)	(496)	(271)	-	(146)	(1,026)	(1,939)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities						
Depreciation and amortization	-	25	-	-	390	415
(Increase) decrease in accounts receivable and other assets	587	-	(3)	-	(64)	520
(Increase) decrease in deferred outflows of resources	(31)	-	-	-	(48)	(79)
Increase (decrease) in accounts payable and other liabilities	164	443	(2)	(5)	(160)	440
Increase (decrease) in net pension liability	74	-	-	-	638	712
Increase (decrease) in other post employment benefits	-	-	-	-	(10)	(10)
Increase (decrease) in deferred inflows of resources	(1)	-	-	-	78	77
Net cash provided (used) by operating activities	\$ 297	\$ 197	\$ (5)	\$ (151)	\$ (202)	\$ 136



SECTION 2 (CONT'D.)
**FIDUCIARY
FUNDS**



FIDUCIARY FUNDS—are used to report assets held in a trustee or agency capacity for others and which therefore cannot be used to support the City's own programs.

- Agency Funds—Accounts for assets held by the City of Tulsa in a purely custodial capacity.

CITY OF TULSA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
Year ended June 30, 2019
(amounts expressed in thousands)

	Balance June 30, 2018	Additions	Deletions	Balance June 30, 2019
Municipal Court Bonds				
Assets:				
Cash and cash equivalents	\$ 275	\$ 323	\$ 339	\$ 259
Total assets	<u>\$ 275</u>	<u>\$ 323</u>	<u>\$ 339</u>	<u>\$ 259</u>
Liabilities:				
Deposits payable	275	323	339	259
Total liabilities	<u>\$ 275</u>	<u>\$ 323</u>	<u>\$ 339</u>	<u>\$ 259</u>
Escrow Fund				
Assets:				
Cash and cash equivalents	2,333	3,794	4,691	1,436
Total assets	<u>\$ 2,333</u>	<u>\$ 3,794</u>	<u>\$ 4,691</u>	<u>\$ 1,436</u>
Liabilities:				
Deposits payable	2,333	3,794	4,691	1,436
Total liabilities	<u>\$ 2,333</u>	<u>\$ 3,794</u>	<u>\$ 4,691</u>	<u>\$ 1,436</u>
Police Property Room				
Assets:				
Cash and cash equivalents	2,075	1,051	444	2,682
Total assets	<u>\$ 2,075</u>	<u>\$ 1,051</u>	<u>\$ 444</u>	<u>\$ 2,682</u>
Liabilities:				
Accrued liabilities	2,075	1,051	444	2,682
Total liabilities	<u>\$ 2,075</u>	<u>\$ 1,051</u>	<u>\$ 444</u>	<u>\$ 2,682</u>
Payroll Withholding				
Assets:				
Cash and cash equivalents	392	373,259	373,326	325
Total assets	<u>\$ 392</u>	<u>\$ 373,259</u>	<u>\$ 373,326</u>	<u>\$ 325</u>
Liabilities:				
Accrued liabilities	392	373,259	373,326	325
Total liabilities	<u>\$ 392</u>	<u>\$ 373,259</u>	<u>\$ 373,326</u>	<u>\$ 325</u>
Unclaimed Property				
Assets:				
Cash and cash equivalents	763	603	327	1,039
Total assets	<u>\$ 763</u>	<u>\$ 603</u>	<u>\$ 327</u>	<u>\$ 1,039</u>
Liabilities:				
Accrued liabilities	763	603	327	1,039
Total liabilities	<u>\$ 763</u>	<u>\$ 603</u>	<u>\$ 327</u>	<u>\$ 1,039</u>
PAC Ticket Office Escrow				
Assets:				
Cash and cash equivalents	1,997	14,625	15,848	774
Total assets	<u>\$ 1,997</u>	<u>\$ 14,625</u>	<u>\$ 15,848</u>	<u>\$ 774</u>
Liabilities:				
Deposits payable	1,997	14,625	15,848	774
Total liabilities	<u>\$ 1,997</u>	<u>\$ 14,625</u>	<u>\$ 15,848</u>	<u>\$ 774</u>
Total Agency Funds				
Assets:				
Cash and cash equivalents	7,835	393,655	394,975	6,515
Total assets	<u>\$ 7,835</u>	<u>\$ 393,655</u>	<u>\$ 394,975</u>	<u>\$ 6,515</u>
Liabilities:				
Accrued liabilities	3,230	374,913	374,097	4,046
Deposits payable	4,605	18,742	20,878	2,469
Total liabilities	<u>\$ 7,835</u>	<u>\$ 393,655</u>	<u>\$ 394,975</u>	<u>\$ 6,515</u>

SECTION 2 (CONT'D.)
**DISCRETELY
PRESENTED
NONMAJOR
COMPONENT
UNITS**





DISCRETELY PRESENTED NONMAJOR COMPONENT UNITS

—are presented separately from blended component units to emphasize that they are legally separate from the City, but are a part of the City's reporting entity.

- Tulsa Development Authority—TDA is a public authority created to finance urban renewal, rehabilitation and redevelopment.
- Metropolitan Tulsa Transit Authority—MTTA is a public trust created to provide public transportation systems and facilities.
- Tulsa Industrial Authority—TIA is a public trust created to provide for the issuance of industrial development bonds upon approval by the City Council, and to lend the proceeds of such issuance to third party organizations.
- Tulsa Parking Authority—TPA is a public trust created by the City to construct and manage various parking facilities within the City.
- Tulsa Performing Arts Center Trust—TPACT is a public trust created under the provisions of the Oklahoma Trust Act. The Beneficiary of the Trust is the City. TPACT's purpose is to assist the City in operating and maintaining the Tulsa Performing Arts Center and to sponsor events promoting the use of the Tulsa Performing Arts Center.
- Tulsa International Airport Development Trust—TIADT is a public trust created to support and promote economic development and commerce in the geographic area around the Tulsa International Airport.

COMBINING FUNDS OF TULSA METROPOLITAN UTILITY AUTHORITY—A Major Component Unit

- Sewer Fund—provides for wastewater collection utility systems.
- Water Fund—provides for water delivery utility systems.

CITY OF TULSA
STATEMENT OF NET POSITION
DISCRETELY PRESENTED NONMAJOR COMPONENT UNITS
June 30, 2019
(amounts expressed in thousands)

	Tulsa Development Authority	Metropolitan Tulsa Transit Authority	Tulsa Industrial Authority	Tulsa Parking Authority	Tulsa Performing Arts Center Trust	Tulsa International Airport Development	Total Nonmajor Component Units
ASSETS							
Current assets:							
Cash and cash equivalents	\$ 2,422	\$ 1,508	\$ 773	\$ 4,733	\$ 1,533	\$ 202	\$ 11,171
Cash and cash equivalents - restricted	9,461	187	358	1,511	-	-	11,517
Investments	-	-	-	2,501	2,016	-	4,517
Receivables, net	136	931	407	225	32	290	2,021
Inventories, net	-	765	-	-	-	-	765
Current portion of notes receivable	8,707	-	-	-	-	-	8,707
Other current assets	4	419	29	538	2	-	992
	<u>20,730</u>	<u>3,810</u>	<u>1,567</u>	<u>9,508</u>	<u>3,583</u>	<u>492</u>	<u>39,690</u>
Noncurrent assets:							
Cash and cash equivalents - restricted	643	716	-	51	-	-	1,410
Investments	-	-	-	2,006	498	-	2,504
Investments - restricted	-	-	-	1,100	-	-	1,100
Notes receivable	14,263	-	-	-	-	-	14,263
Land held for resale, net	273	-	-	-	-	-	273
Nondepreciable capital assets	35	3,642	-	9,540	1,495	-	14,712
Depreciable capital assets, net	244	18,302	11,032	15,628	56	-	45,262
	<u>15,458</u>	<u>22,660</u>	<u>11,032</u>	<u>28,325</u>	<u>2,049</u>	<u>-</u>	<u>79,524</u>
Total assets	<u>36,188</u>	<u>26,470</u>	<u>12,599</u>	<u>37,833</u>	<u>5,632</u>	<u>492</u>	<u>119,214</u>
DEFERRED OUTFLOW OF RESOURCES							
Deferred charge on refunding	-	-	-	267	-	-	267
Pension related items	-	1,397	-	-	-	-	1,397
OPEB related items	-	36	-	-	-	-	36
Total deferred outflow of resources	<u>-</u>	<u>1,433</u>	<u>-</u>	<u>267</u>	<u>-</u>	<u>-</u>	<u>1,700</u>
LIABILITIES							
Current liabilities:							
Accounts payable and accrued liabilities	657	1,569	44	214	1	160	2,645
Deposits subject to refund	-	-	-	-	35	-	35
Unearned revenue	-	-	29	64	-	-	93
Current portion of long-term liabilities	25	89	-	970	-	-	1,084
	<u>682</u>	<u>1,658</u>	<u>73</u>	<u>1,248</u>	<u>36</u>	<u>160</u>	<u>3,857</u>
Noncurrent liabilities:							
Advances from primary government	-	326	-	-	-	-	326
Deposits subject to refund	453	-	-	4	-	-	457
Long-term liabilities, net	93	12,187	-	6,456	-	-	18,736
	<u>546</u>	<u>12,513</u>	<u>-</u>	<u>6,460</u>	<u>-</u>	<u>-</u>	<u>19,519</u>
Total liabilities	<u>1,228</u>	<u>14,171</u>	<u>73</u>	<u>7,708</u>	<u>36</u>	<u>160</u>	<u>23,376</u>
DEFERRED INFLOWS OF RESOURCES							
Pension related items	-	1,780	-	-	-	-	1,780
OPEB related items	-	17	-	-	-	-	17
Property tax revenue	-	-	159	-	-	5	164
Total deferred inflow of resources	<u>-</u>	<u>1,797</u>	<u>159</u>	<u>-</u>	<u>-</u>	<u>5</u>	<u>1,961</u>
NET POSITION							
Net investment in capital assets	279	21,944	11,032	19,605	1,552	-	54,412
Restricted for:							
Debt service	-	-	-	1,473	-	-	1,473
Capital projects	8,251	716	-	-	150	-	9,117
Other purposes	21,845	187	581	-	-	-	22,613
Unrestricted	<u>4,585</u>	<u>(10,912)</u>	<u>754</u>	<u>9,314</u>	<u>3,894</u>	<u>327</u>	<u>7,962</u>
Total net position	<u>\$ 34,960</u>	<u>\$ 11,935</u>	<u>\$ 12,367</u>	<u>\$ 30,392</u>	<u>\$ 5,596</u>	<u>\$ 327</u>	<u>\$ 95,577</u>

CITY OF TULSA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
DISCRETELY PRESENTED NONMAJOR COMPONENT UNITS
Year ended June 30, 2019
(amounts expressed in thousands)

	Metropolitan			Tulsa	Tulsa	Total	
	Tulsa	Tulsa	Tulsa	Tulsa	Performing	Tulsa	Total
	Development	Transit	Industrial	Parking	Arts Center	International	Nonmajor
	Authority	Authority	Authority	Authority	Trust	Airport	Component
						Development	Units
Operating revenues							
Property rentals	\$ 51	\$ -	\$ 116	\$ 219	\$ -	\$ -	\$ 386
Parking revenues	-	-	-	7,824	353	-	8,177
Transit services	-	3,012	-	-	-	-	3,012
Event revenues	-	-	-	-	31	-	31
Other income	92	39	11	-	-	-	142
	143	3,051	127	8,043	384	-	11,748
Operating expenses							
Salaries and wages	366	12,578	-	-	-	-	12,944
Materials and supplies	4	2,691	-	-	-	-	2,695
Other services and charges	578	5,369	194	3,764	705	14	10,624
Depreciation	15	3,309	339	925	10	-	4,598
	963	23,947	533	4,689	715	14	30,861
Operating income (loss)	(820)	(20,896)	(406)	3,354	(331)	(14)	(19,113)
Nonoperating revenues (expenses)							
Investment income	531	8	25	220	167	6	957
Interest and amortization expense	-	-	-	(253)	-	-	(253)
Sales taxes	-	-	271	-	-	314	585
Property taxes	-	-	291	-	-	-	291
Federal and state operating grant revenues	-	7,266	-	-	-	-	7,266
Contributions	-	-	-	-	120	-	120
Program support from primary government	-	7,879	-	-	738	-	8,617
Other, net	(621)	415	-	-	-	-	(206)
	(90)	15,568	587	(33)	1,025	320	17,377
Income (loss) before capital contributions and grants	(910)	(5,328)	181	3,321	694	306	(1,736)
Federal and state capital grant revenues	-	1,108	-	-	-	-	1,108
Capital contributions to primary government	(1,467)	-	-	-	-	-	(1,467)
Capital contributions from primary government	-	1,356	-	-	150	-	1,506
Change in net position	(2,377)	(2,864)	181	3,321	844	306	(589)
Net position - beginning of year	37,337	14,799	12,186	27,071	4,752	21	96,166
Net position, end of year	\$ 34,960	\$ 11,935	\$ 12,367	\$ 30,392	\$ 5,596	\$ 327	\$ 95,577

CITY OF TULSA
STATEMENT OF NET POSITION
TULSA METROPOLITAN UTILITY AUTHORITY - COMBINING FUND FINANCIAL STATEMENTS
June 30, 2019
(amounts expressed in thousands)

	Sewer Fund	Water Fund	Total
ASSETS			
Current Assets:			
Cash and cash equivalents	\$ 81,351	\$ 134,988	\$ 216,339
Cash and cash equivalents - restricted	8,691	18,490	27,181
Receivables, net	17,340	15,055	32,395
Prepaid expenses	163	271	434
Inventories, net	151	1,935	2,086
	<u>107,696</u>	<u>170,739</u>	<u>278,435</u>
Noncurrent assets:			
Cash and cash equivalents - restricted	27,730	29,595	57,325
Investment in joint venture	27,704	-	27,704
Receivables, net	94	52	146
Nondepreciable capital assets	42,861	59,544	102,405
Depreciable capital assets, net	684,253	546,318	1,230,571
	<u>782,642</u>	<u>635,509</u>	<u>1,418,151</u>
Total assets	<u>890,338</u>	<u>806,248</u>	<u>1,696,586</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred charge on refunding	259	2,065	2,324
Pension related items	4,658	5,429	10,087
OPEB related items	165	196	361
	<u>5,082</u>	<u>7,690</u>	<u>12,772</u>
LIABILITIES			
Current liabilities:			
Accounts payable and accrued liabilities	14,872	11,060	25,932
Current portion of long-term liabilities	21,775	12,511	34,286
Deposits subject to refund - restricted	631	11,253	11,884
	<u>37,278</u>	<u>34,824</u>	<u>72,102</u>
Noncurrent liabilities:			
Long-term liabilities	267,049	146,910	413,959
	<u>267,049</u>	<u>146,910</u>	<u>413,959</u>
Total liabilities	<u>304,327</u>	<u>181,734</u>	<u>486,061</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred gain on refunding	38	-	38
Pension related items	1,238	1,719	2,957
OPEB related items	95	107	202
Property tax revenue	1,279	-	1,279
	<u>2,650</u>	<u>1,826</u>	<u>4,476</u>
NET POSITION			
Net investment in capital assets	514,595	509,744	1,024,339
Restricted for:			
Debt service	8,689	6,170	14,859
Unrestricted	<u>65,159</u>	<u>114,464</u>	<u>179,623</u>
Total net position	<u>\$ 588,443</u>	<u>\$ 630,378</u>	<u>\$ 1,218,821</u>

CITY OF TULSA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
TULSA METROPOLITAN UTILITY AUTHORITY - COMBINING FUND FINANCIAL STATEMENTS
Year ended June 30, 2019
(amounts expressed in thousands)

	Sewer Fund	Water Fund	Total
Operating revenues			
Water and sewer services	\$ 115,237	\$ 119,529	\$ 234,766
Operating expenses			
Salaries and wages	28,981	33,017	61,998
Materials and supplies	4,279	7,011	11,290
Other services and charges	20,952	22,377	43,329
Depreciation	21,952	18,638	40,590
	<u>76,164</u>	<u>81,043</u>	<u>157,207</u>
Operating income	<u>39,073</u>	<u>38,486</u>	<u>77,559</u>
Nonoperating revenues (expenses)			
Investment income	2,566	4,532	7,098
Interest and amortization expense	(7,484)	(3,722)	(11,206)
Property taxes	1,979	-	1,979
Payments to primary government	(6,925)	(7,176)	(14,101)
Other, net	283	208	491
	<u>(9,581)</u>	<u>(6,158)</u>	<u>(15,739)</u>
Income before capital contributions	29,492	32,328	61,820
Capital contributions	7,533	2,623	10,156
Capital contributions - primary government	571	-	571
	<u>8,104</u>	<u>2,623</u>	<u>10,727</u>
Change in net position	37,596	34,951	72,547
Net position, beginning of year	550,847	595,427	1,146,274
Net position, end of year	<u>\$ 588,443</u>	<u>\$ 630,378</u>	<u>\$ 1,218,821</u>

CITY OF TULSA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
DISCRETELY PRESENTED COMPONENT UNITS
Year ended June 30, 2019
(amounts expressed in thousands)

	Tulsa Metropolitan Utility Authority	Tulsa Authority for Recovery of Energy	Tulsa Airports	Other Component Units	Total Component Units
Operating revenues					
Water and sewer services	\$ 234,766	\$ -	\$ -	\$ -	\$ 234,766
Refuse services	-	26,723	-	-	26,723
Property rentals	-	-	24,325	386	24,711
Parking revenues	-	-	10,195	8,177	18,372
Transit services	-	-	-	3,012	3,012
Event revenues	-	-	-	31	31
Other income	-	-	-	142	142
	<u>234,766</u>	<u>26,723</u>	<u>34,520</u>	<u>11,748</u>	<u>307,757</u>
Operating expenses					
Salaries and wages	61,998	4,887	13,074	12,944	92,903
Materials and supplies	11,290	-	1,671	2,695	15,656
Other services and charges	43,329	18,223	10,060	10,624	82,236
Depreciation	40,590	2,007	17,559	4,598	64,754
	<u>157,207</u>	<u>25,117</u>	<u>42,364</u>	<u>30,861</u>	<u>255,549</u>
Operating income (loss)	<u>77,559</u>	<u>1,606</u>	<u>(7,844)</u>	<u>(19,113)</u>	<u>52,208</u>
Nonoperating revenues (expenses)					
Investment income	7,098	554	1,523	957	10,132
Interest and amortization expense	(11,206)	-	(8,384)	(253)	(19,843)
Sales taxes	-	-	-	585	585
Property taxes	1,979	-	-	291	2,270
Federal and state grant revenues	-	-	9,237	7,266	16,503
Contributions	-	-	-	120	120
Payments from primary government	-	-	-	8,617	8,617
Payments to primary government	(14,101)	(1,636)	-	-	(15,737)
Gain on disposition of capital assets	491	(158)	-	-	333
Other, net	-	(14)	(558)	(206)	(778)
	<u>(15,739)</u>	<u>(1,254)</u>	<u>1,818</u>	<u>17,377</u>	<u>2,202</u>
Income (loss) before capital contributions and grants	<u>61,820</u>	<u>352</u>	<u>(6,026)</u>	<u>(1,736)</u>	<u>54,410</u>
Federal and state capital grant revenues	-	-	10,168	1,108	11,276
Capital contributions	10,156	-	-	-	10,156
Capital contributions to primary government	-	-	-	(1,467)	(1,467)
Capital contributions from primary government	571	-	-	1,506	2,077
	<u>10,727</u>	<u>-</u>	<u>10,168</u>	<u>1,147</u>	<u>22,042</u>
Change in net position	<u>72,547</u>	<u>352</u>	<u>4,142</u>	<u>(589)</u>	<u>76,452</u>
Net position - beginning of year	<u>1,146,274</u>	<u>23,687</u>	<u>275,715</u>	<u>96,166</u>	<u>1,541,842</u>
Net position - end of year	<u>\$ 1,218,821</u>	<u>\$ 24,039</u>	<u>\$ 279,857</u>	<u>\$ 95,577</u>	<u>\$ 1,618,294</u>



SECTION 2 (CONT'D.)
**CAPITAL ASSETS
USED IN THE
OPERATION OF
GOVERNMENTAL
FUNDS**

CITY OF TULSA
CAPITAL ASSETS USED IN OPERATION OF GOVERNMENTAL FUNDS
COMPARATIVE SCHEDULE BY SOURCE
June 30, 2019 and 2018
(amounts expressed in thousands)

	<u>2019</u>	<u>2018</u>
Governmental funds capital assets		
Land	\$ 560,200	\$ 532,548
Buildings	248,928	233,868
Improvements other than buildings	89,248	84,537
Machinery and equipment	218,681	208,460
Infrastructure	3,554,999	3,448,611
Construction in progress	145,941	182,756
Total governmental funds capital assets	<u>\$ 4,817,997</u>	<u>\$ 4,690,780</u>
Investments in governmental funds capital assets by source		
General fund	9,533	8,174
Special revenue funds	294,607	292,054
Capital projects funds	4,025,515	3,927,654
Donations	488,342	462,898
Total governmental funds capital assets	<u>\$ 4,817,997</u>	<u>\$ 4,690,780</u>

CITY OF TULSA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
Year ended June 30, 2019
(amounts expressed in thousands)


Function and Activity	Governmental Funds Capital Assets July 1, 2018	Additions	Deductions	Governmental Funds Capital Assets June 30, 2019
<i>General Government</i>				
Mayor	\$ 6	\$ -	\$ -	\$ 6
Finance	4,493	-	-	4,493
Legal	114	-	-	114
Human Resources	642	-	-	642
Communications	21	-	-	21
Equipment Management	2,386	1,207	(36)	3,557
City Council	653	457	-	1,110
General Government	22,619	-	-	22,619
Information Technology	51,889	914	(21)	52,782
	<u>82,823</u>	<u>2,578</u>	<u>(57)</u>	<u>85,344</u>
<i>Public Works & Transportation</i>	4,250,884	298,138	(214,791)	4,334,231
<i>Public Safety & Protection</i>				
Police	82,705	3,818	(2,072)	84,451
Fire	67,296	9,025	(682)	75,639
Municipal Court	66	-	-	66
	<u>150,067</u>	<u>12,843</u>	<u>(2,754)</u>	<u>160,156</u>
<i>Social & Economic Development</i>				
Mayor's Office of Human Rights	28	-	-	28
Mayor's Office of Economic Development	775	22,321	-	23,096
WIN	3,059	165	(32)	3,192
Development Services	1,924	900	(80)	2,744
	<u>5,786</u>	<u>23,386</u>	<u>(112)</u>	<u>29,060</u>
<i>Cultural Development & Recreation</i>				
Gilcrease	21,045	-	-	21,045
Parks	153,712	7,897	(1,152)	160,457
Public Events and PAC	26,463	1,315	(74)	27,704
	<u>201,220</u>	<u>9,212</u>	<u>(1,226)</u>	<u>209,206</u>
Total Governmental funds capital assets	<u>\$ 4,690,780</u>	<u>\$ 346,157</u>	<u>\$ (218,940)</u>	<u>\$ 4,817,997</u>

CITY OF TULSA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
June 30, 2019
(amounts expressed in thousands)

Function and Activity	Land	Buildings	Improvements Other than Buildings	Machinery and Equipment	Infrastructure	Construction in Progress	Total
General Government							
Mayor	\$ -	\$ -	\$ -	\$ 6	\$ -	\$ -	\$ 6
Finance	150	-	-	4,343	-	-	4,493
Legal	-	-	-	114	-	-	114
Human Resources	-	-	-	642	-	-	642
Communications	-	7	-	14	-	-	21
Equipment Management	-	630	-	2,927	-	-	3,557
City Council	-	215	-	895	-	-	1,110
General Government	2,500	3,443	16,040	636	-	-	22,619
Information Technology	32	11,622	687	40,441	-	-	52,782
	<u>2,682</u>	<u>15,917</u>	<u>16,727</u>	<u>50,018</u>	<u>-</u>	<u>-</u>	<u>85,344</u>
Public Works & Transportation							
	<u>515,396</u>	<u>62,231</u>	<u>18,998</u>	<u>37,979</u>	<u>3,554,507</u>	<u>145,120</u>	<u>4,334,231</u>
	<u>515,396</u>	<u>62,231</u>	<u>18,998</u>	<u>37,979</u>	<u>3,554,507</u>	<u>145,120</u>	<u>4,334,231</u>
Public Safety & Protection							
Police	1,505	28,352	133	54,002	-	459	84,451
Fire	2,045	20,913	1,083	51,236	-	362	75,639
Municipal Court	-	-	-	66	-	-	66
	<u>3,550</u>	<u>49,265</u>	<u>1,216</u>	<u>105,304</u>	<u>-</u>	<u>821</u>	<u>160,156</u>
Social & Economic Development							
Mayor's Office of Human Rights	-	-	-	28	-	-	28
Mayor's Office of Economic Development	17,632	5,432	-	32	-	-	23,096
WIN	-	1,746	-	1,446	-	-	3,192
Development Services	27	-	10	2,707	-	-	2,744
	<u>17,659</u>	<u>7,178</u>	<u>10</u>	<u>4,213</u>	<u>-</u>	<u>-</u>	<u>29,060</u>
Cultural Development & Recreation							
Gilcrease	80	13,033	110	7,822	-	-	21,045
Parks	20,237	76,956	52,187	10,585	492	-	160,457
PAC	596	24,348	-	2,760	-	-	27,704
	<u>20,913</u>	<u>114,337</u>	<u>52,297</u>	<u>21,167</u>	<u>492</u>	<u>-</u>	<u>209,206</u>
Total Governmental Funds Capital Assets	<u>\$ 560,200</u>	<u>\$ 248,928</u>	<u>\$ 89,248</u>	<u>\$ 218,681</u>	<u>\$ 3,554,999</u>	<u>\$ 145,941</u>	<u>\$ 4,817,997</u>



SECTION 3
**STATISTICAL
SECTION**



THE STATISTICAL SECTION—Presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government’s overall financial health.

- **Financial Trends**—These schedules contain trend information to help the reader understand how the government’s financial performance and well-being have changed over time.
- **Revenue Capacity**—These schedules contain information to help the reader assess the government’s most significant local revenue source, sales tax.
- **Debt Capacity**—These schedules include information to help the reader assess the affordability of the Government’s current levels of outstanding debt and the government’s ability to issue additional debt in the future.
- **Demographic and Economic Information**—These schedules offer demographic and economic indicators to help the reader understand the environment within which the government’s financial activities take place.
- **Operating Information**—These schedules contain service and infrastructure data to help the reader understand how the information in the government’s financial report relates to the services the government provides and the activities it performs.

CITY OF TULSA
NET POSITION BY COMPONENT
Current and Past Nine Years
(accrual basis of accounting)
(amounts expressed in thousands)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governmental activities:										
Net investment in capital assets	\$ 1,486,358	\$ 1,485,779	\$ 1,386,778	\$ 1,288,414	\$ 1,235,482	\$ 1,167,495	\$ 1,111,600	\$ 1,104,679	\$ 989,918	\$ 967,462
Restricted	417,766	321,201	291,237	273,642	262,022	263,303	239,504	244,257	160,049	121,161
Unrestricted	(167,546)	(188,066)	(202,213)	(197,489)	(212,406)	53,045	47,933	59,643	65,532	53,012
	<u>\$ 1,736,578</u>	<u>\$ 1,618,914</u>	<u>\$ 1,475,802</u>	<u>\$ 1,364,567</u>	<u>\$ 1,285,098</u>	<u>\$ 1,483,843</u>	<u>\$ 1,399,037</u>	<u>\$ 1,408,579</u>	<u>\$ 1,215,499</u>	<u>\$ 1,141,635</u>
Business-type activities:										
Net investment in capital assets	503,307	490,067	498,427	504,926	514,764	531,789	528,912	535,424	541,280	516,148
Restricted	17,514	12,218	12,664	11,732	11,939	14,398	16,925	11,875	8,936	11,185
Unrestricted	24,808	34,025	30,089	27,332	22,202	19,289	18,077	16,086	15,183	12,073
	<u>\$ 545,629</u>	<u>\$ 536,310</u>	<u>\$ 541,180</u>	<u>\$ 543,990</u>	<u>\$ 548,905</u>	<u>\$ 565,476</u>	<u>\$ 563,914</u>	<u>\$ 563,385</u>	<u>\$ 565,399</u>	<u>\$ 539,406</u>
Primary government:										
Net investment in capital assets	1,989,665	1,975,846	1,885,205	1,793,340	1,750,246	1,699,284	1,640,512	1,640,103	1,531,198	1,483,610
Restricted	435,280	333,419	303,901	285,374	273,961	277,701	256,429	256,132	168,985	132,346
Unrestricted	(142,738)	(154,041)	(172,124)	(170,157)	(190,204)	72,334	66,010	75,729	80,715	65,085
	<u>\$ 2,282,207</u>	<u>\$ 2,155,224</u>	<u>\$ 2,016,982</u>	<u>\$ 1,908,557</u>	<u>\$ 1,834,003</u>	<u>\$ 2,049,319</u>	<u>\$ 1,962,951</u>	<u>\$ 1,971,964</u>	<u>\$ 1,780,898</u>	<u>\$ 1,681,041</u>

Restatements of prior years

2018 - June 30, 2018 governmental activities and business-type activities were restated \$5,581 and \$818 respectively as a result of the adoption of GASB Statement No. 75.

Prior years were not restated.

2015 - June 30, 2015 governmental activities and business-type activities were restated \$298,116 and \$9,491 respectively as a result of the adoption of GASB Statement No. 68.

Prior years were not restated.

2013 - June 30, 2013 business-type activities were restated \$2,165 to correct an error in the treatment of initial direct costs of operating leases.

Prior years were not restated.

2011 - June 30, 2011 governmental activities and business-type activities were restated \$728 and \$1,288 respectively as a result of the adoption of GASB Statement No. 65.

Prior years were not restated.

CITY OF TULSA
CHANGES IN NET POSITION
Current and Past Nine Years
 (accrual basis of accounting)
 (amounts expressed in thousands)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Expenses:										
Governmental activities:										
General government	\$ 75,017	\$ 65,886	\$ 69,279	\$ 64,141	\$ 46,755	\$ 42,853	\$ 50,697	\$ 46,345	\$ 39,654	\$ 45,311
Public safety and protection	202,244	217,296	205,938	200,726	186,385	199,749	221,872	204,822	182,971	173,339
Public works and transportation	86,997	80,941	79,746	75,400	69,523	64,381	54,848	56,650	54,029	83,295
Culture and recreation	29,510	27,833	24,949	24,124	22,638	24,629	25,372	20,858	20,419	17,749
Social and economic	82,661	23,993	37,612	38,629	31,409	27,845	32,071	24,089	21,894	31,310
Interest on long-term debt	16,735	14,863	12,583	11,864	12,285	12,250	13,097	12,724	12,624	10,910
Total governmental activities expenses	<u>493,164</u>	<u>430,812</u>	<u>430,107</u>	<u>414,884</u>	<u>368,995</u>	<u>371,707</u>	<u>397,957</u>	<u>365,488</u>	<u>331,591</u>	<u>361,914</u>
Business-type activities:										
Stormwater	35,642	31,680	31,429	30,084	25,877	25,721	26,004	27,729	26,050	24,859
One Technology Center	9,046	8,846	9,127	9,982	10,643	9,927	11,488	10,435	9,884	9,431
Arena & Convention	25,826	25,755	25,199	24,910	25,507	23,815	23,993	22,823	22,480	22,182
Tulsa Stadium Trust	3,539	4,083	3,219	3,330	3,500	4,028	3,733	3,603	3,768	-
Golf Courses	2,832	3,167	3,276	3,288	2,917	3,183	3,544	3,696	3,316	3,503
Total business-type activities	<u>76,885</u>	<u>73,531</u>	<u>72,250</u>	<u>71,594</u>	<u>68,444</u>	<u>66,674</u>	<u>68,762</u>	<u>68,286</u>	<u>65,498</u>	<u>59,975</u>
Total primary government	<u>570,049</u>	<u>504,343</u>	<u>502,357</u>	<u>486,478</u>	<u>437,439</u>	<u>438,381</u>	<u>466,719</u>	<u>433,774</u>	<u>397,089</u>	<u>421,889</u>
Program Revenues:										
Governmental activities:										
Charges for services:										
General government	39,984	37,960	29,763	25,493	9,664	10,279	14,789	14,421	15,416	12,647
Public safety and protection	14,854	13,921	24,490	24,359	25,264	23,918	24,693	21,553	16,815	20,289
Public works and transportation	5,040	6,517	12,277	11,250	13,693	14,045	13,792	12,761	10,421	9,054
Culture and recreation	4,903	4,805	4,420	4,814	5,006	4,754	4,516	4,148	4,887	5,638
Social and economic	14,186	11,043	2,447	1,913	1,626	1,155	2,037	1,850	543	530
Operating grants and contributions	38,163	31,057	30,000	29,486	32,364	35,063	35,742	29,629	27,816	32,262
Capital grants and contributions	30,885	14,846	40,309	6,308	4,694	3,784	34,169	36,144	9,924	12,185
Total governmental activities program revenues	<u>148,015</u>	<u>120,149</u>	<u>143,706</u>	<u>103,623</u>	<u>92,311</u>	<u>92,998</u>	<u>129,738</u>	<u>120,506</u>	<u>85,822</u>	<u>92,605</u>
Business-type activities:										
Charges for services:										
Stormwater	32,970	29,754	28,488	27,674	25,099	23,625	24,101	23,604	23,231	22,007
One Technology Center	7,045	9,360	9,154	8,986	9,183	9,176	10,253	9,401	8,560	6,637
Arena & Convention	18,413	18,046	16,754	15,633	16,514	13,953	12,634	12,012	12,300	12,130
Tulsa Stadium Trust	248	250	249	281	276	334	299	246	163	16,286
Golf Courses	2,392	2,588	2,785	2,828	2,420	2,700	2,558	2,574	2,024	2,733
Operating grants and contributions	-	-	-	-	-	-	3	308	-	79
Capital grants and contributions	2,938	2,199	5,602	4,689	1,291	2,360	1,277	1,072	3,319	10,735
Total business-type activities program revenues	<u>64,006</u>	<u>62,197</u>	<u>63,032</u>	<u>60,091</u>	<u>54,783</u>	<u>52,148</u>	<u>51,125</u>	<u>49,217</u>	<u>49,597</u>	<u>70,607</u>
Total primary government program revenues	<u>\$ 212,021</u>	<u>\$ 182,346</u>	<u>\$ 206,738</u>	<u>\$ 163,714</u>	<u>\$ 147,094</u>	<u>\$ 145,146</u>	<u>\$ 180,863</u>	<u>\$ 169,723</u>	<u>\$ 135,419</u>	<u>\$ 163,212</u>
Net (expense) revenue:										
Governmental activities	(345,149)	(310,663)	(286,401)	(311,261)	(276,684)	(278,709)	(268,219)	264,051	(245,769)	(269,309)
Business-type activities	(12,879)	(11,334)	(9,218)	(11,503)	(13,661)	(14,526)	(17,637)	(17,205)	(15,901)	(5,654)
Total primary government net expense	<u>\$ (358,028)</u>	<u>\$ (321,997)</u>	<u>\$ (295,619)</u>	<u>\$ (290,345)</u>	<u>\$ (290,345)</u>	<u>\$ (293,235)</u>	<u>\$ (285,856)</u>	<u>\$ (262,343)</u>	<u>\$ (261,670)</u>	<u>\$ (274,963)</u>
General Revenues and Other Changes in Net Position:										
Taxes										
Sales tax	284,687	278,317	250,271	234,912	231,997	231,108	227,905	219,240	199,384	193,505
Property tax	79,522	77,074	72,075	73,450	64,667	59,659	58,445	58,955	49,315	41,989
Franchise tax	23,122	24,420	23,235	22,620	24,039	24,053	22,588	22,427	27,225	26,144
Use tax	41,068	31,084	25,922	23,640	24,104	24,776	22,393	21,522	17,927	15,622
Hotel / motel tax	7,870	7,414	7,380	7,483	7,552	7,050	6,676	6,120	5,683	5,821
Unrestricted grants and contributions	7,747	7,587	7,131	6,814	6,037	7,894	22,154	23,305	22,698	15,860
Payments from component units	17,204	17,803	15,094	14,631	14,100	14,710	4,282	690	76	13
Investment earnings	20,667	7,629	(551)	7,910	6,469	7,072	(2,343)	2,888	7,513	9,566
Miscellaneous	1,437	1,505	2,862	4,749	2,734	2,253	9,812	4,586	2,490	1,705
Transfers	(20,511)	(4,639)	(5,783)	(5,479)	(5,644)	(15,060)	(18,092)	(16,814)	(11,950)	(21,612)
Total governmental activities	<u>462,813</u>	<u>448,194</u>	<u>397,636</u>	<u>390,730</u>	<u>376,055</u>	<u>363,515</u>	<u>353,820</u>	<u>342,919</u>	<u>320,361</u>	<u>288,613</u>
Business-type activities:										
Investment earnings and other	1,687	1,007	625	1,109	937	3,193	(1)	316	611	691
Transfers & capital contributions	20,511	4,639	5,783	5,479	5,644	15,060	18,092	16,814	11,950	23,619
Total business-type activities	<u>22,198</u>	<u>5,646</u>	<u>6,408</u>	<u>6,588</u>	<u>6,581</u>	<u>18,253</u>	<u>18,091</u>	<u>17,130</u>	<u>12,561</u>	<u>24,310</u>
Total primary government	<u>\$ 485,011</u>	<u>\$ 453,840</u>	<u>\$ 404,044</u>	<u>\$ 397,318</u>	<u>\$ 382,636</u>	<u>\$ 381,768</u>	<u>\$ 371,911</u>	<u>\$ 360,049</u>	<u>\$ 332,922</u>	<u>\$ 312,923</u>
Changes in Net Position:										
Governmental activities	117,664	137,531	111,235	79,469	99,371	84,806	85,601	97,937	74,592	19,304
Business-type activities	9,319	(5,688)	(2,810)	(4,915)	(7,080)	3,727	454	(1,939)	(3,340)	18,656
Total primary government	<u>\$ 126,983</u>	<u>\$ 131,843</u>	<u>\$ 108,425</u>	<u>\$ 74,554</u>	<u>\$ 92,291</u>	<u>\$ 88,533</u>	<u>\$ 86,055</u>	<u>\$ 95,998</u>	<u>\$ 71,252</u>	<u>\$ 37,960</u>

CITY OF TULSA
GOVERNMENTAL ACTIVITIES - TAX REVENUES BY SOURCE
Current and Past Nine Years
(accrual basis of accounting)
(amounts expressed in thousands)

Year	Sales Tax	Property Tax	Franchise Tax	Use Tax	Hotel / Motel Tax	Total
2019	\$ 284,687	\$ 79,522	\$ 23,122	\$ 41,068	\$ 7,870	\$ 436,269
2018	278,317	77,074	24,420	31,084	7,414	418,309
2017	250,271	72,075	23,235	25,922	7,380	378,883
2016	234,912	73,450	22,620	23,640	7,483	362,105
2015	231,997	64,667	24,039	24,104	7,552	352,359
2014	231,108	59,659	24,053	24,776	7,050	346,646
2013	227,905	58,445	22,588	22,393	6,676	338,007
2012	223,988	58,955	21,857	21,522	6,120	332,442
2011	199,384	49,315	27,225	17,927	5,683	299,534
2010	193,505	41,989	26,144	15,622	5,821	283,081

CITY OF TULSA
PROGRAM REVENUE BY FUNCTION / PROGRAM
Current and Past Nine Years
(accrual basis of accounting)
(amounts expressed in thousands)

Function/Program:	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Governmental activities:										
General government	\$ 39,984	\$ 37,960	\$ 29,763	\$ 25,493	\$ 9,664	\$ 10,478	\$ 14,789	\$ 14,421	\$ 15,416	\$ 13,380
Public safety and protection	46,249	42,730	48,388	47,860	50,824	47,874	47,727	52,384	37,311	37,973
Public works and transportation	13,604	21,363	52,586	17,558	18,387	17,476	46,502	42,822	16,475	20,024
Culture and recreation	4,903	4,805	4,420	4,814	5,006	4,754	4,516	4,148	5,122	5,960
Social and economic	43,275	13,291	8,549	7,898	8,430	12,416	16,204	7,675	11,498	15,268
Total governmental activities	<u>148,015</u>	<u>120,149</u>	<u>143,706</u>	<u>103,623</u>	<u>92,311</u>	<u>92,998</u>	<u>129,738</u>	<u>121,450</u>	<u>85,822</u>	<u>92,605</u>
Business-type activities:										
Stormwater	35,908	31,953	34,090	32,363	26,390	25,806	25,353	24,676	24,824	25,078
One Technology Center	7,045	9,360	9,154	8,986	9,183	9,176	10,253	9,401	8,560	6,637
Arena & Convention	18,413	18,046	16,754	15,633	16,514	13,993	12,659	12,012	12,856	19,871
Tulsa Stadium Trust	248	250	249	281	276	334	302	554	918	16,286
Tulsa Golf Courses	2,392	2,588	2,785	2,828	2,420	2,839	2,558	2,574	2,439	2,735
Total business-type activities	<u>64,006</u>	<u>62,197</u>	<u>63,032</u>	<u>60,091</u>	<u>54,783</u>	<u>52,148</u>	<u>51,125</u>	<u>49,217</u>	<u>49,597</u>	<u>70,607</u>
Total primary government	<u>\$ 212,021</u>	<u>\$ 182,346</u>	<u>\$ 206,738</u>	<u>\$ 163,714</u>	<u>\$ 147,094</u>	<u>\$ 145,146</u>	<u>\$ 180,863</u>	<u>\$ 170,667</u>	<u>\$ 135,419</u>	<u>\$ 163,212</u>

CITY OF TULSA
FUND BALANCES OF GOVERNMENTAL FUNDS
Current and Past Nine Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Fund:									
Nonspendable	\$ 550	\$ 537	\$ 516	\$ 611	\$ 611	\$ 611	\$ 745	\$ 606	\$ 1,055
Restricted	2,000	2,000	2,000	2,000	2,000	2,000	2,000	-	-
Assigned	7,424	5,315	6,221	5,183	8,047	6,889	13,504	20,989	13,807
Unassigned	61,495	51,181	47,301	54,252	54,830	50,264	41,528	49,540	52,255
	<u>\$ 71,469</u>	<u>\$ 59,033</u>	<u>\$ 56,038</u>	<u>\$ 62,046</u>	<u>\$ 65,488</u>	<u>\$ 59,764</u>	<u>\$ 57,777</u>	<u>\$ 71,135</u>	<u>\$ 67,117</u>
Other Governmental Funds:									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	701,957	625,096	627,362	458,796	441,787	403,806	383,576	388,231	325,181
Committed	5,868	5,115	6,672	4,691	3,094	1,698	1,761	1,095	1,135
Assigned	-	-	-	-	-	-	718	718	3,977
Unassigned	(893)	(1,053)	(419)	(310)	(321)	(456)	(512)	(145)	(261)
	<u>\$ 706,932</u>	<u>\$ 629,158</u>	<u>\$ 633,615</u>	<u>\$ 463,177</u>	<u>\$ 444,560</u>	<u>\$ 405,048</u>	<u>\$ 385,543</u>	<u>\$ 389,899</u>	<u>\$ 330,032</u>

	2010
General Fund:	
Reserved	\$ 7,730
Unreserved	47,045
	<u>\$ 54,775</u>
Other Governmental Funds:	
Reserved	229,880
Unreserved	
Special revenue funds	15,572
Debt service funds	12,412
Capital projects funds	1,966
	<u>\$ 259,830</u>

Note: GASB Statement No. 54 changed the reporting of fund balances by establishing fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The City adopted GASB Statement No. 54 for the year ending June 30, 2011. Information for prior years is unavailable.

CITY OF TULSA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
Current and Past Nine Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Revenues										
Sales tax	\$ 284,687	\$ 278,317	\$ 250,271	\$ 234,912	\$ 231,997	\$ 231,108	\$ 227,905	\$ 223,988	\$ 199,384	\$ 193,505
Property tax	78,930	77,013	68,961	73,450	63,229	57,478	56,096	54,124	44,690	34,457
Franchise tax	23,122	24,420	23,235	22,620	24,039	24,053	22,588	21,857	27,225	26,144
Use tax	41,068	31,084	25,922	23,640	24,104	24,776	22,393	21,522	17,927	15,622
Hotel/motel tax	7,870	7,414	7,380	7,483	7,552	7,050	6,676	6,120	5,683	5,821
Special assessment tax	3,627	3,446	3,392	3,525	3,412	3,595	3,344	3,164	3,169	3,275
Charges for services	33,795	33,353	30,043	28,408	30,927	30,412	45,450	45,553	35,918	40,385
Intergovernmental revenues	47,944	48,197	42,349	39,759	43,425	47,794	53,891	39,598	42,261	51,776
Fines and forfeitures	7,974	7,386	8,226	8,077	8,923	9,565	10,567	11,718	10,875	8,257
Investment income	20,440	7,119	928	7,974	5,423	7,002	363	5,222	6,140	8,663
Licenses, permits and fees	11,021	7,940	8,111	8,397	8,421	7,801	7,137	6,832	5,922	5,175
Program income from grants	2,644	3,018	1,382	1,337	1,397	1,146	1,962	1,763	440	530
Payments from component units	15,737	15,678	14,846	14,383	13,506	13,566	701	668	57	13
Miscellaneous	1,235	1,361	2,447	4,413	2,659	2,253	9,778	3,033	2,492	2,794
Total revenues	<u>580,094</u>	<u>545,746</u>	<u>487,493</u>	<u>478,378</u>	<u>469,014</u>	<u>467,599</u>	<u>468,851</u>	<u>445,162</u>	<u>402,183</u>	<u>396,417</u>
Expenditures										
Current:										
General government	44,760	42,890	39,899	37,105	36,773	37,857	43,389	27,443	21,638	20,819
Public safety and protection	220,249	212,763	198,827	202,794	194,430	190,069	186,552	187,513	171,552	174,401
Public works and transportation	21,435	21,335	22,773	21,038	24,186	24,983	25,857	29,039	31,557	31,412
Culture and recreation	22,130	21,816	20,799	20,790	20,867	21,584	21,112	14,948	14,385	15,362
Social and economic development	25,401	21,716	23,917	30,595	28,673	28,319	32,986	31,066	20,215	28,991
Payments to component units	11,982	11,883	14,223	15,600	11,123	9,719	11,111	9,562	10,354	16,535
Capital outlay	159,728	132,145	120,653	122,370	104,128	111,597	114,238	96,057	79,680	105,904
Debt service:										
Principal	67,311	61,155	59,546	52,975	52,832	41,953	38,347	31,173	24,581	18,860
Interest	22,032	16,802	16,867	15,724	16,768	16,509	16,029	16,786	15,736	13,685
Cost of issuance	341	375	888	251	748	218	121	549	151	748
Total expenditures	<u>595,369</u>	<u>542,880</u>	<u>518,392</u>	<u>519,242</u>	<u>490,528</u>	<u>482,808</u>	<u>489,742</u>	<u>444,136</u>	<u>389,849</u>	<u>426,717</u>
Excess (deficiency) of revenues over expenditures	(15,275)	2,866	(30,899)	(40,864)	(21,514)	(15,649)	(20,891)	1,026	12,334	(30,300)
Other financing sources (uses)										
Transfers in	4,125	2,896	4,373	5,121	4,495	1,706	3,657	2,570	3,941	25,758
Transfers out	(26,151)	(7,999)	(12,134)	(11,162)	(11,454)	(17,349)	(22,047)	(17,887)	(16,565)	(47,650)
Sale of capital assets	459	775	608	1,222	905	1,468	1,173	664	1,691	821
Issuance of capital lease	1,103	-	-	-	-	-	-	-	-	-
Bond issuance	118,100	-	193,300	57,000	70,000	50,000	45,000	44,927	70,000	70,000
Refunding bond issuance	32,230	-	31,200	23,133	57,073	-	23,746	-	21,546	23,558
Premium on bond issuance	7,849	-	9,182	3,858	2,804	1,316	7,341	647	11,143	12,017
Payment to bond escrow agent	(32,230)	-	(31,200)	(23,133)	(57,073)	-	(23,746)	-	(21,546)	(30,013)
Total other financing sources (uses)	<u>105,485</u>	<u>(4,328)</u>	<u>195,329</u>	<u>56,039</u>	<u>66,750</u>	<u>37,141</u>	<u>35,124</u>	<u>30,921</u>	<u>70,210</u>	<u>54,491</u>
Net changes in fund balances	90,210	(1,462)	164,430	15,175	45,236	21,492	14,233	31,947	82,544	24,191
Fund balance, beginning	688,191	689,653	525,223	510,048	464,812	443,320	429,087	429,087	314,605	290,414
Fund balance, ending	<u>\$ 778,401</u>	<u>\$ 688,191</u>	<u>\$ 689,653</u>	<u>\$ 525,223</u>	<u>\$ 510,048</u>	<u>\$ 464,812</u>	<u>\$ 443,320</u>	<u>\$ 461,034</u>	<u>\$ 397,149</u>	<u>\$ 314,605</u>
Debt service as a percentage of noncapital expenditures	20.51%	18.95%	18.78%	17.02%	18.05%	15.04%	14.45%	13.92%	12.86%	9.59%

CITY OF TULSA
GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE
Current and Past Nine Years
(modified accrual basis of accounting)
(amounts expressed in thousands)

Year	Sales Tax	Property Tax	Franchise Tax	Use Tax	Hotel/Motel Tax	Total
2019	\$ 284,687	\$ 78,930	\$ 23,122	\$ 41,068	\$ 7,870	\$ 435,677
2018	278,317	77,013	24,420	31,084	7,414	418,248
2017	250,271	68,961	23,235	25,922	7,380	375,769
2016	234,912	73,450	22,620	23,640	7,483	362,105
2015	231,997	63,229	24,039	24,104	7,552	350,921
2014	231,108	57,478	24,053	24,776	7,050	344,465
2013	227,905	56,096	22,588	22,393	6,676	335,658
2012	223,988	54,124	21,857	21,522	6,120	327,611
2011	199,384	44,690	27,225	17,927	5,683	294,909
2010	193,505	34,457	26,144	15,622	5,821	275,549

CITY OF TULSA
PRINCIPAL SALES TAX REMITTERS
(amounts expressed in thousands)
June 30, 2019

2019				2010			
SIC Code	Sales Tax Remitter	Amount Remitted	Percentage of Total Revenue Base	SIC Code	Sales Tax Remitter	Amount Remitted	Percentage of Total Revenue Base
53	General Merchandise Stores	\$ 41,107	14.37%	53	General Merchandise Stores	\$ 32,648	16.74%
58	Eating and Drinking Places	38,925	13.61%	58	Eating and Drinking Places	24,829	12.73%
50	Wholesale Trade-Durable Goods	25,095	8.77%	59	Miscellaneous Retail	22,857	11.72%
59	Miscellaneous Retail	23,742	8.30%	57	Furniture and Home Furnishing Stores	16,721	8.58%
54	Food Stores	21,073	7.37%	54	Food Stores	14,549	7.46%
49	Electric, Gas, and Sanitary Services	20,723	7.25%	50	Wholesale Trade-Durable Goods	14,293	7.33%
52	Building Materials & Garden Supplies	19,143	6.69%	49	Electric, Gas & Sanitary Services	13,873	7.12%
57	Furniture and Equipment	16,939	5.92%	52	Building Materials & Garden Supplies	11,864	6.08%
56	Apparel and Accessory Stores	10,997	3.85%	48	Communication	10,050	5.15%
73	Business Services	9,218	3.22%	56	Apparel and Accessory Stores	9,854	5.05%
		<u>\$ 226,962</u>	<u>79.36%</u>			<u>\$ 171,538</u>	<u>87.96%</u>
		<u>\$ 6,218,119</u>				<u>\$ 5,717,945</u>	

Source: Oklahoma Tax Commission

CITY OF TULSA
DIRECT AND OVERLAPPING SALES TAX RATES
Current and Past Nine Years

<u>Year</u>	<u>City of Tulsa</u>	<u>Tulsa County</u>	<u>State of Oklahoma</u>
2019	3.650%	0.367%	4.500%
2018	3.650%	0.367%	4.500%
2017	3.650%	0.367%	4.500%
2016	3.100%	0.917%	4.500%
2015	3.100%	0.917%	4.500%
2014	3.167%	0.850%	4.500%
2013	3.167%	0.850%	4.500%
2012	3.167%	0.850%	4.500%
2011	3.000%	1.017%	4.500%
2010	3.000%	1.017%	4.500%

Source: Oklahoma Tax Commission
City and County Rates Effective January 1, 2019

CITY OF TULSA
ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
Current and Past Nine Years
(amounts expressed in thousands, except tax rate)

Year	Real Property			Personal Property			Public Service Property			TOTAL			Assessed to Estimated Actual Value
	Estimated Actual Value	Net Assessed Value	Tax Rate Per \$1,000	Estimated Actual Value	Net Assessed Value	Tax Rate Per \$1,000	Estimated Actual Value	Net Assessed Value	Tax Rate Per \$1,000	Estimated Actual Value	Net Assessed Value	Tax Rate Per \$1,000	
2019	\$ 28,050,809	\$ 3,085,898	22.14	\$ 4,459,880	\$ 445,988	22.14	\$ 504,115	\$ 160,208	22.14	33,014,804	\$ 3,692,094	22.14	11.2%
2018	26,891,678	2,958,380	22.44	4,271,316	427,132	22.44	495,879	157,590	22.44	31,658,873	3,543,102	22.44	11.2%
2017	26,069,568	2,867,939	21.20	4,196,622	419,662	21.20	478,675	152,123	21.20	30,744,865	3,439,724	21.20	11.2%
2016	25,223,050	2,774,813	22.79	4,147,160	414,716	22.79	427,595	135,890	22.79	29,797,805	3,325,419	22.79	11.2%
2015	24,472,298	2,692,222	21.46	4,030,010	403,001	21.46	426,001	135,383	21.46	28,928,309	3,230,606	21.46	11.2%
2014	23,899,110	2,629,165	20.24	3,793,290	379,329	20.24	491,001	156,040	20.24	28,183,401	3,164,534	20.24	11.2%
2013	23,572,306	2,593,213	20.16	3,673,950	367,395	20.16	622,631	197,872	20.16	27,868,887	3,158,480	20.16	11.3%
2012	23,257,483	2,558,579	20.01	3,612,420	361,242	20.01	615,592	195,635	20.01	27,485,495	3,115,456	20.01	11.3%
2011	22,980,865	2,528,148	16.98	3,836,900	383,690	16.98	687,020	218,335	16.98	27,504,785	3,130,173	16.98	11.4%
2010	22,455,554	2,470,358	14.15	3,991,610	399,161	14.15	658,738	209,347	14.15	27,105,902	3,078,866	14.15	11.4%

Source: Tulsa County Assessor's Office

CITY OF TULSA
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(Per \$1,000 of Net Assessed Valuation)
Current and Past Nine Years

Year	Direct		Overlapping					Direct & Overlapping Combined
	General Fund	Sinking Fund	Schools	County	County Library	County Health	Total	
2019	\$ -	\$ 22.14	\$ 96.46	\$ 10.84	\$ 5.32	\$ 2.58	115.20	137.34
2018	-	22.44	96.40	10.34	5.32	2.58	114.64	137.08
2017	-	21.50	94.81	10.34	5.32	2.58	113.05	134.55
2016	-	22.79	93.50	10.32	5.32	2.58	111.72	134.51
2015	-	21.46	93.53	10.33	5.32	2.58	111.76	133.22
2014	-	20.24	89.45	10.33	5.32	2.58	107.68	127.92
2013	-	20.16	89.19	10.34	5.32	2.58	107.43	127.59
2012	-	20.01	89.33	10.34	5.32	2.58	107.57	127.58
2011	-	16.98	88.44	10.31	5.32	2.58	106.65	123.63
2010	-	14.15	89.49	10.31	5.32	2.58	107.70	121.85

Source: Tulsa County Assessor's Office

**CITY OF TULSA
PRINCIPAL PROPERTY TAXPAYERS
Current Year and Nine Years Ago**

Taxpayer	2019			2010		
	Taxable Assessed Valuation	Rank	% of Total Assessed Valuation	Taxable Assessed Valuation	Rank	% of Total Assessed Valuation
Public Service Co of Okla	\$ 57,819	1	1.53%	\$ 68,436	2	2.19%
AHS/VTR Hillcrest/Tulsa Spine	41,746	2	1.10%	28,229	3	0.90%
Oklahoma Natural Gas Co	29,776	3	0.79%	28,186	4	0.90%
Quik Trip Corp	21,870	4	0.58%	-	-	NA
AT&T Companies/Services	20,719	5	0.55%	73,568	1	2.36%
Wal Mart Stores	18,196	6	0.48%	15,049	7	0.48%
Warren Foundation	17,087	7	0.45%	14,174	8	0.45%
Williams Companies	15,147	8	0.40%	15,097	6	0.48%
Woodland Hills Mall	14,984	9	0.40%	15,175	5	0.49%
Weidner Apartment Homes	13,679	10	0.36%	-	-	0.00%
Cox Communications				11,995	9	0.38%
Kanbar Prop Management LLC				10,169	10	0.33%
	<u>\$ 251,023</u>		<u>6.6%</u>	<u>\$ 280,078</u>		<u>8.96%</u>

Sources:

Tulsa County Assessor

CITY OF TULSA
PROPERTY TAX LEVIES AND COLLECTIONS
Current and Past Nine Years
(amounts expressed in thousands)

Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Taxes Receivable	Delinquent Percent of Levy	Delinquent Tax Collections	Total Collections	Percent of Total Collections to Tax Levy
2019	\$ 81,738	\$ 79,388	97.1%	\$ 12,516	15.3%	\$ 1,518	\$ 80,906	99.0%
2018	79,507	78,011	98.1%	11,684	14.7%	1,524	79,535	100.0%
2017	72,915	71,528	98.1%	11,712	16.1%	-	71,528	98.1%
2016	75,781	74,030	97.7%	11,352	15.0%	84	74,114	97.8%
2015	69,329	66,943	96.6%	11,747	16.9%	341	67,284	97.1%
2014	64,050	62,019	96.8%	11,206	17.5%	1,384	63,403	99.0%
2013	63,687	61,641	96.8%	10,834	17.0%	1,129	62,770	98.6%
2012	62,334	60,219	96.6%	10,334	16.6%	1,647	61,866	99.3%
2011	53,163	50,945	95.8%	9,955	18.7%	1,947	52,892	99.5%
2010	43,557	41,887	96.2%	9,060	20.8%	1,413	43,300	99.4%

CITY OF TULSA
RATIOS OF OUTSTANDING DEBT BY TYPE
Current and Past Nine Years
(amounts expressed in thousands, except per capita)

Year	Governmental Activities Debt				Business Type Activities Debt	Total Primary Government	Percentage of Personal Income	Per Capita
	Net General Bonded Debt	Revenue Bonds, Net	Notes Payable	Total Governmental Activities	Revenue Bonds, Net			
2019	\$ 343,532	\$ 236,876	\$ -	\$ 580,408	\$ 87,799	\$ 668,207	2.68%	1,647
2018	407,986	121,142	-	529,128	91,788	620,916	2.67%	1,520
2017	468,082	123,380	-	591,462	92,493	683,955	2.80%	1,693
2016	440,083	5,908	-	445,991	95,747	541,738	2.60%	1,344
2015	435,918	7,381	-	443,299	98,807	542,106	2.61%	1,346
2014	411,006	8,856	-	419,862	103,316	523,178	2.62%	1,307
2013	409,769	10,335	-	420,104	107,390	527,494	2.77%	1,325
2012	399,932	11,821	407	412,160	104,324	516,484	2.71%	1,304
2011	391,028	14,255	796	406,079	106,402	512,481	2.94%	1,301
2010	343,429	27,911	1,165	372,505	90,354	462,859	2.94%	1,181

Notes:

1. Outstanding debt balances are reported net of related discounts and premiums and amounts available in Debt Service Fund for principal payments.
2. Bonded debt reported above agree to their respective categories in Note 11, Long-Term Liabilities. Bonded debt along with other long-term liabilities are aggregated and reported as Long-Term Liabilities on the face of the financial statements.

CITY OF TULSA
RATIOS OF NET GENERAL BONDED DEBT TO
ASSESSED VALUES AND NET BONDED DEBT PER CAPITA
Current and Past Nine Years
(amounts expressed in thousands, except per capita)

Year	Population	Net Assessed Property Value ¹	General Bonded Debt ²	Plus: Premiums	Less: Amounts Restricted for Debt Service ³	Net General Bonded Debt	Ratio of Net Bonded Debt To Assessed Value	Net Bonded Debt Per Capita (In dollars)
2019	405,785	\$ 3,692,093	\$ 385,615	\$ 8,157	\$ 50,240	\$ 343,532	9.30%	\$ 847
2018	408,451	3,543,102	440,229	11,833	44,076	407,986	11.51%	999
2017	403,890	3,423,491	492,076	16,247	40,241	468,082	13.67%	1,159
2016	402,662	3,325,419	465,376	15,327	40,620	440,083	13.23%	1,093
2015	400,436	3,230,606	452,850	15,443	32,375	435,918	13.49%	1,089
2014	397,737	3,164,534	430,378	17,087	36,459	411,006	12.99%	1,033
2013	397,139	3,158,480	418,793	20,239	29,263	409,769	12.97%	1,032
2012	393,831	3,115,456	408,690	17,969	26,727	399,932	12.84%	1,015
2011	391,831	3,130,173	386,469	21,389	16,830	391,028	12.49%	998
2010	391,956	3,078,866	337,865	13,240	7,676	343,429	11.15%	876

Notes:

1. **Source:** Net Assessed Value: Tulsa County Assessor's Office
2. General Bonded Debt reported above agrees to General Obligation Bonds in Note 11, Long-Term Liabilities. Bonded debt along with other long-term liabilities are aggregated and reported as Long-Term Liabilities on the Statement of Net Position.
3. Amounts Restricted for Debt Service reflects amounts available in sinking funds restricted to repaying debt principal.

CITY OF TULSA
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
June 30, 2019

(amounts expressed in thousands)

<u>Governmental Unit</u>	<u>Net General Bonded Debt</u>	<u>Estimated Percentage Applicable to City of Tulsa</u>	<u>Estimated Share Applicable to City of Tulsa</u>
Debt repaid with property taxes:			
Independent School Districts:			
No. 1 Tulsa	\$ 195,615	92.0%	\$ 179,932
No. 3 Broken Arrow	90,625	11.7%	10,632
No. 4 Bixby	30,550	9.2%	2,825
No. 5 Jenks	81,522	73.0%	59,481
No. 9 Union	74,700	75.7%	56,558
No. 11 Owasso	22,038	0.1%	22
			<u>309,449</u>
City direct debt	\$ 630,648	100.0%	630,648
Total direct and overlapping debt			<u>\$ 940,097</u>

Notes:

1. **Source:** Tulsa County Assessor's Office
2. Ratio of assessed valuation of property within the overlapping unit to assessed valuation of property within the City of Tulsa

CITY OF TULSA
COMPUTATION OF LEGAL DEBT MARGIN
Current and Past Nine Years
(amounts expressed in thousands)

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Debt limit ¹⁻²	\$ 369,209	\$ 354,310	\$ 342,349	\$ 332,542	\$ 323,061	\$ 316,453	\$ 315,848	\$ 311,546	\$ 313,017	\$ 307,877
Total net debt subject to limit ³	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 369,209	\$ 354,310	\$ 342,349	\$ 332,542	\$ 323,061	\$ 316,453	\$ 315,848	\$ 311,546	\$ 313,017	\$ 307,877
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source:

- 1. Tulsa County Assessor's Office - Net Assessed Valuation
- 2. Article 10, Section 26, Oklahoma Constitution - 10% of Net Assessed Valuation
- 3. Article 10, Section 27, Oklahoma Constitution - debt subject to limit

CITY OF TULSA
PLEDGED-REVENUE BOND COVERAGE
ONE TECHNOLOGY CENTER - LEASE REVENUE BONDS
Current and Past Nine Years
(amounts expressed in thousands)

Year	Gross Revenue	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
			Principal	Interest	Total	
2019	\$ 8,071	\$ 8,071	\$ 2,400	\$ 1,921	\$ 4,321	1.87
2018	10,057	10,057	1,575	2,394	3,969	2.53
2017	9,878	9,878	1,485	3,321	4,806	2.06
2016	9,660	9,660	1,400	3,339	4,739	2.04
2015	9,853	9,853	1,340	3,356	4,696	2.10
2014	12,065	12,065	1,280	3,372	4,652	2.59
2013	10,930	10,930	-	3,645	3,645	3.00
2012	9,466	9,466	-	3,734	3,734	2.54
2011	9,820	9,820	-	3,734	3,734	2.63
2010	8,678	8,678	-	3,734	3,734	2.32

Notes:

1. The bonds were issued in 2008 and repayment is the responsibility of TPFA's One Technology Center fund.
2. Gross revenues includes lease revenues derived from the operation of the OTC facility along with other revenues of including investment income, transfers and gains on capital asset disposition.

CITY OF TULSA
PLEDGED-REVENUE BOND COVERAGE
ARENA AND CONVENTION - 2008 CAPITAL IMPROVEMENT BONDS
Current and Past Nine Years
(amounts expressed in thousands)

Year	Gross Revenue	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2019	\$ 1,538	\$ 775	\$ 460	\$ 1,235	1.25
2018	2,080	895	514	1,409	1.48
2017	2,080	1,190	586	1,776	1.17
2016	2,080	1,095	653	1,748	1.19
2015	2,080	1,000	713	1,713	1.21
2014	2,080	915	769	1,684	1.24
2013	2,090	835	820	1,655	1.26
2012	2,090	725	852	1,577	1.33
2011	2,140	680	881	1,561	1.37
2010	2,276	640	905	1,545	1.47

Notes:

1. The bonds were issued in 2009 and repayment is the responsibility of TPFA's Arena and Convention fund.
2. Gross revenue includes revenues derived from the Arena sponsorship and naming.

CITY OF TULSA
PLEGGED-REVENUE BOND COVERAGE
TULSA STADIUM TRUST - IMPROVEMENT DISTRICT BONDS
Current and Past Nine Years
(amounts expressed in thousands)

Year	Gross Revenue	Direct Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2019	\$ 2,568	\$ 566	\$ 2,002	\$ 635	\$ 966	\$ 1,601	1.25
2018	2,521	1,121	1,400	610	989	1,599	0.88
2017	2,450	251	2,199	585	1,014	1,599	1.38
2016	2,505	332	2,173	570	1,032	1,602	1.36
2015	2,491	516	1,975	560	1,028	1,588	1.24
2014	2,689	919	1,770	383	1,946	2,329	0.76
2013	2,439	404	2,035	360	1,253	1,613	1.26
2012	2,663	427	2,236	339	1,217	1,556	1.44
2011	3,042	678	2,364	5,319	1,174	6,493	0.36
2010	18,303	733	17,570	289	141	430	40.86

Notes:

1. Bonds were issued in 2010 and refunded in 2013. Repayment of debt is the responsibility of the Tulsa Stadium Trust.
2. Gross revenue includes revenues derived from the operation of the ballpark and transfers from the Tulsa Stadium Improvement District along with other revenues of the fund including investment income and gains on capital asset disposition.
3. Direct expenses include all expenses of TST except for depreciation and interest expense.

CITY OF TULSA
PLEDGED-REVENUE BOND COVERAGE
TPFA - 2012 CAPITAL IMPROVEMENT BONDS
Current and Past Six Years
(amounts expressed in thousands)

Year	Gross Revenue	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2019	\$ 27,277	\$ 1,420	\$ 118	\$ 1,538	17.74
2018	26,816	1,395	171	1,566	17.12
2017	27,238	1,365	226	1,591	17.12
2016	26,828	1,340	266	1,606	16.70
2015	26,492	1,320	305	1,625	2.21
2014	26,720	1,305	345	1,650	2.83
2013	23,792	1,295	372	1,667	0.03

Notes:

1. Bonds were issued in 2013 and repayment is the responsibility of TPFA's Financing fund and TARE.
2. Gross revenue includes revenue derived from the operation of TARE along with other revenues of the Improvements fund including investment income and gains on capital asset disposition.
3. Direct expenses include all expenses of TARE except for depreciation and interest expense.

CITY OF TULSA
DEMOGRAPHIC AND ECONOMIC STATISTICS
Current and Past Nine Years

Year	Population	MSA Current Personal Income (in millions)	MSA Per Capita Personal Income	Median Age	Percent of High School Graduates	Unemployment Rate
2019	405,785	\$ 61,821	\$ 61,415	35.1	86.9%	3.8%
2018	408,451	57,172	56,867	34.9	86.8%	5.0%
2017	403,890	60,088	60,587	34.9	86.7%	5.0%
2016	403,085	50,881	51,786	34.9	86.8%	4.5%
2015	402,662	50,247	51,500	34.8	86.7%	4.2%
2014	400,436	48,199	49,807	34.8	86.7%	5.0%
2013	398,222	45,935	47,857	34.8	86.7%	5.4%
2012	396,021	45,787	48,095	34.8	86.7%	5.8%
2011	393,831	41,846	44,316	34.8	86.7%	6.7%
2010	391,831	37,723	40,239	34.8	86.8%	7.5%
2009	391,956	36,300	39,075	34.8	86.5%	5.1%

Sources:

Population: 2000 & 2010 Census

Forecast (2019): Extrapolation using 18 year Experian series, and 2017 Growth Projection

Personal Income: Bureau of Economic Analysis to 2015

Forecast (2018/2019): OSU Center for Applied Economic Research, Tulsa Regional Chamber

Per Capita Personal Income: Bureau of Economic Analysis to 2016

Forecast (2018/2019): OSU CAER, Tulsa Regional Chamber

Median Age: 2000 & 2010 Census

Forecast (2019): Extrapolation using 18 year Experian series, and 2018 Growth Projection

Percent of High School Graduates: Tulsa Metro Chamber - as reported by Experian

Forecast (2019): Extrapolation using 14 year Experian series, and 2018 Growth Projection

Unemployment Rate: Bureau of Labor Statistics (12 month moving average closing July 30, 2019)

**CITY OF TULSA
PRINCIPAL EMPLOYERS
Current Year and Nine Years Ago**

Employer	2019			2010		
	Employees	Rank	Percentage of Total MSA Employment	Employees	Rank	Percentage of Total MSA Employment
Saint Francis Healthcare System	8,500	1	1.85%	4,500	3	1.07%
Wal-Mart/Sam's Club	8,000	2	1.74%	-	-	NA
Tulsa Public Schools	7,000	3	1.52%	7,000	2	1.66%
Hillcrest Healthcare System	6,000	4	1.30%	2,000	16	0.38%
American Airlines	6,000	5	1.30%	7,500	1	1.78%
St. John Health System	6,000	6	1.30%	3,000	5	0.65%
City of Tulsa	4,000	7	0.87%	4,500	4	1.06%
Tulsa County	3,000	8	0.65%	2,000	12	0.48%
QuikTrip	3,000	9	0.65%	1,500	20	0.48%
Union Public Schools	3,000	10	0.65%	2,000	13	0.33%
	<u>54,500</u>		<u>11.85%</u>	<u>34,000</u>		<u>7.89%</u>

Notes:

- Source:** Tulsa Metro Chamber and Oklahoma State Department of Commerce
Chamber Sources: Direct Contact with Companies, D&B Million Dollar Database: Global Reach, ReferenceUSA & Tulsa World articles
- Employer headcount survey includes regular full-time and part-time employees.
- Total employment for all locations of the company in the Tulsa MSA area.
- Employee counts are categorized in increments of 500. The number of employees shown for each employer is the peak value of each increment.

CITY OF TULSA
Number of City Employees
Current and Past Nine Years

Departments	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Public Safety and Protection:										
Police	1,108	1,048	1,008	977	971	997	881	879	874	888
911 Public Safety Communications	-	-	-	-	-	-	97	97	97	108
Municipal Courts	40	39	39	41	41	46	51	51	50	53
Fire	760	735	715	695	694	696	696	699	698	708
	<u>1,908</u>	<u>1,822</u>	<u>1,762</u>	<u>1,713</u>	<u>1,706</u>	<u>1,739</u>	<u>1,725</u>	<u>1,726</u>	<u>1,719</u>	<u>1,757</u>
Cultural Development and Recreation:										
Park & Recreation	168	168	170	173	176	195	196	110	180	270
Tulsa Performing Arts Center	31	31	31	31	30	30	30	29	30	36
	<u>199</u>	<u>199</u>	<u>201</u>	<u>204</u>	<u>206</u>	<u>225</u>	<u>226</u>	<u>139</u>	<u>210</u>	<u>306</u>
Social and Economic Development:										
Mayor's Office of Economic Development	11	10	9	11	9	-	-	-	-	-
Planning and Economic Development	79	79	79	87	88	115	112	121	118	91
Working in Neighborhoods	65	69	69	67	67	75	77	75	72	87
	<u>155</u>	<u>158</u>	<u>157</u>	<u>165</u>	<u>164</u>	<u>190</u>	<u>189</u>	<u>196</u>	<u>190</u>	<u>178</u>
Public Works and Transportation:										
Engineering Services	155	144	144	145	146	162	161	153	155	-
Streets and Stormwater	349	346	328	312	357	375	374	434	437	-
Water and Sewer	664	661	657	655	648	646	642	657	653	-
Public Works	-	-	-	-	-	-	-	-	-	1,441
Airports	-	-	-	-	-	157	157	157	157	158
	<u>1,168</u>	<u>1,151</u>	<u>1,129</u>	<u>1,112</u>	<u>1,151</u>	<u>1,340</u>	<u>1,334</u>	<u>1,401</u>	<u>1,402</u>	<u>1,599</u>
General Government and Support:										
Finance	166	156	158	163	157	170	171	158	153	89
Information Technology	118	116	116	119	119	143	146	149	249	270
Asset Management	130	136	136	137	111	79	79	79	79	79
All Other	180	181	175	177	177	157	181	177	73	83
	<u>594</u>	<u>589</u>	<u>585</u>	<u>596</u>	<u>564</u>	<u>581</u>	<u>577</u>	<u>563</u>	<u>554</u>	<u>521</u>
	<u>4,024</u>	<u>3,919</u>	<u>3,834</u>	<u>3,790</u>	<u>3,791</u>	<u>4,075</u>	<u>4,051</u>	<u>4,025</u>	<u>4,075</u>	<u>4,361</u>

Notes:

1. **Source:** City of Tulsa, *Annual Budget and Capital Plan*
2. Other departments include: Elected Officials Offices, Legal, Human Resources and other departments with less than fifty positions.
3. Years and departments with no employees indicated by "-" are the result of organizational changes, with employee counts included in a different department as well as the discontinued use of that department name.

CITY OF TULSA
Selected Operating Indicators by Function/Program
Current and Past Six Years

Function/Program	2019	2018	2017	2016	2015	2014	2013
<u>Public Safety & Protection</u>							
Municipal Court							
1 . Percent of expunges completed within 30 days of the order date signed by the judge.	75%	65%	40%	75%	New Measure	New Measure	New Measure
2 . Percent of Minute clerk entries for daily court entered within 24 or 48 hours (depending upon the type as described in the objective).	85%	75%	50%	80%	New Measure	New Measure	New Measure
3 . Percent of hand written citations entered within 24 hours of receipt from the prosecutor's office.	90%	75%	55%	90%	New Measure	New Measure	New Measure
Police							
1 . Percent reduction in Part One crimes over previous year.	2.0% decrease	7.0% increase	2.4% increase	15.37% decrease	3.6% decrease	5% decrease	3% decrease
2 . Part I Property crime rate per 1,000 population.	54.66	60.32	56.18	57.55	50.25	New Measure	New Measure
3 . Part I Violent crime rate per 1,000 population.	11.24	10.59	11.51	10.1	8.69	New Measure	New Measure
4 . Percent reduction in fatality/high injury collisions over previous year.	2.0% decrease	30.3% decrease	5.1% increase	12.8% decrease	13.9% decrease	15.4% decrease	3% decrease
5 . Percent increase in Priority One calls responded to in three minutes or less.	0.9% increase	0.7% increase	2.2% increase	5.5% decrease	0.3% increase	13.54% decrease	5% increase
Fire							
1 . Percent of arrival on scene from receipt of call within six minutes.	81%	91%	91%	85%	86%	86%	90%
2 . Percent of reduction of firefighter injuries from previous year.	0%	20%	16%	0%	33%	32%	5%
<u>Culture and Recreation</u>							
Parks							
1 . Average number of hours Recreation Centers were open on a weekly basis.	63.2*	65	65	65	New Measure	New Measure	New Measure
2 . Number of exercise programs held per quarter at each recreation center.	48	44	42	25	New Measure	New Measure	New Measure
Gilcrease Museum							
1 . Number of school-aged children receiving services per year.	15,693	27,993	29,267	35,326	35,326	17,000	25,000
2 . Number of visitors attracted annually.	85,563	86,208	76,366	72,100	81,384	78,144	100,000
Performing Arts Center							
1 . Number of performances per year.	327	310	381	555	505	506	500
2 . Dollar amount of gross ticket sales.	\$12.8 million	\$9.5 million	\$9.2 million	\$7.5 million	\$7.9 million	\$10.6 million	\$7 million
BOK Arena and Convention Center							
1 . Number of paid attendance to event centers per year.	947,640	990,293	1,040,742	1,057,590	1,126,758	921,535	550,000
2 . Gross ticket sales per year.	\$29,519,049	\$29,418,993	\$25,841,977	\$16,902,142	\$25,212,936	\$19,132,173	\$15,000,000
3 . Number of attended events scheduled and serviced annually.	252	242	295	609	600	527	476

Continued

*Average hours EACH rec center was open. 6 rec centers for a total of 379 hours/week.

CITY OF TULSA
Selected Operating Indicators by Function/Program
Current and Past Six Years

Function/Program	2019	2018	2017	2016	2015	2014	2013
Continued							
Social & Economic Development							
Mayor's Office of Economic Development							
1 . Number of Commerical Permits issued.	1076	1335	1455	1397	New Measure	New Measure	New Measure
Working In Neighborhoods							
1 . Average number of housing rehabilitations per month.	3.75	24	27	23	23	20	23
2 . Average number of housing demolitions per month.	41	4	25	32	32	23	32
3 . Average number of voluntary compliance of code violations per month.	940	1064	1200	1100	1100	882	1100
4 . Percent reduction of animals euthanized at Tulsa Animal Welfare (TAW).	6% increase	7% reduction	15% reduction	15% reduction	12% reduction	18.6% reduction	12% reduction
5 . Percent increase of live exits of animals from TAW.	4% increase	5% increase	10% increase	10% increase	12% increase	1.6% increase	12% increase
Planning and Economic Development							
1 . Average number of working days for plans review.	11	9	10	10	9	8	10
2 . Average number of calendar days to issue permits for commercial projects under \$1 million.	34	45	33	30	41	37	30

Continued

CITY OF TULSA
Selected Operating Indicators by Function/Program
Current and Past Six Years

Function/Program	2019	2018	2017	2016	2015	2014	2013
Continued							
Public Works & Transportation							
Engineering Services							
1 . Percent of capital projects designed, right-of-way easements acquired and utilities relocated within scheduled time frames.	52%	83%	58%	51%	62%	62%	80%
2 . Percent of capital projects constructed within scheduled time frames.	93%	100%	86%	97%	85%	93%	90%
3 . Percent of capital projects completed within appropriated budgets.	100%	100%	100%	100%	100%	100%	95%
4 . Change order percent for capital projects (State statute: Projects valued at: a) \$1,000,000 or less: 15% maximum; b) Above \$1,000,000: 10% maximum.	1.2%	2.4%	1.2%	8.0%	4.0%	0.5%	7.0%
5 . Percent of bid advertisements posted and updated in all locations.	100%	100%	100%	100%	100%	95%	95%
Streets and Stormwater							
1 . Average number of minutes it takes to respond to emergency street repair requests.	55 minutes	37 minutes	56 minutes	41 minutes	34 minutes	25 minutes	60 minutes
2 . Average response time to traffic signal trouble call.	47 minutes	46 minutes	52 minutes	45 minutes	New Measure	New Measure	New Measure
3 . Average number of minutes it takes to respond to stormwater emergencies.	95 minutes	23 minutes	46 minutes	58 minutes	32 minutes	32 minutes	60 minutes
4 . Percent of verified missed collections of refuse and recycling services.	<5%	<5%	<5%	0.8%	<1%	0.1%	0.2%
Water and Sewer							
1 . Percent of customer service demand for treated water.	100%	100%	100%	100%	100%	100%	98%
2 . Drinking water compliance rate (number of days in full compliance divided by 365 days).	100%	100%	100%	100%	100%	100%	New Measure
3 . Average number hours for water off per customer during emergency repairs.	5.65	6.18	5.3	4.83	5.11	4.91	5
4 . Percent of on-site responses to sanitary sewer stoppage and overflow calls within two hours.	94.7%	99.1%	99.9%	98.0%	98.0%	99.7%	95%
Metropolitan Tulsa Transit Authority							
1 . Number of fixed route accidents per 100k miles.	36	41	38	new measure	new measure	new measure	new measure
2 . Number of lift program accidents per 100k miles.	9	17	10	new measure	new measure	new measure	new measure
3 . Number of fixed route passengers per hour.	15	15	16	16	16	18.3	17
4 . Number of lift program passengers per hour.	2	2	2	2	2	2.1	2

Continued

CITY OF TULSA
Selected Operating Indicators by Function/Program
Current and Past Six Years

Function/Program	2019	2018	2017	2016	2015	2014	2013
Continued							
<u>Administrative and Support Services</u>							
Elected Officials							
1 . Percent of acceptance rate for recommendations.	91%	94%	95%	90%	90%	90%	90%
2 . Direct Staff time	73%	74%	67%	New Measure	New Measure	New Measure	New Measure
3 . Quality ranking on a 1-4 scale.	3.7	3.6	3.6	3.6	3.3	3.5	3.3
Legal Department							
1 . Percent of reviews for prosecutions completed within two working days.	100%	100%	100%	100%	100%	100%	100%
2 . Percent of contracts completed within ten business days.	92%	95%	94%	93%	93%	98%	90%
Human Resources Department							
1 . Percent of internal non-sworn vacancies filled within 45 days of closing date.	-	80%	84%	93%	95%	95%	80%
2 . Percent of external non-sworn vacancies filled within 45 days of closing date.	37%	70%	78%	83%	79%	89%	80%
3 . Percent of reported injury claims closed within 90 days of submission.	79%	61%	70%	77%	76%	76%	65%
Finance Department							
1 . Basis points over the treasury bill rate.	41	1	75	98	86	90	25
2 . City's Standard and Poor bond rating.	AA	AA	AA	AA	AA	AA	AA
3 . City's Moody's Investor Service bond rating.	Aa ¹	Aa ¹	Aa ¹	Aa ¹	Aa ¹	Aa ¹	Aa ¹
Information Technology							
1 . Annual and quarterly customer service rating (1-5).	4.4	4.5	4.5	4.0	4.9	4.9	4.0
2 . Percent of IT service tickets open past 30 days.	5%	11%	8%	16%	2%	2%	1%
3 . First contact resolution rate.	52%	42%	47%	31%	47%	47%	35%
Customer Care							
1 . Percent of calls answered within 45 seconds.	66%	48%	47%	52%	56%	48%	85%
2 . Average call abandonment percentage.	8%	16%	17%	16%	16%	18%	<8%
3 . Customer service quality score percent for recorded and monitored calls.	92%	82%	92%	94%	94%	94%	90%
Asset Management Department							
1 . Percent of designated fleet availability.	94%	93%	93%	93%	93%	94%	93%
2 . Percent of parking meters that are operational per year.	100%*	69%	77%	85%	85%	New Measure	New Measure
3 . Percent of direct labor hours dedicated to parking meter enforcement per year.	94%	80%	77%	75%	100%	New Measure	New Measure

Note: Data not available is indicated by a "-".

*New way of measuring since all parking meters are interchangeable with new system and app is available 24/7.

Source: [City of Tulsa](#)

CITY OF TULSA
TULSA METROPOLITAN UTILITY AUTHORITY
WATER AND SEWER RATES
Current and Past Nine Years
(Residential - Inside City Limits)

Year	Water		Sewer	
	Monthly	Rate per	Monthly	Rate per
	Base	1,000	Base	1,000
	Rate	Gallons	Rate	Gallons
2019	\$ 6.38	\$ 4.25	\$ 7.63	\$ 7.96
2018	6.19	4.13	7.00	7.30
2017	5.90	3.93	6.41	6.70
2016	5.51	3.64	5.88	6.15
2015	5.15	3.40	5.39	5.64
2014	4.81	3.18	4.91	5.14
2013	4.50	2.97	4.50	4.71
2012	4.50	2.75	4.50	4.27
2011	4.50	2.53	4.50	3.92
2010	4.20	2.37	4.50	3.56



APPENDIX
**APPENDIX OF
ABBREVIATIONS**

APPENDIX OF ABBREVIATIONS

(Occasionally used throughout this report)

City	..City of Tulsa, Oklahoma
DPCU	..Discretely Presented Component Unit
EMSA	..Emergency Medical Services Authority
GAAP	..Generally Accepted Accounting Principles
GASB	..Governmental Accounting Standards Board
GFOA	..The Government Finance Officers Association of the U.S. and Canada
GO	..General Obligation (bonds)
MERP	..Municipal Employees' Retirement Plan
MSA	..Metropolitan Statistical Area (of Tulsa)
MTTA	..Metropolitan Tulsa Transit Authority
PFPI	..Privately Financed Public Improvement
RMUA	..Regional Metropolitan Utility Authority
RPA	..River Parks Authority
TAIT	..Tulsa Airports Improvement Trust
TARE	..Tulsa Authority for Recovery of Energy
TDA	..Tulsa Development Authority
TIA	..Tulsa Industrial Authority
TIADT	..Tulsa International Airport Development Trust
TMUA	..Tulsa Metropolitan Utility Authority
TPA	..Tulsa Parking Authority
TPACT	..Tulsa Performing Arts Center Trust
TPFA	..Tulsa Public Facilities Authority
TST	..Tulsa Stadium Trust



CITY OF TULSA, OKLAHOMA
**COMPREHENSIVE
ANNUAL FINANCIAL
REPORT**

Year Ended: June 30, 2019