

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)

FINANCIAL REPORT
June 30, 2011 and 2010

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
INDEX
June 30, 2011 and 2010

	<u>Page</u>
Independent Auditor's Report	1
Management's Discussion and Analysis	3
Basic Financial Statements	
Statements of Net Assets	7
Statements of Revenues, Expenses and Changes in Net Assets	9
Statements of Cash Flows	10
Notes to Basic Financial Statements	12
Supplementary Information	
Note to Supplementary Information	25
Combining Schedule of Net Assets	26
Combining Schedule of Revenues, Expenses and Changes in Net Assets	28
Combining Schedule of Cash Flows	29
Other Statistical Information	31



Independent Auditor's Report

Board of Trustees
Tulsa Parking Authority
Tulsa, Oklahoma

We have audited the accompanying basic financial statements of the Tulsa Parking Authority (the "Authority"), a component unit of the City of Tulsa, Oklahoma, as of and for the years ended June 30, 2011 and 2010, as listed in the table of contents. These financial statements are the responsibility of the Authority's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Tulsa Parking Authority, as of June 30, 2011 and 2010, and the changes in its financial position and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The accompanying management's discussion and analysis on pages 3 through 6 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Tulsa Parking Authority's basic financial statements. The combining schedules and related note listed as supplementary information in the index are presented for the purposes of additional analysis and are not a required part of the basic financial statements. The combining schedules and related note have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The other statistical information as listed as supplementary information in the index have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

McGladrey & Pullen, LLP

Kansas City, Missouri
December 1, 2011

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
MANAGEMENT'S DISCUSSION AND ANALYSIS
Years Ended June 30, 2011 and 2010

As management of the Tulsa Parking Authority (the "Authority"), a component unit of the City of Tulsa, Oklahoma (the "City"), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority for the fiscal years ended June 30, 2011 and 2010. We encourage readers to consider the information presented here in conjunction with the Authority's financial statements, which begin on page 7. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- The assets of the Authority exceeded liabilities at the close of the most recent year by \$12,468.
- The Authority's net assets increased from \$12,382 at June 30, 2010 to \$12,468 at June 30, 2011. The Authority's net assets increased \$86 and \$2,036, for the years ended June 30, 2011 and 2010, respectively.
- The Authority's total liabilities decreased by \$634 at June 30, 2011.

Overview of the Financial Statements

The Authority, a legally separate public trust, is reported by the City as a discretely presented component unit in the City's Comprehensive Annual Financial Report. The purpose of the Authority is to provide parking facilities to the general public.

This discussion and analysis is intended to serve as an introduction to the Authority's financial statements. The financial statements include: 1) statements of net assets, (2) statements of revenues, expenses, and changes in net assets, 3) statements of cash flows, and 4) notes to the financial statements.

Required Financial Statements

The financial statements of the Authority report information about the Authority using accounting methods similar to those used by private sector companies. These statements offer short- and long-term financial information about its activities. The Statement of Net Assets includes all of the Authority's assets and liabilities and provides information about the nature and amounts of investments in resources (assets) and the obligations to creditors (liabilities). It also provides the basis for assessing the liquidity and financial flexibility of the Authority. All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses and Changes in Net Assets. This statement measures the financial success of the Authority's operations over the past year and can be used to determine whether the Authority has successfully recovered all its costs through user fees and other charges, profitability, and credit worthiness. The third required financial statement is the Statement of Cash Flows. The primary purpose of this statement is to provide information about the Authority's cash receipts and cash payments during the reporting period. The statement reports cash receipts, cash payments, and changes in cash resulting from operations, investing, and financing activities. The cash flow statement provides answers to such questions as where did cash come from, what was cash used for, and what was the change in cash balance during the period.

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
Years Ended June 30, 2011 and 2010

Net Assets

The Authority's net assets increased 0.7% from \$12,382 at June 30, 2010 to \$12,468 at June 30, 2011. Net assets increased 19.7% from \$10,346 at June 30, 2009 to \$12,382 at June 30, 2010. The following provides a summary of net assets:

SUMMARY OF NET ASSETS

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Current and other	\$ 9,164	\$ 9,910	\$ 9,374
Capital assets, net	<u>24,436</u>	<u>24,238</u>	<u>24,228</u>
Total assets	<u>33,600</u>	<u>34,148</u>	<u>33,602</u>
Current and other liabilities	2,665	1,925	2,083
Noncurrent liabilities	<u>18,467</u>	<u>19,841</u>	<u>21,173</u>
Total liabilities	<u>21,132</u>	<u>21,766</u>	<u>23,256</u>
Invested in capital assets, net of related debt	8,028	6,822	5,840
Restricted	1,571	2,782	2,312
Unrestricted	<u>2,869</u>	<u>2,778</u>	<u>2,194</u>
Total net assets	<u>\$ 12,468</u>	<u>\$ 12,382</u>	<u>\$ 10,346</u>

In 2011 total assets experienced a net decrease of \$548 or 1.6%. Current and other assets decreased as cash provided by nonoperating activities decreased and payments to suppliers decreased. Capital assets increased related to improvements at all of the parking facilities.

In 2010, total assets increased by \$546 or 1.6%. Current and other assets increased as cash provided by nonoperating activities increased and payments to suppliers decreased. Capital assets increased related to improvements at the North and Civic Center parking facilities.

Noncurrent Liabilities

In 2011 the Authority's outstanding revenue bond debt decreased 6.3% to \$20,050 from \$21,392. In 2010 the Authority's outstanding revenue bond debt decreased 5.7% to \$21,392 from \$22,689. Both decreases were due to regularly scheduled debt retirements.

As an issuer of bonds, the Authority is subject to numerous covenants contained within the bond indentures. Additional information regarding the Authority's covenants can be found in Note 4 to the financial statements.

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
Years Ended June 30, 2011 and 2010

SUMMARY OF CHANGES IN NET ASSETS

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Operating revenues	\$ 5,688	\$ 5,714	\$ 5,663
Capital contributions	75	1,363	2,994
Investment income	24	59	197
Total revenues	<u>5,787</u>	<u>7,136</u>	<u>8,854</u>
Depreciation expense	870	791	754
Other operating expense	3,858	3,288	3,020
Nonoperating expense	973	1,021	1,066
Total expenses	<u>5,701</u>	<u>5,100</u>	<u>4,840</u>
Change in net assets	86	2,036	4,014
Net assets, beginning of year	<u>12,382</u>	<u>10,346</u>	<u>6,332</u>
Net assets, end of year	<u>\$ 12,468</u>	<u>\$ 12,382</u>	<u>\$ 10,346</u>

In 2011, the Authority's total revenues decreased \$1,349 or 18.9% and total expenses increased \$601 or 11.8%. Revenues exceeded expenses resulting in an increase in net assets of \$86.

In 2010, the Authority's total revenues decreased \$1,718 or 19.4% and total expenses increased \$260 or 5.4%. Revenues exceeded expenses resulting in an increase in net assets of \$2,036.

In 2011, decreased transfers of sales tax revenue and transfers of tax increment financing revenue had a negative effect on capital contributions.

In 2010, decreased transfers of sales tax revenue and had a negative effect on capital contributions, while increased transfers of tax increment financing revenue had a positive effect on capital contributions.

In 2011, other operating expense increased \$570 or 17.3% due to increases in parking operator expenses, general and administrative expenses and repairs and maintenance expenses.

In 2010, other operating expense increased \$268 or 8.9% due to increases in parking operator expenses and payments to the City of Tulsa for support services.

Capital Assets

The Authority's investment in capital assets as of June 30, 2011 amounts to \$24,436 (net of accumulated depreciation). At June 30, 2010 the Authority's investment in capital assets was \$24,238 (net of accumulated depreciation).

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
Years Ended June 30, 2011 and 2010

CAPITAL ASSETS, NET OF ACCUMULATED DEPRECIATION

	<u>2011</u>	<u>2010</u>	<u>2009</u>
Land	\$ 7,230	\$ 7,230	\$ 7,230
Construction in progress	1,485	720	3,747
Buildings	43,406	43,406	39,578
Equipment	<u>777</u>	<u>474</u>	<u>474</u>
	52,898	51,830	51,029
Less accumulated depreciation	<u>(28,462)</u>	<u>(27,592)</u>	<u>(26,801)</u>
Capital assets, net	<u>24,436</u>	<u>\$ 24,238</u>	<u>\$ 24,228</u>

Requests for Information

This financial report is designed to provide interested parties with a general overview of the Authority's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the City of Tulsa, Office of the Controller, 175 East Second Street, Tulsa, Oklahoma 74103.

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
STATEMENTS OF NET ASSETS
June 30, 2011 and 2010

<u>ASSETS</u>	<u>2011</u>	<u>2010</u>
	(In Thousands)	
Current assets:		
Cash and cash equivalents	\$ 4,432	\$ 2,341
Investments	1,403	1,950
Accounts receivable	12	-
Interest receivable	34	57
Prepaid expense	343	275
	<u>6,224</u>	<u>4,623</u>
Total current assets		
Noncurrent assets:		
Cash and cash equivalents, restricted	1,525	2,396
Accounts receivable, restricted, net	85	57
Other assets, restricted	852	841
Investments	-	1,470
Nondepreciable capital assets	8,715	7,950
Depreciable capital assets, net	15,721	16,288
Deferred bond issue cost, net	478	523
	<u>27,376</u>	<u>29,525</u>
Total noncurrent assets		
Total assets	<u>\$ 33,600</u>	<u>\$ 34,148</u>

(Continued)

The accompanying notes are an integral part of these financial statements.

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
STATEMENTS OF NET ASSETS, Continued
June 30, 2011 and 2010

<u>LIABILITIES</u>	<u>2011</u>	<u>2010</u>
	(In Thousands)	
Current liabilities:		
Accounts payable	\$ 359	\$ 49
	<u>359</u>	<u>49</u>
Liabilities payable from restricted assets:		
Accounts payable	446	37
Accrued interest payable on revenue bonds	440	464
Current portion of revenue bonds	<u>1,420</u>	<u>1,375</u>
Total liabilities payable from restricted assets	<u>2,306</u>	<u>1,876</u>
Total current liabilities	<u>2,665</u>	<u>1,925</u>
Noncurrent liabilities:		
Deposits subject to refund	4	4
Revenue bonds payable, net of \$235 and \$268, respectively, of unamortized deferred loss on refunding	18,630	20,017
Unamortized discount	<u>(167)</u>	<u>(180)</u>
Total noncurrent liabilities	<u>18,467</u>	<u>19,841</u>
Total liabilities	<u>21,132</u>	<u>21,766</u>
<u>NET ASSETS</u>		
Invested in capital assets, net of related debt	8,028	6,822
Restricted for:		
Debt service	1,542	1,501
Capital projects	29	1,281
Unrestricted	<u>2,869</u>	<u>2,778</u>
Total net assets	<u>\$ 12,468</u>	<u>\$ 12,382</u>

The accompanying notes are an integral part of these financial statements.

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
Years Ended June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
	(In Thousands)	
Operating revenues:		
Parking facilities income	\$ 5,532	\$ 5,546
Rental income	156	168
	<u>5,688</u>	<u>5,714</u>
Total operating revenues		
Operating expenses:		
Contracting services	2,737	2,683
General and administrative	348	355
Repairs and maintenance	773	250
Depreciation	870	791
	<u>4,728</u>	<u>4,079</u>
Total operating expenses		
Operating income	<u>960</u>	<u>1,635</u>
Nonoperating revenues (expenses):		
Investment income	24	59
Interest and amortization expense	(973)	(1,021)
	<u>(949)</u>	<u>(962)</u>
Total nonoperating expenses		
Income before contributions	11	673
Capital contributions		
Contributions from operators	75	-
Payments from primary government	-	341
Payments from Tulsa Development Authority	-	1,022
	<u>75</u>	<u>1,363</u>
Total capital contributions		
Change in net assets	86	2,036
Net assets, beginning of year	<u>12,382</u>	<u>10,346</u>
Net assets, end of year	<u>\$ 12,468</u>	<u>\$ 12,382</u>

The accompanying notes are an integral part of these financial statements.

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
STATEMENTS OF CASH FLOWS
Years Ended June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
	(In Thousands)	
Cash flows from operating activities:		
Cash received from customers, including cash deposits	\$ 5,660	\$ 5,512
Cash payments to suppliers for goods and services	(3,358)	(3,016)
Cash payments for quasi-external operating transactions	<u>(400)</u>	<u>(408)</u>
Net cash provided by operating activities	<u>1,902</u>	<u>2,088</u>
Cash flows from noncapital financing activities:		
Principal paid on revenue bonds	(320)	(310)
Interest paid on revenue bonds	(140)	(148)
Payment for forward delivery agreement	(999)	(1,004)
Receipts from forward delivery agreement	<u>988</u>	<u>992</u>
Net cash used by noncapital financing activities	<u>(471)</u>	<u>(470)</u>
Cash flows from capital and related financing activities:		
Payments from component units	-	1,022
Payments from primary government	-	341
Principal paid on revenue bonds	(1,055)	(1,020)
Interest paid on revenue bonds	(765)	(803)
Acquisition and construction of capital assets	<u>(455)</u>	<u>(763)</u>
Net cash used by capital and related financing activities	<u>(2,275)</u>	<u>(1,223)</u>
Cash flows from investing activities:		
Investment income received	56	167
Purchase of investments	(1,437)	(1,645)
Sale or maturity of investments	<u>3,445</u>	<u>1,645</u>
Net cash provided by investing activities	<u>2,064</u>	<u>167</u>
Net change in cash and cash equivalents	1,220	562
Cash and cash equivalents, beginning of year	<u>4,737</u>	<u>4,175</u>
Cash and cash equivalents, end of year	<u>\$ 5,957</u>	<u>\$ 4,737</u>

(Continued)

The accompanying notes are an integral part of these financial statements.

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
STATEMENTS OF CASH FLOWS, Continued
Years Ended June 30, 2011 and 2010

	<u>2011</u>	<u>2010</u>
	(In Thousands)	
Reconciliation of cash and cash equivalents to the Statements of Net Assets:		
Unrestricted cash and cash equivalents	\$ 4,432	\$ 2,341
Restricted cash and cash equivalents	<u>1,525</u>	<u>2,396</u>
Total cash and cash equivalents	<u>\$ 5,957</u>	<u>\$ 4,737</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 960	\$ 1,635
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation	870	791
Increase in accounts receivable	(40)	(30)
Increase in prepaid expense	(68)	(86)
Increase (decrease) in accounts payable and deposits	<u>180</u>	<u>(222)</u>
Net cash provided by operating activities	<u>\$ 1,902</u>	<u>\$ 2,088</u>
Noncash capital and investing activities:		
Purchase of capital assets in accounts payable and accrued liabilities	\$ 576	\$ 38
Capital contributions	75	-
Depreciation of fair value of investments	(8)	(117)

The accompanying notes are an integral part of these financial statements.

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO BASIC FINANCIAL STATEMENTS (In thousands of dollars)
June 30, 2011 and 2010

1. NATURE OF BUSINESS, REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES

NATURE OF BUSINESS - Tulsa Parking Authority (the "Authority") was formed by the City of Tulsa, Oklahoma ("the City") in 1963 to develop and operate parking facilities for the benefit of the residents of the City and for the purpose of providing parking facilities to the general public. Trustees include the Mayor of the City of Tulsa and four additional trustees appointed by the Mayor. The Authority is included in the City's Comprehensive Annual Financial Report as a component unit.

REPORTING ENTITY - The Authority is a component unit of the City and is included in the City's comprehensive annual financial report as a discretely presented component unit.

BASIS OF ACCOUNTING AND PRESENTATION - The financial statements of the Authority have been prepared on the accrual basis of accounting using the economic resources measurement focus. Revenues, expenses, gains, losses, assets, and liabilities from exchange and exchange-like transactions are recognized when the exchange transaction takes place. Voluntary nonexchange transactions are recognized when all applicable eligibility requirements are met. Operating revenues and expenses include exchange transactions. Investment income and voluntary nonexchange transactions are included in nonoperating revenues and expenses.

The financial statements of the Authority are prepared in accordance with generally accepted accounting principles ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units. All amounts are expressed in thousands unless otherwise noted.

CASH AND CASH EQUIVALENTS – Cash and cash equivalents balances, other than petty cash and non-pooled investments, are pooled with the City of Tulsa's cash and investments and invested by the City of Tulsa's Treasurer. Interest income on pooled cash and investments is allocated monthly based on the percentage of the Authority's average daily equity in the pooled portfolio to the total average daily pooled portfolio balance.

For purposes of reporting cash flows, the Authority considers all highly liquid debt instruments with an original maturity of three months or less when purchased, and any cash held by the City of Tulsa's internal pool, to be cash equivalents.

INVESTMENTS - Investments consist of obligations of the U.S. Treasury and various federal agencies and instrumentalities, investment agreements with financial institutions and money market funds. These investments are held by bond trustees and invested in accordance with the requirements and terms of various bond indentures.

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO BASIC FINANCIAL STATEMENTS (In thousands of dollars)
June 30, 2011 and 2010

1. NATURE OF BUSINESS, REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES, continued

The Authority follows the provisions of GASB Statement No. 31, "Certain Investments and External Investment Pools," which requires governmental entities to report investments at fair value in the statement of net assets. Net increases (decreases) of investments have been recognized and reported in the Statement of Revenues, Expenses, and Changes in Net Assets as follows:

	<u>2011</u>	<u>2010</u>
Interest	\$ 28	\$ 174
Decrease in FV of investments and cash equivalents	(4)	(115)
	<u>\$ 24</u>	<u>\$ 59</u>

CAPITAL ASSETS – Capital assets purchased or acquired are carried at historical cost; contributed assets are recorded at fair market value as of the date donated. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. The excess of interest cost related to borrowings for financing capital assets over interest earned on the proceeds from such borrowings are capitalized during the construction period. Capital assets which are sold or disposed have their cost and related accumulated depreciation removed from the records. The related gain or loss is recorded in the period of sale or disposal.

DEPRECIATION – Capital assets placed in service are depreciated over the following estimated service lives and have the following capital thresholds:

Buildings	30 years	\$5
Equipment	5-15 years	\$5

RESTRICTED ASSETS - Restricted assets consist primarily of cash and investments held by a bank trustee for debt service payments and managed pursuant to a bond indenture.

DEFERRED BOND ISSUE COSTS AND DISCOUNTS - Deferred bond issue costs and bond discounts are amortized over the life of the revenue bonds using the effective interest method.

NET ASSETS – Net assets of the Authority represent the difference between assets and liabilities. Net assets invested in capital, net of related debt, consist of capital assets net of accumulated depreciation and reduced by the outstanding balances of borrowings used to finance the purchase or construction of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through enabling legislation adopted by the Authority or through external restrictions imposed by creditors, grantors or, laws or regulations of other governments. When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the Authority first applies restricted resources. Unrestricted net assets are remaining assets less remaining liabilities that do not meet the definition of invested capital assets, net of related debt or restricted.

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO BASIC FINANCIAL STATEMENTS (In thousands of dollars)
June 30, 2011 and 2010

1. NATURE OF BUSINESS, REPORTING ENTITY AND SIGNIFICANT ACCOUNTING POLICIES, continued

INCOME TAXES - As a political subdivision, the Authority is exempt from federal income taxes under Section 115(l) of the Internal Revenue Code.

USE OF ESTIMATES - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

RECLASSIFICATIONS – Certain reclassifications have been made to the 2010 financial statements to conform to the 2011 financial statement presentation. These reclassifications had no effect on changes in net assets.

2. CASH DEPOSITS AND INVESTMENTS

POOLED CASH AND INVESTMENTS – A portion of the cash deposits of the Authority are maintained within the City's pooled cash and investments portfolio. Pooled cash and investments consist primarily of time deposits and other securities guaranteed by the U.S. government or its agencies and are recorded at fair value. At June 30, 2011 and 2010, pooled cash and investments amounted to \$440 and \$515, respectively. The amount pooled with the City at June 30, 2011 is represented by investments which were insured or registered or securities held by the City or its agent in the City's name.

NON-POOLED CASH AND INVESTMENTS – Non-pooled cash equivalents and investments are included in restricted cash and cash equivalents and investments on the accompanying Statements of Net Assets.

OTHER ASSETS – The amount recorded as other assets on the Statement of Net Assets consists of money market mutual funds and U.S. agency obligations.

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO BASIC FINANCIAL STATEMENTS (In thousands of dollars)
June 30, 2011 and 2010

2. CASH DEPOSITS AND INVESTMENTS, continued

For the years ended, the Authority had the following investments and maturities:

Type	Fair Value	June 30, 2011	
		Maturities in Years	
		Less than 1	1-5
U.S. agency obligations	\$ 1,819	\$ 1,819	\$ -
Money market mutual funds	5,917	5,917	-
	<u>\$ 7,736</u>	<u>\$ 7,736</u>	<u>\$ -</u>

Type	Fair Value	June 30, 2010	
		Maturities in Years	
		Less than 1	1-5
U.S. agency obligations	\$ 2,778	\$ 1,308	\$ 1,470
U.S. Treasury securities	974	974	-
Money market mutual funds	4,666	4,666	-
	<u>\$ 8,418</u>	<u>\$ 6,948</u>	<u>\$ 1,470</u>

Interest Rate Risk – For investments not restricted by bond requirements, the Authority utilizes the City of Tulsa investment policy as a means of limiting its exposure to fair value losses arising from rising interest rates.

Pooled investments – In accordance with the City’s investment policy, the City manages its interest rate risk by limiting the weighted average maturity of its investment portfolio to three years or less. No security, at the time of purchase, shall have a maturity exceeding five years. The weighted average maturity of the City’s pooled investment portfolio is 2.07 years.

Non-pooled investments – Bond requirements limit the type of restricted investments that can be acquired and unrestricted investments are in U.S. Treasury money market mutual funds. The money market mutual funds are presented as an investment with a maturity of less than one year because they are redeemable in full immediately.

Credit Risk – Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The Authority utilizes the City of Tulsa investment policy to limit its exposure to credit risks.

Pooled investments – The City’s investment policy prohibits purchasing any investments rated below AA at the time of purchase. As of June 30, 2011 and 2010, the U.S. agencies obligations included in the City’s pooled investment portfolio were rated Aaa and AAA by Moody’s and Standard & Poor’s, respectively.

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO BASIC FINANCIAL STATEMENTS (In thousands of dollars)
June 30, 2011 and 2010

2. CASH DEPOSITS AND INVESTMENTS, continued

Non-pooled investments – At June 30, 2011 and 2010, the Authority’s investments in U. S. agencies obligations not directly guaranteed by the U. S. government were rated AAA by Standard & Poor’s and Moody’s Investors Service, and the Authority’s money market mutual funds were rated AAAM and Aaa by Standard & Poor’s and Moody’s Investment Services, respectively.

Custodial Credit Risk – For deposits with financial institutions, custodial credit risk is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party.

Pooled deposits and investments – The City’s investment policy requires that demand deposits be collateralized at least by 110% of the amount that is not federally insured. 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 securities 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, 2011 and 2010, none of the deposits in the pooled portfolio was exposed to custodial credit risk. 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. Therefore, none of the Authority’s pooled investments as of June 30, 2011 and 2010 was exposed to custodial credit risk.

Non-pooled deposits and investments – The Authority’s deposit policy for custodial credit risk requires compliance with provisions of state law and that demand deposits be collateralized at least 110% of the amount that is not federally insured. As of June 30, 2011 and 2010, the Authority’s bank balances of deposits with financial institutions of \$36 and \$65, respectively, were not exposed to custodial credit risk. For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Authority will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. All of the underlying securities for the Authority’s investments in U.S. agency obligations at June 30, 2011 and 2010, are insured or registered or securities held by the Authority or by its agent in the Authority’s name.

Concentration of Credit Risk – The Authority places no limit on the amount that may be invested in any one issuer. The Authority’s investment in mutual funds is not subject to concentration of credit risk disclosure.

Pooled investments – At June 30, 2011, the City’s investments in Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation and Federal National Mortgage Association constituted approximately 17%, 15%, 19%, and 13%, respectively, of its total pooled investment portfolio. At June 30, 2010, the City’s investments in Federal Farm Credit Bank, Federal Home Loan bank, Federal Home Loan Mortgage Corporation, and Federal National Mortgage Association constituted approximately 11%, 10%, 14%, and 10%, respectively, of its total pooled investment portfolio.

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO BASIC FINANCIAL STATEMENTS (In thousands of dollars)
June 30, 2011 and 2010

2. CASH DEPOSITS AND INVESTMENTS, continued

Non-pooled investments – At June 30, 2011 the Authority’s investments in the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association constituted approximately 18% and 5% of its total investments, respectively. At June 30, 2010 the Authority’s investments in the Federal Home Loan Bank, Federal Home Loan Mortgage Corporation and U. S. Treasury Notes constituted approximately 12%, 17% and 12% of its total investments, respectively.

RECONCILIATION TO STATEMENTS OF NET ASSETS - A reconciliation of pooled cash and investments, and non-pooled investments to the carrying amounts on the statements of net assets is as follows:

	<u>2011</u>	<u>2010</u>
Pooled cash and investments	\$ 440	\$ 515
Non-pooled cash	36	65
Investments	<u>7,736</u>	<u>8,418</u>
	<u>\$ 8,212</u>	<u>\$ 8,998</u>
Current cash and cash equivalents	\$ 4,432	\$ 2,341
Current investments	1,403	1,950
Noncurrent cash and cash equivalents, restricted	1,525	2,396
Noncurrent other assets, restricted	852	841
Noncurrent investments	<u>-</u>	<u>1,470</u>
	<u>\$ 8,212</u>	<u>\$ 8,998</u>

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO BASIC FINANCIAL STATEMENTS (In thousands of dollars)
June 30, 2011 and 2010

3. CAPITAL ASSETS

The changes in capital assets during the year ended June 30, 2011, are summarized as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Non-depreciable capital assets:				
Land	\$ 7,230	\$ -	\$ -	\$ 7,230
Construction in progress	720	765	-	1,485
Total non-depreciable capital assets	<u>7,950</u>	<u>765</u>	<u>-</u>	<u>8,715</u>
Depreciable capital assets:				
Buildings	43,406	-	-	43,406
Equipment	474	303	-	777
Total depreciable capital assets	<u>43,880</u>	<u>303</u>	<u>-</u>	<u>44,183</u>
Less accumulated depreciation:				
Buildings	(27,131)	(862)	-	(27,993)
Equipment	(461)	(8)	-	(469)
Total accumulated depreciation	<u>(27,592)</u>	<u>(870)</u>	<u>-</u>	<u>(28,462)</u>
Total depreciable capital assets, net	<u>16,288</u>	<u>(567)</u>	<u>-</u>	<u>15,721</u>
Capital assets, net	<u>24,238</u>	<u>198</u>	<u>-</u>	<u>24,436</u>

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO BASIC FINANCIAL STATEMENTS (In thousands of dollars)
June 30, 2011 and 2010

3. CAPITAL ASSETS, continued

The changes in capital assets during the year ended June 30, 2010, are summarized as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>
Non-depreciable capital assets:				
Land	\$ 7,230	\$ -	\$ -	\$ 7,230
Construction in progress	3,747	801	3,828	720
Total non-depreciable capital assets	<u>10,977</u>	<u>801</u>	<u>3,828</u>	<u>7,950</u>
Depreciable capital assets:				
Buildings	39,578	3,828	-	43,406
Equipment	474	-	-	474
Total depreciable capital assets	<u>40,052</u>	<u>3,828</u>	<u>-</u>	<u>43,880</u>
Less accumulated depreciation:				
Buildings	(26,342)	(789)	-	(27,131)
Equipment	(459)	(2)	-	(461)
Total accumulated depreciation	<u>(26,801)</u>	<u>(791)</u>	<u>-</u>	<u>(27,592)</u>
Total depreciable capital assets, net	<u>13,251</u>	<u>3,037</u>	<u>-</u>	<u>16,288</u>
Capital assets, net	<u>\$ 24,228</u>	<u>\$ 3,838</u>	<u>\$ 3,828</u>	<u>\$ 24,238</u>

4. PARKING REVENUE BONDS

Bond activity during the year ended June 30, 2011 is as follows:

<u>Bonds, Series and Maturity Dates</u>	<u>Issue Amount</u>	<u>Interest Rate</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Refunding, Series 2002, 2019	\$ 9,030	4.0% - 4.75%	\$ 7,285	\$ -	\$ (680)	\$ 6,605	\$ 705
Parking Revenue, Series 2003, 2029	12,315	3.25% - 4.7%	10,580	-	(375)	10,205	385
Parking Revenue, Series 2004 2020	5,250	3.0% - 4.25%	3,795	-	(320)	3,475	330
			21,660	-	(1,375)	20,285	1,420
Deferred loss on refunding			(268)	-	33	(235)	-
			<u>\$ 21,392</u>	<u>\$ -</u>	<u>\$ (1,342)</u>	<u>\$ 20,050</u>	<u>\$ 1,420</u>

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO BASIC FINANCIAL STATEMENTS (In thousands of dollars)
June 30, 2011 and 2010

4. PARKING REVENUE BONDS, continued

Bond activity during the year ended June 30, 2010 is as follows:

<u>Maturity Dates</u>	<u>Amount</u>	<u>Rate</u>	<u>Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u>	<u>One Year</u>
Refunding, Series 2002, 2019	\$ 9,030	4.0% - 4.75%	\$ 7,940	\$ -	\$ (655)	\$ 7,285	\$ 680
Parking Revenue, Series 2003, 2029	12,315	3.25% - 4.7%	10,945	-	(365)	10,580	375
Parking Revenue, Series 2004 2020	5,250	3.0% - 4.25%	4,105	-	(310)	3,795	320
			22,990	-	(1,330)	21,660	1,375
Deferred loss on refunding			(301)	-	33	(268)	-
			<u>\$ 22,689</u>	<u>\$ -</u>	<u>\$ (1,297)</u>	<u>\$ 21,392</u>	<u>\$ 1,375</u>

PARKING REVENUE BONDS, REFUNDING SERIES 2002 – During 2002, the Authority issued its Parking Revenue Bonds, Refunding Series 2002 in the amount of \$9,030 to advance refund its 1985B Bonds.

The 2002 Bonds mature in 2019, and the 2002 Bonds maturing on and after July 1, 2013, are subject to redemption on thirty days' notice, at the option of the Authority on any date on or after July 1, 2012, in whole or in part, at the redemption price of 100% of the principal amount thereof together with accrued interest to the date fixed for redemption.

PARKING REVENUE BONDS SERIES 2003 - During 2003, the Authority issued its Parking Revenue Bonds Series 2003 in the amount of \$12,315 to fund the cost of construction of the 100 West Facility, a 1,191 space parking garage in downtown Tulsa, Oklahoma.

The Series 2003 Bonds mature in 2029 and those bonds maturing on or after July 1, 2014, are subject to redemption, at the option of the Authority on any date on and after July 1, 2013, in whole or in part, at the redemption price of 100% of the principal amount thereof together with accrued interest to the date fixed for redemption.

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO BASIC FINANCIAL STATEMENTS (In thousands of dollars)
June 30, 2011 and 2010

4. PARKING REVENUE BONDS, continued

PARKING REVENUE BONDS SERIES 2004 - During 2004, the Authority issued its Parking Revenue Bonds Series 2004 in the amount of \$5,250 to fund the cost of the Series 2004 Project which consists of the repair and improvement of two parking facilities; the North Garage, a 908-space parking structure, and the South Garage, a 776-space parking structure.

The Series 2004 Bonds mature in 2020 and those bonds maturing on or after July 1, 2019, are subject to redemption, at the option of the Authority, on any date on and after July 1, 2018, in whole or in part, at the redemption price of 100% of the principal amount thereof together with accrued interest to the date fixed for redemption.

COLLATERAL - The Series 2002, 2003 and 2004 Bonds are collateralized solely by the monies and assets in the Trust Estate. The Trust Estate is defined as the revenues; any parking subscription agreements or guarantee agreements; any subordinate lien or claim upon non-system revenues; the Authority's interest in the Civic Center Parking Facility, Main Street Parking Facility, the 100 West Facility and the North and South Garages; all of the Authority's right, title and interest under the Amended Project Site Lease Agreement (dated as of September 1, 1985) between the City and the Authority; and any concession fees or charges and lease rentals derived from any rental space owned or operated by the Authority or operated for the benefit of the Authority.

COVENANT - The revenue bonds contain certain covenants. The covenants require that gross revenue of the parking system, as defined by the Master Bond Indenture, provide for a minimum debt service coverage ratio of 1.00.

DEBT SERVICE FORWARD DELIVERY AGREEMENT - In 1995, the Authority entered into a Debt Service Forward Delivery Agreement (the "Agreement") with Bank One, as trustee for the Authority, and Wachovia Bank, National Association ("Wachovia"). Under the terms of the Agreement, the Authority received a fee of \$275. This fee was initially recorded as deferred revenue and was recognized as interest income over the life of the original agreement. In 2002, in conjunction with the refunding of the Series 1985 Bonds, the agreement was amended and extended through the life of the Series 2002 Bonds.

In consideration of the monthly debt service deposit, Wachovia will deliver qualified securities to the Trustee on the stated delivery dates. The Trustee, from the funds provided by the debt service reserve, will purchase the securities for an amount equal to the maturity amount. The maturity amount is the amount payable in cash, representing principal and interest due on its maturity date. At delivery of the securities to the Trustee, the delivery notice specifies the maturity amount (amount paid by the Trustee) and the market value of the securities and any difference (the differential). The Trustee holds these securities until the next bond payment, which at that time, the securities mature and the proceeds are used to make principal and interest payments on the outstanding Series 2002 bonds. As of June 30, 2011 and 2010 the balance of the securities is \$852 and \$841 respectively, and is reported as other assets on the Statement of Net Assets.

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO BASIC FINANCIAL STATEMENTS (In thousands of dollars)
June 30, 2011 and 2010

4. PARKING REVENUE BONDS, continued

The Authority entered into this Agreement in order to lessen the Authority's exposure to declining interest rates associated with the Authority's investment of excess cash balances. Unless terminated earlier, the agreement terminates on the later of the last bond payment date of the Series 2002 Bonds or the date on which the Trustee and the Authority have satisfied all of their obligations under the Agreement. The final principal payment on the Series 2002 Bonds is due July 1, 2018. In terms of credit risk, the monthly debt service funds deposited with Wachovia are 100% collateralized by acceptable securities. The collateral could be liquidated by the Trustee should Wachovia fail to fulfill the Agreement.

PRINCIPAL AND INTEREST PAYMENTS IN SUBSEQUENT YEARS – Principal and interest payments in subsequent years are as follows:

	Series 2002		Series 2003		Series 2004		Total	
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
2012	\$ 705	\$ 280	\$ 385	\$ 445	\$ 330	\$ 129	\$1,420	\$ 854
2013	735	250	400	431	340	117	1,475	798
2014	765	219	415	416	355	105	1,535	740
2015	800	185	435	399	370	92	1,605	676
2016	840	148	450	381	385	77	1,675	606
2017-2021	2,760	200	2,565	1,597	1,695	144	7,020	1,941
2022-2026	-	-	3,225	938	-	-	3,225	938
2027-2031	-	-	2,330	168	-	-	2,330	168
	<u>\$ 6,605</u>	<u>\$ 1,282</u>	<u>\$10,205</u>	<u>\$ 4,775</u>	<u>\$ 3,475</u>	<u>\$ 664</u>	<u>\$20,285</u>	<u>\$ 6,721</u>

5. PARKING REVENUES PLEDGED

The Authority has pledged future gross revenues derived from the operations of the parking facilities to repay approximately \$26,595 in revenue bonds issued. 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 July 2028. Annual principal and interest payments on the bonds required 40% of gross revenues. The total principal and interest remaining to be paid on the bonds is \$27,006. Principal and interest paid for the year was \$2,280. Total gross revenues were \$5,712.

6. PARKING FACILITY LEASES

The Authority and the City have entered into two operating leases, which relate to the construction and financing of the Civic Center Parking Facilities. All leases are for a period sufficient to retire the long-term financing of the Facilities. Lease payments from the Authority to the City are nominal

The Lease Agreement with respect to the Underground Parking Facility also permits the Authority to release the Underground Parking Facility to the City upon the substitution of property satisfactory to the Authority which will yield equivalent revenues. The term of each of the Lease Agreements extends so long as there remains outstanding indebtedness secured by a pledge of revenues of the System.

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO BASIC FINANCIAL STATEMENTS (In thousands of dollars)
June 30, 2011 and 2010

6. PARKING FACILITY LEASES, continued

The operating leases are:

Site Lease – Includes an area north of the existing Assembly Center building upon which the Civic Center Parking Facilities have been constructed.

Underground Lot Lease – Includes the area underneath the Civic Center complex containing approximately 401 spaces. The lease also includes metered parking on the street level of the complex. Revenues derived from both areas are assigned to the Authority. In September 2010 the City sold the previous City Hall building. The sale reduced the number of parking spaces TPA leases from the City from 526 to 401.

7. OPERATING AGREEMENTS

The Authority has entered into various operating agreements for the operations and maintenance of System parking facilities in accordance with the Bond Indenture. Pursuant to the operating agreements, the operator is responsible for submitting an annual budget and, if necessary any revisions thereto to the Authority, including among other things, adjustments to the current rate structure of charges for parking, subject in all events to the adoption and approval by the Authority. The agreements generally provide that the Authority will advance funds to the operator to pay operating costs, including a management fee, on a monthly basis, based upon the budget. A settlement is made periodically when the actual expenses incurred by the operator are known. All revenues received from the parking facilities are deposited with the bond trustee.

100 West Facility- Operated by American parking, Inc. (“American”). Under this agreement, the Authority incurred costs of \$478 and \$450 for the years ended June 30, 2011 and 2010, respectively.

Main Street Parking Facility and retail areas- Operated by American. Under this agreement, the Authority incurred costs of \$647 and \$589 for the years ended June 30, 2011 and 2010, respectively.

Civic Center Parking Facilities- Operated by American. Under this agreement the Authority incurred costs of \$604 and \$586 for the years ended June 30, 2011 and 2010, respectively.

North and South Parking Facilities- Operated by Central Parking Systems, Inc. (“Central”). Under this agreement, the Authority incurred costs of \$808 and \$858 for the years ended June 30, 2011 and 2010, respectively.

The Authority has an operating agreement with the Tulsa Performing Arts Center Trust (“TPACT”) wherein the Authority will manage a parking lot owned by TPACT. The Authority in turn has an operating agreement with Central, to operate the TPACT parking lot. In exchange for its services, the Authority receives a management fee of \$5 annually.

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTES TO BASIC FINANCIAL STATEMENTS (In thousands of dollars)
June 30, 2011 and 2010

8. RISK MANAGEMENT

The Authority participates in the City's insurance programs through payment for services. The City retains all risk of loss. Significant losses are covered by commercial insurance for all major programs except workers' compensation, for which the City retains all risk of loss. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current year or the three prior years.

9. COMMITMENTS

As of June 30, 2011, the Authority had open commitments for construction projects of approximately \$4,296.

10. RELATED PARTY TRANSACTIONS

During the years ended, the Authority conducted the following transactions with related parties.

	<u>2011</u>	<u>2010</u>
Payments to City of Tulsa - General Fund for support services	\$ 200	\$ 200
Payments to City of Tulsa - General Fund for police services for special events	\$ 200	\$ 200
Payments to Tulsa Public Facilities Authority for One Technology Center building operations	\$ -	\$ 8
Sale of parking permits to various City of Tulsa departments and portion of employee parking fees paid by the City	\$ 230	\$ 263
Payments from Tulsa Performing Arts Center Trust for management of a parking lot	\$ 5	\$ 5
Payments from tax increment financing district for capital improvements	\$ -	\$ 1,022
Payments from sales tax fund for capital improvements	\$ -	\$ 341
Capital contributions from Central Parking Systems, Inc.	\$ 75	\$ -

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
NOTE TO SUPPLEMENTARY INFORMATION
June 30, 2011

In addition to the basic financial statements, TPA presents combining schedule of net assets, combining schedule of revenues, expenses and changes in net assets and combining schedule of cash flows for its sub funds of the operations of TPA. The following is a description of each sub fund used by the Authority:

Operating Fund - The Operating Fund receives interest earnings on various investments and funds certain management and administrative services of the Authority.

Parking System Fund - The Parking System Fund (the "System") receives parking revenues and pays the operating expenses and debt service of the parking facilities. Additionally, the system receives nonoperating revenues for capital expenditures related to the parking facilities. The System Master Bond Indenture provides for the financing of the Authority's parking operations through the issuance of bonds. Funds related to the Bonds are held in trust and managed by a trustee pursuant to the terms of the Master and Supplemental Bond Indentures.

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
COMBINING SCHEDULE OF NET ASSETS
June 30, 2011

<u>ASSETS</u>	<u>Operating Fund</u>	<u>Parking System Fund</u>	<u>Total</u>
		(In Thousands)	
Current assets:			
Cash and cash equivalents	\$ 63	\$ 4,369	\$ 4,432
Investments	-	1,403	1,403
Accounts receivable	-	12	12
Interest receivable	-	34	34
Prepaid expense	-	343	343
	<u>63</u>	<u>6,161</u>	<u>6,224</u>
Total current assets			
Noncurrent assets:			
Cash and cash equivalents, restricted	-	1,525	1,525
Accounts receivable, restricted, net	-	85	85
Other assets, restricted	-	852	852
Nondepreciable capital assets	-	8,715	8,715
Depreciable capital assets, net	-	15,721	15,721
Deferred bond issue cost, net	-	478	478
	<u>-</u>	<u>27,376</u>	<u>27,376</u>
Total noncurrent assets			
	<u>-</u>	<u>27,376</u>	<u>27,376</u>
Total assets	<u>\$ 63</u>	<u>\$ 33,537</u>	<u>\$ 33,600</u>

(Continued)

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
COMBINING SCHEDULE OF NET ASSETS, Continued
June 30, 2011

<u>LIABILITIES</u>	<u>Operating Fund</u>	<u>Parking System Fund</u>	<u>Total</u>
		(In Thousands)	
Current liabilities:			
Accounts payable	\$ 7	\$ 352	\$ 359
	<u>7</u>	<u>352</u>	<u>359</u>
Liabilities payable from restricted assets:			
Accounts payable	-	446	446
Accrued interest payable on revenue bonds	-	440	440
Current portion of revenue bonds	-	1,420	1,420
	<u>-</u>	<u>2,306</u>	<u>2,306</u>
Total liabilities payable from restricted assets	-	2,306	2,306
Total current liabilities	<u>7</u>	<u>2,658</u>	<u>2,665</u>
Noncurrent liabilities:			
Payable from restricted assets:			
Deposits subject to refund	-	4	4
Revenue bonds payable, net of \$235 and \$268, respectively, of unamortized deferred loss on refunding	-	18,630	18,630
Unamortized discount	-	(167)	(167)
	<u>-</u>	<u>18,467</u>	<u>18,467</u>
Total noncurrent liabilities	-	18,467	18,467
Total liabilities	<u>7</u>	<u>21,125</u>	<u>21,132</u>
<u>NET ASSETS</u>			
Invested in capital assets, net of related debt	-	8,028	8,028
Restricted for:			
Debt service	-	1,542	1,542
Capital project	-	29	29
Unrestricted	56	2,813	2,869
	<u>56</u>	<u>2,813</u>	<u>2,869</u>
Total net assets	<u>\$ 56</u>	<u>\$ 12,412</u>	<u>\$ 12,468</u>

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
COMBINING SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN NET ASSETS
Year Ended June 30, 2011

	<u>Operating Fund</u>	<u>Parking System Fund</u>	<u>Total</u>
	(In Thousands)		
Operating revenues:			
Parking facilities income	\$ 5	\$ 5,527	\$ 5,532
Rental income	-	156	156
Total operating revenues	<u>5</u>	<u>5,683</u>	<u>5,688</u>
Operating expenses:			
Contracting services	200	2,537	2,737
General and administrative	286	62	348
Repairs and maintenance	-	773	773
Depreciation	-	870	870
Total operating expenses	<u>486</u>	<u>4,242</u>	<u>4,728</u>
Operating income (loss)	<u>(481)</u>	<u>1,441</u>	<u>960</u>
Nonoperating revenues (expenses):			
Investment income	16	8	24
Interest and amortization expense	-	(973)	(973)
Transfers in (out)	608	(608)	-
Total nonoperating revenues (expenses)	<u>624</u>	<u>(1,573)</u>	<u>(949)</u>
Income (loss) before contributions	<u>143</u>	<u>(132)</u>	<u>11</u>
Capital contributions			
Contributions from operators	-	75	75
Total capital contributions	<u>-</u>	<u>75</u>	<u>75</u>
Change in net assets	143	(57)	86
Net assets, beginning of year	<u>(87)</u>	<u>12,469</u>	<u>12,382</u>
Net assets, end of year	<u>\$ 56</u>	<u>\$ 12,412</u>	<u>\$ 12,468</u>

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
COMBINING SCHEDULE OF CASH FLOWS
Year Ended June 30, 2011

	<u>Operating Fund</u>	<u>Parking System Fund</u> (In Thousands)	<u>Total</u>
Cash flows from operating activities:			
Cash received from customers, including cash deposits	\$ 5	\$ 5,655	\$ 5,660
Cash payments to suppliers for goods and services	(97)	(3,261)	(3,358)
Cash payments for quasi-external operating transactions	(400)	-	(400)
	<u>(492)</u>	<u>2,394</u>	<u>1,902</u>
Net cash provided (used) by operating activities			
Cash flows from noncapital financing activities:			
Advances from (to) other funds	(70)	70	-
Principal paid on revenue bonds	-	(320)	(320)
Interest paid on revenue bonds	-	(140)	(140)
Payment for forward delivery agreement	-	(999)	(999)
Receipts from forward delivery agreement	-	988	988
Transfers in (out)	608	(608)	-
	<u>538</u>	<u>(1,009)</u>	<u>(471)</u>
Net cash provided (used) by noncapital financing activities			
Cash flows from capital and related financing activities:			
Principal paid on revenue bonds	-	(1,055)	(1,055)
Interest paid on revenue bonds	-	(765)	(765)
Acquisition and construction of capital assets	-	(455)	(455)
	<u>-</u>	<u>(2,275)</u>	<u>(2,275)</u>
Net cash used by capital and related financing activities			
Cash flows from investing activities:			
Investment income received	17	39	56
Purchase of investments	-	(1,437)	(1,437)
Sale or maturity of investments	-	3,445	3,445
	<u>17</u>	<u>2,047</u>	<u>2,064</u>
Net cash provided by investing activities			
Net change in cash and cash equivalents	63	1,157	1,220
Cash and cash equivalents, beginning of year	-	4,737	4,737
Cash and cash equivalents, end of year	<u>\$ 63</u>	<u>\$ 5,894</u>	<u>\$ 5,957</u>

(Continued)

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
COMBINING STATEMENTS OF CASH FLOWS, Continued
Year Ended June 30, 2011

	<u>Operating Fund</u>	<u>Parking System Fund</u> (In Thousands)	<u>Total</u>
Reconciliation of cash and cash equivalents to the Statements of Net Assets:			
Unrestricted cash and cash equivalents	\$ 63	\$ 4,369	\$ 4,432
Restricted cash and cash equivalents	-	1,525	1,525
	<u>\$ 63</u>	<u>\$ 5,894</u>	<u>\$ 5,957</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:			
Operating income (loss)	\$ (481)	\$ 1,441	\$ 960
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Depreciation	-	870	870
Increase in accounts receivable	-	(40)	(40)
Increase in prepaid expense	-	(68)	(68)
Increase (decrease) in accounts payable and deposits	(11)	191	180
Net cash provided (used) by operating activities	<u>\$ (492)</u>	<u>\$ 2,394</u>	<u>\$ 1,902</u>
Noncash capital and investing activities:			
Purchase of capital assets in accounts payable and accrued liabilities	\$ -	\$ 576	\$ 576
Capital contributions	-	75	75
Depreciation of fair value of investments	-	(8)	(8)

TULSA PARKING AUTHORITY
(A Component Unit of the City of Tulsa, Oklahoma)
OTHER STATISTICAL INFORMATION (Unaudited)
Year Ended June 30, 2011

PARKING SYSTEM FUND – The system’s parking facilities currently provide 6,328 parking spaces. The facilities and spaces are as follows:

- Main Street Parking Facility (1,130 spaces)
- Civic Center Parking Facility (1,425 spaces)
- Underground Parking Facility (401 spaces)
- Metered Spaces adjacent to the Civic Center (246 spaces)
- South Garage (776 spaces)
- North Garage (908 spaces)
- 100 West Facility (1,191 spaces)

DEBT SERVICE COVERAGE – The following table presents ten-years of debt service coverage under the Master Bond Indenture. Gross revenue of the System is defined by the terms of the Master Bond Indenture. Revenues derived outside of the System are excluded. The required minimum coverage is 1.00.

<u>Year</u>	<u>Gross¹ Revenue</u>	<u>Direct Operating Expenses</u>	<u>Available for Debt Service</u>	<u>Debt Service</u>			<u>Coverage</u>
				<u>Principal</u>	<u>Interest</u>	<u>Total</u>	
2011	\$ 5,860	\$ 3,580	\$ 2,280	\$ 1,375	\$ 905	\$ 2,280	1.00
2010	5,760	2,834	2,926	1,330	951	2,281	1.28
2009	5,839	2,655	3,184	1,280	997	2,277	1.40
2008	5,280	2,343	2,937	1,235	1,042	2,277	1.29
2007	5,458	2,201	3,257	1,195	1,083	2,278	1.43
2006	5,233	2,921	2,312	1,130	1,124	2,254	1.03
2005	4,912	2,355	2,557	515	1,093	1,608	1.59
2004	3,421	2,121	1,300	495	644	1,139	1.14
2003	2,717	875	1,842	300	527	827	2.23
2002	2,929	1,080	1,849	685	715	1,400	1.32

Note 1- Gross revenues as defined by the terms of the bond indenture. In 2011 \$147 of revenue was derived from prior years’ excess net revenues.