



COMPREHENSIVE ANNUAL FINANCIAL REPORT

TULSA COUNTY, OKLAHOMA
For the Year Ended June 30, 2016





**TULSA COUNTY, OKLAHOMA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED JUNE 30, 2016**

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Tulsa County Clerk

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TULSA COUNTY, OKLAHOMA

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INTRODUCTORY SECTION





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December 30, 2016

Tulsa County Budget Board and Citizens of Tulsa County

The letter of transmittal contains the following four sections: Formal Transmittal of the Comprehensive Annual Financial Report, Profile of Tulsa County, Oklahoma, Information Useful in Assessing Tulsa County's Economic Condition, and Awards and Acknowledgements.

Formal Transmittal of the Comprehensive Annual Financial Report

The Comprehensive Annual Financial Report (CAFR) of Tulsa County for the fiscal year ended June 30, 2016 is comprised of three main sections:

- The Introductory Section
- The Financial Section
- The Statistical Section

The accuracy, completeness, and fairness of the information presented in each of these three sections are the responsibility of Tulsa County. The material is reported in compliance with Generally Accepted Accounting Principles (GAAP) and is accurate in all material aspects to the best of our knowledge.

Management Discussion and Analysis

Please review the Management Discussion and Analysis (MD&A) located in the Financial Section of this report, in conjunction with the transmittal letter and the basic financial statements, including the notes. The purpose of the MD&A is to present the financial highlights and to demonstrate whether the financial condition of Tulsa County improved or deteriorated during the past year.

Profile of Tulsa County, Oklahoma

Tulsa County, as well as its political offices, were established under Article 17 of the Oklahoma Constitution and were ratified on July 16, 1907. The County is located in the northeast portion of Oklahoma and has an elevation of 700 feet above sea level with a total area covering about 570 square miles. The City of Tulsa serves as the county seat as well as being the second largest city in Oklahoma. The County is divided into three districts and one County Commissioner is elected to represent each. All other county officials are elected on a county-wide basis. The other elected officials are the County Assessor, the County Clerk, the County Court Clerk, the County Sheriff, and the County Treasurer.

The Board of County Commissioners (BOCC) consists of three commissioners elected from geographic districts of the county. The BOCC meets weekly on the first floor of the Ray Jordan Tulsa County Administration Building. The commissioners act as the principal administrators for the county government with specific duties established in state law. They supervise construction and maintenance of county roads and bridges. The commissioners also purchase or sell county land, assets, and operating supplies. Their administrative duties also include entering into agreements on behalf of the county government, approving payroll and maintaining county buildings and facilities.

The County Assessor is responsible for assessing all taxable real and personal property located within the county for taxation purposes. The Oklahoma Tax Commission determines the values of public service properties. Local control over the valuation of real and personal property by the County Assessor provides a tremendous advantage for local citizens. Provisions have been made in the law which allows the citizens to discuss assessments or changes in assessments of their property with local officials in person. At no other level do citizens have as much say about their legal obligation to pay tax as they do at the county level.

The County Clerk acts as registrar of deeds and is the official record keeper for the County, recording all appropriations and expenditures for each county office or department. The County Clerk prepares the Comprehensive Annual Financial Report. In addition, the Clerk processes the payroll and accounts payable for all County offices and departments.

The County Court Clerk acts as the custodian of all files and records of the District Court of the State of Oklahoma. The County Court Clerk maintains the law library. Many licenses, including marriage licenses and passports, are issued by the Court Clerk's Office.

The County Sheriff is the chief law officer responsible for preserving the peace and protecting life and property in the county. The County Sheriff operates the David L. Moss Criminal Justice Center. The Sheriff's office provides courthouse and courtroom security, including court guards while court is in session, and inmate transport to and from District Court. The County Sheriff is also responsible for serving the civil process and the execution of writs, which includes processing foreclosures and serving protective orders.

The County Treasurer is the chief financial officer for the county and administers all county monies. The County Treasurer receives the annual tax roll, prepares the ad valorem tax statements, and mails the statements to the property owners. The County Treasurer also acts as a collecting agent for much of the revenue for schools and cities located in the county. The County Treasurer receives, deposits, and maintains records for all county monies.

In 1981, a County Budget Board was created with the adoption of the "County Budget Act." The Budget Board was created to establish uniform and sound budgeting practices and control procedures. The Budget Board is comprised of eight elected county officials. The Budget Board meets monthly on the first floor of the Ray Jordan Tulsa County Administration Building. A more detailed explanation of the budget process and the funds affected is included in the notes to the financial statements.

Services

The Tulsa County Elected Officials believe in the concept that government at the local level is more responsive to the needs of its citizens. County government was designed to provide certain services to all citizens of the county whether they live in an incorporated city or a rural area. These services include maintenance of county roads and bridges, law enforcement protection, and the provision of rural water and fire protection services in cooperation with local public authorities and municipalities. The following services are provided through an array of legally separate entities:

Entity	Service	How presented
Tulsa County Employees' Retirement System	Retirement benefits	Blended Fiduciary Fund
Drainage District #12	Public safety	Nonmajor Governmental Fund
Tulsa City/County Health Department	Health care	Discretely Presented C.U.
Tulsa County Public Facilities Authority	Fair and trade shows	Blended C.U.-Major Fund
Tulsa County Home Finance Authority	Provide Housing Opportunities	Discretely Presented C.U.
Tulsa County Industrial Authority	Economic development	Blended C.U.-Major Fund
Tulsa County Criminal Justice Authority	Law enforcement	Discretely Presented C.U.
Tulsa County Juvenile Justice Trust Authority	Juvenile programs	Discretely Presented C.U.

Internal Control and Independent Audit

Tulsa County utilizes the Oklahoma Statutes as the basis for its internal control procedures. The basic framework provided by these laws is enhanced by additional procedures that are codified in the County's policies and procedures manual. A strong internal control system is necessary to provide reasonable, but not absolute assurance, that the County's assets are protected from theft, loss, or misuse. All federal funds are also protected by the internal control system. To ensure that the internal control procedures are implemented uniformly, the County establishes periodic meetings for all division bookkeepers. The expected benefits from any internal control system should exceed the costs of its implementation.

In accordance with Title 19, section 171 of the Oklahoma Statutes, the State Auditor and Inspector conducts an annual audit of all books and records of Tulsa County. The audit is required to be performed in accordance with Generally Accepted Auditing Standards, which are established by the Governmental Auditing Standards Board and Government Auditing Standards issued by the Comptroller General of the United States. The auditors also perform a single audit according to the provisions of the "Single Audit Act Amendments of 1996," and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform*

Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). The findings and recommendations as a result of the audit, according to the Uniform Guidance, are reported under separate cover. In addition to the annual audit of Tulsa County, the State Auditor's Office also performs a thorough review of the County Treasurer's books and records. This review is unannounced and includes any tests and procedures that the auditors consider necessary in the present circumstances. The resulting report is issued and dated when the examination is complete.

Budgetary Controls

Tulsa County prepares an annual budget for the General Fund, the Debt Service Fund, the Visual Inspection Fund, the County Highway Fund, the Park Fund, and the Juvenile Detention Fund. Budgetary comparison schedules for the General Fund and the County Highway Fund are reported as Required Supplementary Information; the other budgets versus actual comparisons are presented as the Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual in the Supplemental Combining and Individual Fund Financial Statements and Schedules. All other governmental funds, proprietary funds, and fiduciary funds are not subject to budgeting requirements. These budgets are generally prepared on a cash basis for revenues, and on an accrual basis for expenditures. The primary level of budgetary control is maintained by the Budget Board.

The Budget Board must approve transfers between primary categories at the object level (salaries, operating expenses, other charges, capital outlay, and debt service). Transfers between accounts within these categories may be approved on a departmental level. The County also utilizes an encumbrance system to enhance its system of budgetary control. Budgets are published in the local newspaper and are available to the public at the Ray Jordan Tulsa County Administration building, 500 South Denver Avenue, Tulsa, Oklahoma during normal business hours or from the Tulsa County website at <http://www.tulsacounty.org>.

Information Useful in Assessing Tulsa County's Economic Condition

The information presented in the financial statements is perhaps best understood when the specific environment within which Tulsa County operates is considered.

The Local Economy

Centrally located in the United States, Tulsa County is a county in northeast section of the State of Oklahoma. According to the 2010 census, the population is 603,403 and is estimated to be 631,555 in 2016. Tulsa County has excellent access to other cities by air, land, water, and two central networks for broadband interconnect. The city of Tulsa is served equally well by railroad, motor freight and bus transport. Good qualities that attract new companies to Tulsa County are a sound infrastructure, major highway access, solid work force and a major water access to bulk shipping. The Port of Catoosa is an inland port that makes bulk shipping to and from coastal ports accessible and economical. With these factors in place the Tulsa Chamber of Commerce reports the cost of doing business in this area is 10 to 15

percent below the U.S. average. Kiplinger ranked Tulsa 5th in their list of top ten most affordable big cities in the U.S. Additional attributes for the Tulsa County area include; four institutions of higher learning, four major hospitals, a zoo, several museums, a performing arts center, parks, seven 18-hole golf courses, an aquarium, and a major 19,199 seat multi-purpose arena. Tulsa County also has major sporting attractions which include both college and professional sports, such as football, basketball, baseball, soccer, hockey, tennis, softball, and volleyball.

The Tulsa economy slowed down in 2015 in employment and gross product. In 2015 Tulsa lost 1,750 jobs in oil and gas extraction, well-servicing and machinery manufacturing. Beyond lower oil prices a strong dollar and relatively weak global demand for capital goods combined to constrain growth in Tulsa-area manufacturing. In 2014 the Tulsa economy grew faster than the U.S economy, in 2015 Tulsa area employment grew .07 percent, one-third the growth rate of the U.S. and Tulsa real gross product contracted 0.3 percent while Oklahoma and the U.S. grew at 1.2 percent and 2.4 percent respectively.

The Tulsa Metropolitan Statistical Area (MSA) comprises seven counties: Creek, Okmulgee, Osage, Pawnee, Rogers, Tulsa, and Wagoner. The aggregate population for the MSA is estimated to be 981,005 or 25.1 percent of the population of the state of Oklahoma. The gross product or value of all goods and services produced in the seven county MSA is estimated to be \$49.3 billion or 30.3 percent of the Oklahoma economy.

Tulsa's major industries are aerospace, including aerospace manufacturing and aviation, health care, energy, machinery and electrical equipment manufacturing, transportation, distribution, and logistics. Steady and slow job growth exists in Tulsa, even with a large decline in oil prices, attracting and retaining in 2015 ranked Tulsa the number one city for young entrepreneurs in the U.S. and Nerdwallet.com in 2015 ranked Tulsa as the number two best U.S. city for starting a business.

Despite slower growth due to low oil process, weak global demand and a strong dollar, the Tulsa Chamber announced 4,900 jobs in new and expanding industries. Because of Tulsa's cost of doing business of 15 percent under the U.S. average due to low rent, energy costs and taxes, Tulsa in 2016 will continue to be a prime location for industry prospects liking to relocate or expand at a steady pace.

Residential and commercial property values continue to increase in the Tulsa market leading to increased ad valorem tax assessments. During fiscal year 2016, the levy on property taxes increased by over 2.3 million or a 3.3% increase. Collections of ad valorem taxes levied during fiscal year 2016 relating to fiscal year 2016 levy was \$67 million or 96.11%. The historical average over the past ten years of collections of amounts originally levied is 95.56%.

Long-term Financial Planning

The Fiscal Officer prepares a five-year capital budget to assist in the long range financial planning for Tulsa County. The five-year capital budget is a focused plan to identify the County's infrastructure and capital needs and the funding to meet those needs. The capital budget is updated to reflect changing priorities and revised cost estimates.

Financial Policies

Tulsa County's financial policies are established to comply with the statements and pronouncements issued by the Governmental Accounting Standards Board (GASB). The financial statements are presented in conformity with accounting principles generally accepted in the United States of America as applied to government units. There were no new financial policies implemented in fiscal year 2016.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Tulsa County for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2015. 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.

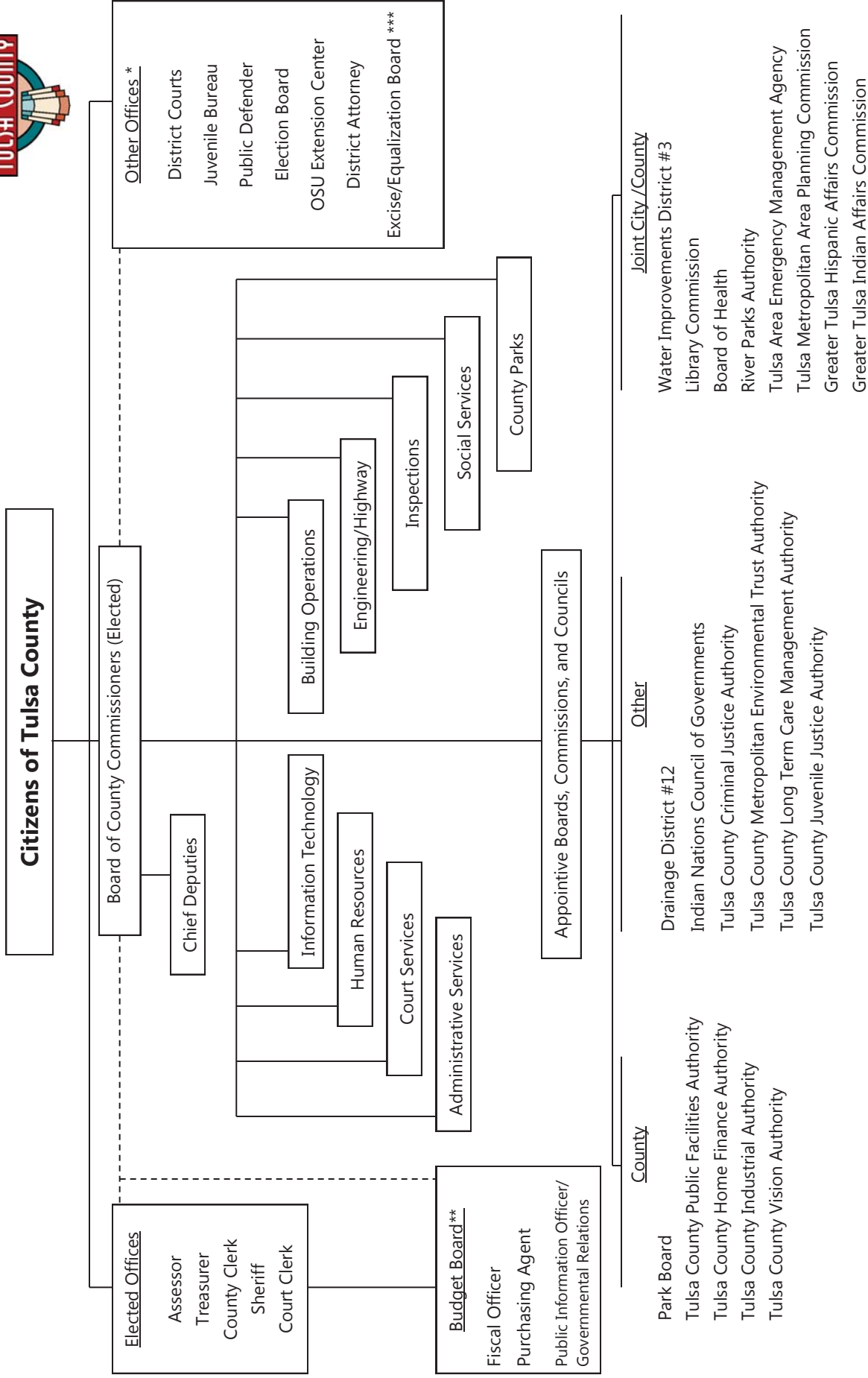
We want to extend our appreciation to the employees of the Tulsa County Clerk for their support and cooperation in preparing this report. Special thanks go to Sherril Williams, Jennifer Gateley, Carrie Smith, Toni Kizer, Kelly Young and Marcy Twyman, CPA, Crawford and Associates. Additionally, thanks go to Tom Gerard, Tulsa County Chief Financial Officer, and his staff for their assistance. Finally, we want to thank Gary Jones, State Auditor and Inspector and his Tulsa District office staff.

Respectfully Submitted,



Pat Key, Tulsa County Clerk
Secretary, Tulsa County Budget Board

Organizational Chart for Tulsa County, Oklahoma



* District Court Judges and District Attorney elected by citizens. Others are appointed.

** Membership includes all elected County Officials.

*** One member appointed by the Board of County Commissioners, one member appointed by the Oklahoma Tax Commission, and one member appointed by the District Judge or a majority of the District Judges in all judicial districts where more than one District Judge is elected.

Tulsa County, Oklahoma

ELECTED OFFICIALS

Commissioner District 1



John Smaligo

Commissioner District 2



Karen Keith

Commissioner District 3



Ron Peters

Treasurer



Dennis Semler

County Clerk



Pat Key

District Attorney



Steve Kunzweiler

Assessor



Ken Yazel

Sheriff



Vic Regalado

Court Clerk



Sally Howe Smith

TULSA COUNTY DEPARTMENT DIRECTORS

County Commissioners

Administrative Services.....	Gary Fisher
Building Operations.....	Dan Belding
Community Correction.....	Sherri Carrier
Engineering, Highways, and Inspections.....	Tom Rains
Human Resources.....	Terry Tallent
Information Technology.....	Dan Pease
Parks.....	Richard Bales
Social Services.....	Linda Johnston

Budget Board

Fiscal Officer.....	Tom Gerard
Purchasing Agent.....	Linda Dorrell

Other Departments

County Election Board.....	Patty Bryant
County Extension Agent.....	Tracy Lane
Drainage District Number 12.....	M. Todd Kilpatrick
Juvenile Bureau.....	Justin Jones



Government Finance Officers Association

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

Presented to

**Tulsa County
Oklahoma**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

Executive Director/CEO

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FINANCIAL SECTION





Oklahoma State Auditor & Inspector

2300 N. Lincoln Blvd. • State Capitol, Room 100 • Oklahoma City, OK 73105 • Phone: 405.521.3495 • Fax: 405.521.3426

Independent Auditor's Report

TO THE OFFICERS OF
TULSA COUNTY, OKLAHOMA

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 Tulsa County, Oklahoma, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the County'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 County Industrial Authority, which represent approximately 41 percent and 34 percent, respectively, of the assets and revenues of the governmental activities; 100 percent of the assets and revenues of the Industrial Authority Special Revenue governmental fund, the Industrial Authority Capital Projects governmental fund, and the Industrial Authority Debt Service governmental fund; 2 percent and 0.26 percent, respectively, of the assets and revenues of the Other Governmental Funds;
- The financial statements of the Tulsa County Public Facilities Authority, which represent 100 percent of the business-type activities as well as 100 percent of the proprietary fund statements;
- The financial statements of the Tulsa County Criminal Justice Authority, the Tulsa City/County Health Board, the Tulsa County Home Finance Authority, and the Tulsa County Juvenile Justice Trust Authority, which represent 100 percent of the discretely presented component units; and
- The financial statements of the Tulsa County Employees' Retirement System, which represent 79 percent of the assets in the fiduciary funds and 100 percent of the total additions reported in the statement of changes in the fiduciary net assets.

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 the above-mentioned entities, is 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 Tulsa County, Oklahoma, as of June 30, 2016, 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, Budgetary Comparison Schedule – General Fund, Budgetary Comparison Schedule – County Highway Fund, Schedule of Changes in Net Pension Liability and Related Ratios, Schedule of County Contributions – Pension Trust Fund, Schedule of Funding Progress – Other Post Employment Benefits, and the Schedule of Employer Contributions – Other Post Employment Benefits 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 Tulsa County's basic financial statements. The introductory section, supplemental combining and individual fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the financial statements.

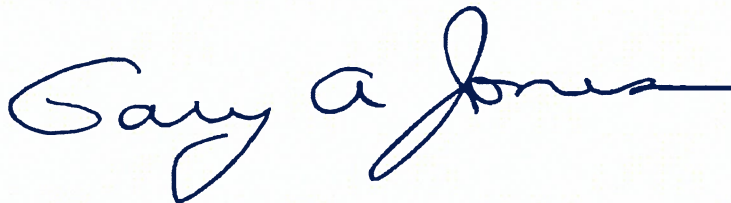
The supplemental combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records

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 the other auditors, the supplemental combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2016, on our consideration of Tulsa County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Tulsa County's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Gary A. Jones". The signature is fluid and cursive, with the first name "Gary" being the most prominent part.

GARY A. JONES, CPA, CFE
OKLAHOMA STATE AUDITOR & INSPECTOR

December 30, 2016

Management's Discussion and Analysis (MD&A)

Management's Discussion and Analysis

This section of Tulsa County's annual financial report presents our discussion and analysis of the County's financial performance during the fiscal years ended June 30, 2016 and 2015. Please read the Management's Discussion and Analysis (MD&A) in conjunction with the transmittal letter that is located in the introductory section of this report and the County's basic financial statements, which follow this section.

Financial Highlights

- The total net position at the end of fiscal years 2016 and 2015 for governmental activities was \$203.2 million and \$159.7 million, respectively. Capital Improvement Revenue Bonds of \$41.1 million were issued during fiscal year 2016. Over \$11.6 million and \$127 thousand was spent during fiscal year 2016 on Vision 2025 and 4 to Fix the County capital improvements, respectively.
- The total net position for business-type activities were \$86.8 million and \$86.1 million, at the calendar years ended December 31, 2015 and December 31, 2014, respectively.
- The total net position for component units was \$81 million and \$69.6 million, at the fiscal years ended June 30, 2016 and 2015, respectively. The component units' Change in Net Position overall increased by \$11.4 million, as the Criminal Justice Authority had a \$9.1 million increase in net position, the City County Health Department had a \$2.1 million increase in net position, the Home Finance Authority had a \$143 thousand increase in net position and the Tulsa County Juvenile Justice Trust Authority had an \$91 thousand increase in net position.
- Ad valorem taxes were levied at a moderately higher level during fiscal years 2015 – 2016 (\$2.3 million) and ad valorem tax collections were also moderately higher during fiscal year 2016 (\$1.6 million) because of slightly higher valuations for residential and commercial properties.
- The amount of the outstanding conduit debt obligations of the Tulsa County Industrial Authority as of June 30, 2016 and 2015 was \$691.3 million and \$573.1 million, respectively.

Overview of the Financial Statements

The financial section of this report consists of several different parts: management's discussion and analysis (this section), the independent auditor's report, the basic financial statements, required supplementary information, and combining and individual fund financial statements and supporting schedules.

- The independent auditor's report on the basic financial statements as presented by management.
- The first two statements are *government-wide financial statements* that provide both long-term and short-term information about the County's overall financial status.
- The remaining statements are *fund financial statements* that focus on individual parts of County government, reporting the County's operations in more detail than the government-wide statements.
- The *governmental funds statements* explain how general government services like public safety were financed in the short term as well as what remains for future spending.

- *Proprietary funds statements* offer short and long-term financial information about the activities the government operates like businesses, such as the Tulsa County Public Facilities Authority.
- *Fiduciary funds statements* provide information about the financial relationships - like the retirement system for the County's employees - in which the County acts solely as a trustee or agent for the benefit of others, to whom the resources belong.
- *Notes to the financial statements* explain some of the information in the financial statements and provide more detailed data.
- *Required supplementary information* further explains and supports the information in the financial statements.
- *Combining and individual fund financial statements and supporting schedules* provide additional details about the non-major governmental funds and include additional budgetary comparison schedules.

Government-wide Statements

The government-wide statements report information about Tulsa County as a whole using accounting methods similar to those used by private-sector companies. The accrual basis of accounting and the economic resource measurement focus is used. Under this basis of accounting and measurement focus all assets and liabilities, both financial and capital, and short and long-term, are reported. All revenues and expenses are reported during the year, regardless of when cash is received or paid. The statement of net position includes all of the government's assets, deferred outflows, deferred inflows, and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities.

The two government-wide statements report the County's net position and how it has changed. Net position, the difference between the County's assets and liabilities, are one way to measure the County's financial health, or financial position.

- Over time, increases or decreases in the County's net position is an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the County one needs to consider additional nonfinancial factors such as changes in the County's property tax base and the condition of the County's roads and highways.

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

- *Governmental activities* – Most of the County's basic services are included here, such as public safety, culture and recreation, roads and highways, and general government. Sales and ad valorem taxes, charge for services, and state and federal grants finance most of these activities. Tulsa County Industrial Authority is also included here.
- *Business-type activities* – The County charges fees to customers to help it cover the costs of certain services it provides. The Tulsa County Public Facilities Authority is reported as a business-type activity.
- *Discretely presented component units* – The County includes four other entities in its report: the Tulsa County Criminal Justice Authority, the Tulsa City/County Health Department, the Tulsa County Juvenile Justice Trust Authority and the Tulsa County Home Finance Authority. Although legally

separate, these “component units” are important because it would be misleading or incomplete to exclude them from the County’s financial report.

Fund Financial Statements

The fund financial statements provide more detailed information about Tulsa County’s most significant funds, not the County as a whole. Funds are grouping of related accounts that the County uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are restricted by state statutes and by bond covenants.
- The Budget Board establishes other funds to control and manage money for particular purposes (like the Sales Tax Fund) or to show that it is properly using certain revenue sources (like the County Highway Fund).

The County has three kinds of funds:

- *Governmental funds* - Most of the County’s basic services are included in governmental funds, which focus on (1) how cash and other current financial resources can be readily converted to cash and used to pay obligations and (2) the balances left at year-end that are available for spending. Governmental funds use the modified accrual basis of accounting and the current financial resource measurement focus. Under this basis of accounting and measurement focus, revenues are recognized when cash is received during or soon after the end of the year; expenditures are recognized when goods or services have been received and payment is due during the year or soon thereafter. Consequently, the governmental funds statements provide a short-term view that helps you determine whether there are more or less financial resources that can be spent in the near future to finance the County’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 statements, or on the subsequent page, that explains the relationship (or differences) between them.
- *Proprietary funds* – Services for which the County charges customers a fee are generally reported in proprietary funds. Proprietary funds use the same basis of accounting and the same measurement focus as the government-wide statements. Proprietary funds provide both long and short-term financial information. In fact, the County’s *Enterprise fund* (one type of proprietary fund) is the same as its business-type activities, but provides more detail and additional information, such as cash flow.
- *Fiduciary funds* – The County is the trustee, or fiduciary, for its employees’ pension plan. It is also responsible for other assets that can only be used by the trust beneficiaries. The County is responsible for distributing the assets reported in these funds to the intended beneficiary. Fiduciary funds use the same basis of accounting and the same measurement focus as the government-wide statements. All of the County’s fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the County’s government-wide financial statements because the County cannot use these assets to finance its operations.

Notes to the Financial Statements

The notes, which are an integral part of the financial statements, provide additional information that is essential to a full understanding of the data provided in the government-wide and individual fund financial

statements. The notes to the financial statements follow the basic financial statements.

Other Information

In addition to the basic financial statements and the accompanying notes, this report also presents certain *required supplementary information (RSI)* concerning the County's progress in funding its obligation to provide pension and other post-employment benefits to its employees and comparing actual with budgeted amounts for the General Fund and the Highway Fund. RSI information follows the notes to the financial statements. The combining statements, which include non-major funds, for governmental funds and discretely presented component units, are presented immediately following the RSI.

Financial Analysis of the County as a Whole

Our discussion and analysis of Tulsa County's financial performance provides an overview of the financial activities for the fiscal years ended June 30, 2016 and 2015.

Statement of Net Position

The net position is an important indicator of an organization's ability to improve or maintain their financial position. Tulsa County's total net position as of June 30, 2016 was \$290 million, which was \$44.3 million more than the fiscal year ended June 30, 2015. This increase in total net position resulted mainly from Tulsa County reducing its governmental activities long-term revenue bonds by \$47.1 million, through normal, scheduled principal payments. See Note III. J. and the schedule of changes in long-term debt for more details.

Deferred outflows of resources for governmental activities increased by \$18.5 million due to increases in pension related deferrals of \$13.3 million investment earnings difference and \$4.9 million change of assumptions.

Current assets for governmental activities increased \$39.4 million as a result of \$38 million in bond proceeds issued for the construction of the juvenile justice center.

Other non-current assets for business-type activities increased \$3.3 million due to an increase in restricted assets.

The negative unrestricted net position of governmental activities decreased by \$36.8 million; mainly due to revenues and transfers in over expenses and transfers out of \$43.5 million.

Tulsa County's Net Position
(In thousands of dollars)
June 30, 2016 and 2015

	Governmental Activities		Business Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Current assets	\$ 222,727	\$ 183,301	\$ 6,825	\$ 6,714	\$ 229,552	\$ 190,015
Capital assets	131,979	133,340	91,528	97,649	223,507	230,989
Other non-current assets	9,395	9,621	10,381	7,057	19,776	16,678
Total assets	364,101	326,262	108,734	111,420	472,835	437,682
Deferred outflows of resources	27,201	8,676	932	939	28,133	9,615
Total assets and deferred outflows of resources	391,302	334,938	109,666	112,359	500,968	447,297
Current liabilities	63,805	59,637	5,599	4,924	69,404	64,561
Long-term liabilities	110,243	99,036	16,529	20,698	126,772	119,734
Total liabilities	174,048	158,673	22,128	25,622	196,176	184,295
Deferred inflows of resources	14,083	16,603	719	664	14,802	17,267
Net Position						
Net investment in capital assets	114,221	114,015	72,694	75,435	186,915	189,450
Restricted	100,479	93,981	8,512	6,165	108,991	100,146
Unrestricted	(11,529)	(48,334)	5,614	4,473	(5,915)	(43,861)
Total net position	\$ 203,171	\$ 159,662	\$ 86,820	\$ 86,073	\$ 289,991	\$ 245,735

Business-Type Activities operate on a calendar year

Statement of Activities

Tulsa County's total revenues amounted to nearly \$252 million and \$274 million during the fiscal years ended June 30, 2016 and 2015, respectively. Of that total for June 30, 2016 ad valorem and other taxes make up nearly \$70.1 million or 27.8%, charges for services approximately \$38.6 million or 15.3%, and sales tax \$98.8 million or 39.2%. Of that total for June 30, 2015, ad valorem and other taxes make up nearly \$67.1 million or 24.5%, charges for services approximately \$68 million or 24.8%, and sales tax \$97.7 million or 35.7%. Capital grants were \$1.3 million or 70.5% lower during the current fiscal year due mainly to the prior year receipts of \$0.7 million highway grant from EDA, \$0.3 million highway grant from City of Tulsa, and \$0.5 million highway grant from ODOT.

The County's total expenses amounted to \$207.6 million and \$211.6 million during the fiscal years ended June 30, 2016 and 2015, respectively. Of the total expenses for the fiscal year ended June 30, 2016, general government makes up nearly \$60 million or 28.9%, Public Facilities Authority makes up \$30.8 million or 14.8%, and public safety expenses including the expenses to operate the jail totaled \$67.5 million or 38.2%. Of the total expenses for the fiscal year ended June 30, 2015, general government makes up \$60.2 million or 28.4%, Public Facilities Authority makes up \$30.2 million or 14.3%, and public safety expenses including the expenses to operate the jail totaled \$77.8 million or 36.8%. The \$5.2 million or 81.3% increase in Vision 2025 expenses relates to additional projects to be paid from restricted sales taxes. Also, interest on long-term debt decreased \$2.0 million or 39.4% due to the pay down of debt.

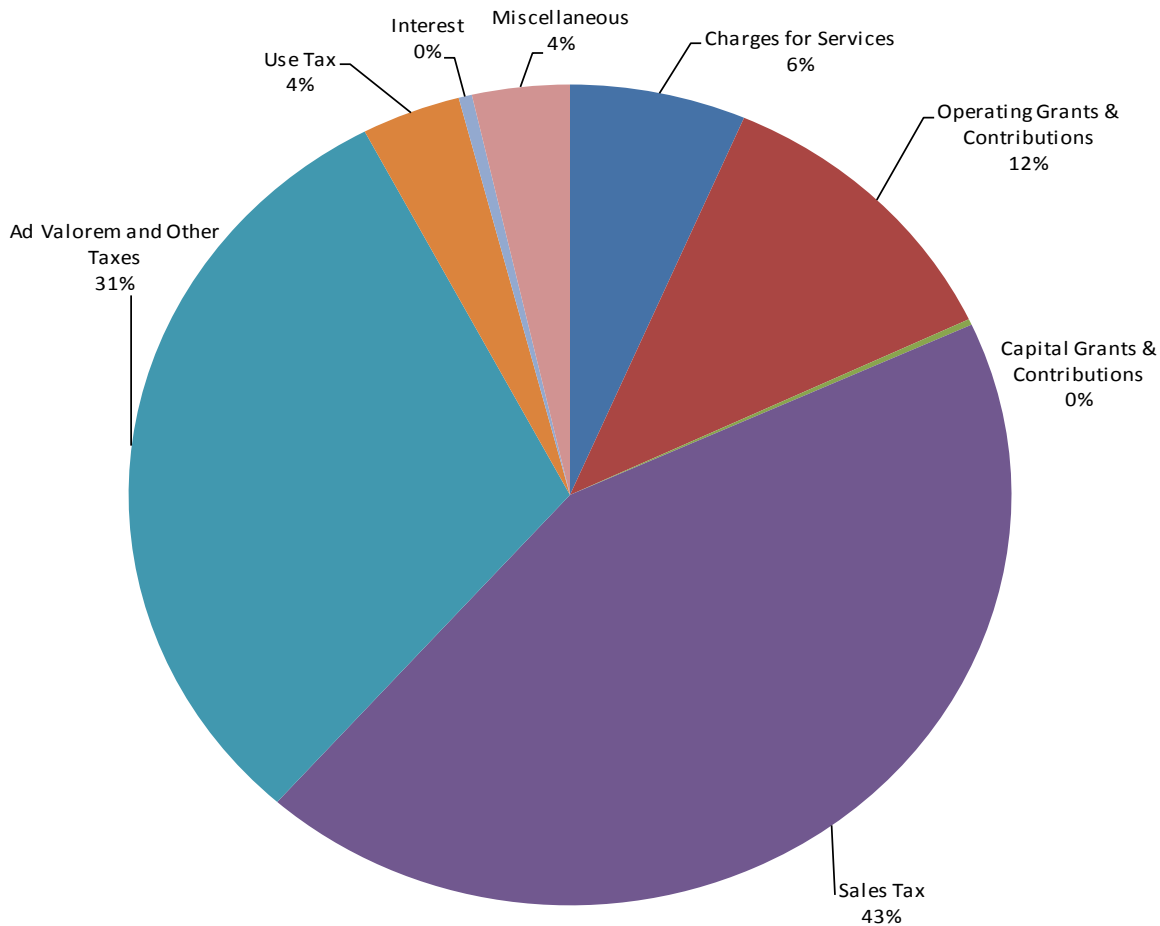
The governmental activities Charges for Services decreased \$30.7 million or 67.6% in fiscal year 2016 due to the Sheriff Jail Fund revenues declining \$33.1 million. This decline is due to the Interlocal Cooperative Jail Financing Agreement. All sales tax is remaining with Tulsa County Criminal Justice Authority. See note VII for further details. The governmental activities Operating Grants increased \$5.4 million in fiscal year 2016 or 25.9% mainly due to \$6.5 million additional operating grant revenues in the County Contribution Fund.

Tulsa County's Statement of Activities
(In thousands of dollars)
June 30, 2016 and 2015

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenues:						
Program Revenues:						
Charges for services	\$ 14,714	\$ 45,450	\$ 23,879	\$ 22,514	\$ 38,593	\$ 67,964
Operating grants and contributions	26,224	20,825	-	-	26,224	20,825
Capital grants and contributions	536	1,814	-	-	536	1,814
General Revenues:						
Sales tax	98,836	97,716	-	-	98,836	97,716
Ad valorem and other taxes	70,117	67,083	-	-	70,117	67,083
Use tax	8,296	8,347	-	-	8,296	8,347
Salaries Reimbursed	-	-	-	-	-	-
Interest	1,109	959	-	187	1,109	1,146
Miscellaneous	8,141	9,092	-	-	8,141	9,092
Total Revenues	<u>\$ 227,973</u>	<u>\$ 251,286</u>	<u>\$ 23,879</u>	<u>\$ 22,701</u>	<u>\$ 251,852</u>	<u>\$ 273,987</u>
Expenses:						
General Government	\$ 59,960	\$ 60,178	\$ -	\$ -	\$ 59,960	\$ 60,178
Public safety	67,461	77,776	-	-	67,461	77,776
Health and Welfare	11,648	10,518	-	-	11,648	10,518
Culture and recreation	8,449	8,168	-	-	8,449	8,168
Education	452	431	-	-	452	431
Roads and highways	13,842	12,572	-	-	13,842	12,572
Vision 2025 Expenses	11,644	6,421	-	-	11,644	6,421
Capital outlay Four to Fix II	127	-	-	-	127	-
Interest on long-term debt	3,191	5,267	-	-	3,191	5,267
Public Facilities Authority	-	-	30,815	30,235	30,815	30,235
Total Expenses	<u>\$ 176,774</u>	<u>\$ 181,331</u>	<u>\$ 30,815</u>	<u>\$ 30,235</u>	<u>\$ 207,589</u>	<u>\$ 211,566</u>
Increase (decrease) in net assets before transfers	51,199	69,955	(6,936)	(7,534)	44,263	62,421
Transfers (see explanation for differences)	(7,690)	(7,760)	7,683	7,636	(7)	(124)
Change in net position	43,509	62,195	747	102	44,256	62,297
Net position, beginning	159,662	97,467	86,073	85,971	245,735	183,438
Net position, ending	<u>\$ 203,171</u>	<u>\$ 159,662</u>	<u>\$ 86,820</u>	<u>\$ 86,073</u>	<u>\$ 289,991</u>	<u>\$ 245,735</u>

Business Type Activities operate on a calendar year.

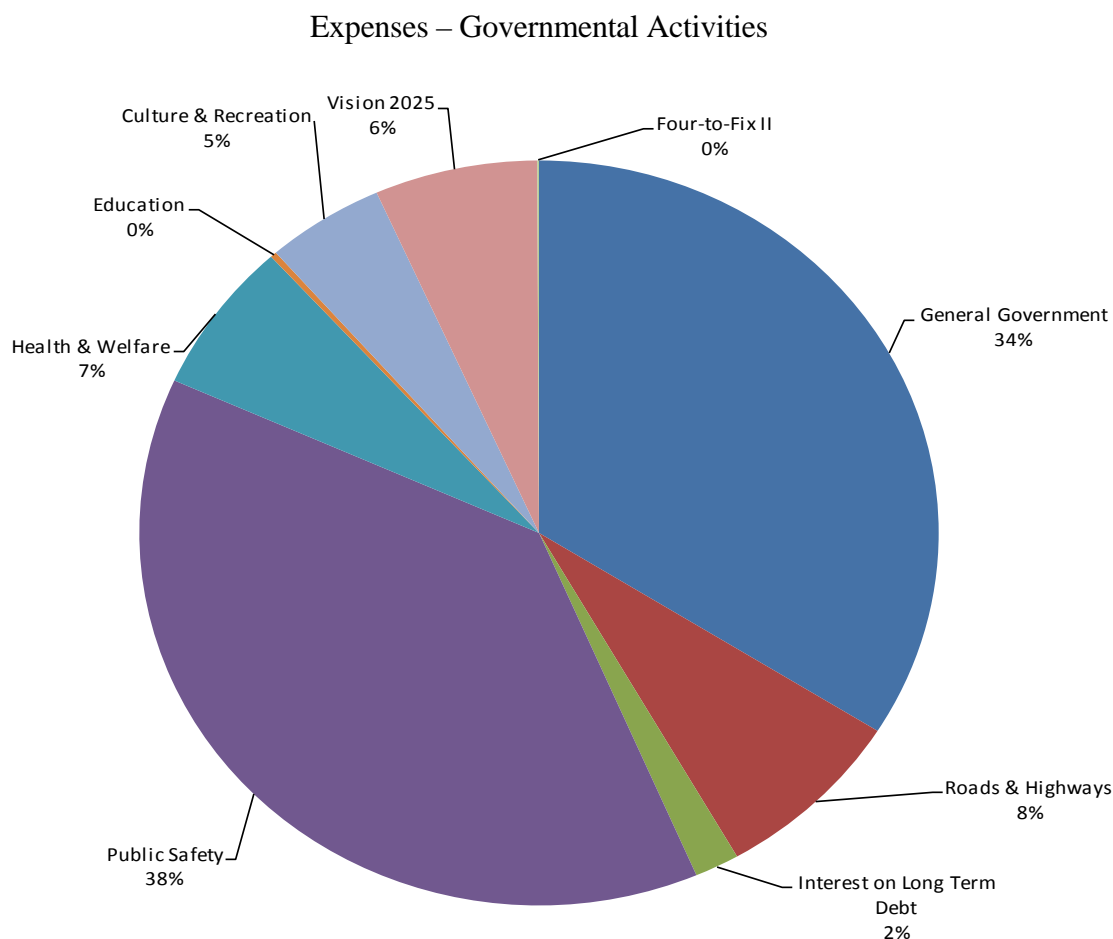
Revenues – Governmental Activities



Governmental Activities

Of the total revenues of \$228 million and \$251.3 million for governmental activities during the fiscal year ended June 30, 2016 and 2015, respectively, ad valorem and other taxes make up 31% and 27%, respectively and sales taxes make up 43% and 39%, respectively. During fiscal year 2016, the levy on property taxes was \$70.1 million, a \$2.3 million increase over the previous year. During fiscal year 2015, the levy on property taxes was \$67.7 million, a \$1.8 million increase over the previous year. Ad valorem tax collections during fiscal year 2015 increased by \$1.5 million or 2.4%. Ad valorem tax collections during fiscal year 2016 increased by \$2.8 million or 4.3%. Property tax collections during the most recent fiscal year were at 96.1% of the amount levied for the period. Historical patterns indicate that approximately 3% of the levy amount outstanding will be collected in the 5 or 6 years after the year levied. The average percentage of the levy collected during the years 2007-2016 was 95.6% of the taxes levied. Property values in Tulsa County have risen slightly over the past three fiscal years as reflected by the higher tax levies. Sales tax collections were steady with a \$1.1 million increase for the fiscal year ended June 30, 2016. Payments to the Criminal Justice Authority of \$27.2 million represent sales tax collections forwarded during the fiscal year ended June 30, 2016 for the Sheriff to operate the jail. The Sheriff has been operating the jail since July 1, 2005. Of the total expenses of \$176.8 million and \$181.3 million for governmental activities during fiscal years ended June 30, 2016 and 2015, respectively, general government makes up 33.9% and 33.2%, respectively. Expenses for public safety including the payments to the Criminal Justice Authority to operate the jail were \$67.5

million and \$78 million during fiscal year ended June 30, 2016 and 2015, respectively or 38.2% and 42.9% of total expenses in Governmental Activities. Other Tulsa County's expenses cover a range of services, including roads and highways, health and welfare, culture and recreation, and social and economic programs and they were fairly constant over the past two fiscal years except for those activities with significant variances explained above.



Business-Type Activities

The Public Facilities Authority changed its fiscal year from July-June to January-December, effective July 1, 2008. The Authority's net position increased \$0.7 million for the year ended December 31, 2015. The Authority's net position as a percentage of total assets and deferred outflows was 79.2% at the end of December 31, 2015 and 76.6% at the end of December 31, 2014, resulting in an increase of 2.6%. Total assets and deferred outflows decreased \$2.7 million for the fiscal year ended December 31, 2015 resulting from depreciation of assets and the reduction of restricted assets. Total liabilities decreased by \$3.5 million due primarily to the payment of principal on capital revenue bonds during 2015.

Total revenues increased by approximately \$1.2 million for the calendar year ended December 31, 2015. Total expenses for the calendar year ended December 31, 2015 increased \$0.6 million. Transfers in from Tulsa County report a \$0.05 million increase for the calendar year 2015. These resulted in revenues and transfers in exceeding expenses by \$0.6 million during the calendar year ended December 31, 2015.

Financial Analysis of the County's Funds

Major Funds

As Tulsa County completed fiscal year 2016, its governmental funds reported a combined fund balance of \$207.8 million, or \$37.9 million higher than the previous year. The fund balance of the Tulsa County Industrial Authority's (TCIA) Capital Project Fund decreased by \$0.3 million, and the fund balance of the TCIA Debt Service Fund increased by \$2.3 million. A non-major fund in fiscal year 2015, TCIA's Special Revenue Fund is a major fund for fiscal year 2016 with an increase in fund balance of \$40.2 million. The Industrial Authority issued revenue bonds of \$41.1 million during the fiscal year ended June 30, 2016. The proceeds from the bonds were deposited into the TCIA Special Revenue Fund which explains the majority of the \$40.2 million increase in its fund balance. Most of these bond proceeds were unspent at the end of the fiscal year. The fund balance in the General fund decreased by \$2.9 million during fiscal year 2016, mainly due to an increase in transfers out. The County Highway Fund had an increase in fund balance of \$1.2 million, mainly due to a decrease in capital project expenditures. The Sales Tax Fund holds a small balance in the fund but serves as the collector and disbursing agent of sales and use tax to the various authorities.

The major initiatives of the Tulsa County Industrial Authority are Vision 2025, the county jail expansion and the juvenile justice courts and detention center. The county jail expansion is expected to be completed by December 2016.

Vision 2025

The following schedule depicts the status on a cash basis of selected major capital projects (arranged by voter proposition) as of June 30, 2016 with the amount expended this fiscal year, the total expended project to date, as well as the percentage of completion as of June 30, 2016 as compared to the budget.

<u>Voter Proposition</u>	<u>Capital Project</u>	<u>Expended this Fiscal Year</u>	<u>Total Expended Project to Date</u>	<u>Percentage Completed</u>
American Airlines	American Airlines	\$ -	\$ 22,300,000	100.0%
Economic Development	OU-Tulsa	-	30,000,000	100.0%
Economic Development	OSU-Tulsa	-	28,500,000	100.0%
Economic Development	NSU-Broken Arrow	-	26,000,000	100.0%
Economic Development	Tulsa Regional Convention	-	228,500,098	100.0%
Economic Development	Expo Square	-	40,000,000	100.0%
Community Enrichment	Tulsa County Parks	-	12,277,763	96.7%
Community Enrichment	Route 66	126,961	9,942,577	66.3%
Community Enrichment	Downtown Tulsa	30,403	21,478,172	99.5%
Community Enrichment	Owasso Medical	-	4,500,000	100.0%
Community Enrichment	61st Street City	-	2,730,359	100.0%

There is a balance of \$47,715,000 of outstanding bonds as of June 30, 2016, related to the Vision 2025 projects. These bonds will be repaid with pledged sales tax revenues, debt service reserve funds and lease revenues remitted from the County and its discretely presented component unit.

General Fund Budgetary Highlights

The final budgeted amounts for the General Fund beginning fund balance, budgetary basis as of June 30, 2016, was \$2.6 million higher than the original budgeted amount; a conservative estimate is made early in the budget cycle for the projected carryover amount. The final budgeted amounts for total expenditures

were \$5.5 million lower than originally budgeted. \$1.1 million of the decrease was in General Government and is due to the fact that the County's partial medical self-insurance program is budgeted in the General Fund and expended by the County's Risk Management fund. There is a monthly transfer from the County General Fund to the Risk Management fund therefore reducing the General Fund Budget. A \$0.5 million decrease in Roads and Highways was due to the County Engineers moving the funds in their General Fund Budget to the County Highway fund to spend on capital equipment used for road and bridge repairs. There was a \$3.2 million decrease in Health and Welfare due mainly to \$2.9 million in funds being transferred to TCIA for the Juvenile Courts and Detention Center project. The \$0.7 million decrease in the Public Safety fund is due to decrease in Sheriff's employee costs in the general fund and transfer of funds for court house security cost to Sheriff's Cash fund.

The final actual amounts for revenues were \$2.2 million higher than originally budgeted. This is mainly due to an increase in Ad Valorem Tax and Documentary Stamp collections.

Actual expenditures were \$7.5 million, or 10.8% lower than the final budgeted amount for expenditures, mainly due to decrease in General Government spending and decrease in Health and Welfare spending. The decrease in General Government expenditures are due mainly to the following areas spending less than budget: 1) Building Operations/Fleet Maintenance spent \$2.1 million less. 2) Administrative Services spent \$0.3 million less. 3) Court Clerk spent \$0.5 million less. 4) Election Board spent \$0.3 million less than budget. 5) Risk Management expenditures were down \$1.8 million. 6) Information Technology spent \$0.6 million less than budget 7) Juvenile spent \$0.5 million less than budget.

Actual revenues and transfers in were \$2.4 million less than expenditures and transfers out for the General Fund. General Fund transfers out to the County Contribution Jail Operating Fund was the main reason for this. The General Fund final fund balance as of June 30, 2016 ended at a level of 17% of annual revenues. There does not appear to be a liquidity problem with the funds currently available for appropriation in the General Fund.

Capital Asset and Debt Administration

Capital Assets

At the end of 2016, the County had \$223.5 million, net of depreciation, invested in a broad range of capital assets, including machinery and equipment, buildings, roads, and bridges. This amount represents a net decrease of \$7.5 million or 3.2% less than last year. More detailed information on capital assets can be found in Note III. D. in the notes to the Financial Statements section.

Tulsa County's Capital Assets
(Net of depreciation, in thousands of dollars)

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$ 19,943	\$ 19,768	\$ 96	\$ 96	\$ 20,039	\$ 19,864
Construction in Progress	7,180	8,923	-	-	7,180	8,923
Buildings	21,695	22,468	88,015	94,154	109,710	116,622
Machinery and Equipment	17,575	16,386	3,417	3,399	20,992	19,785
Capitalized Software	931	877	-	-	931	877
Infrastructure	64,655	64,918	-	-	64,655	64,918
Total	<u>\$ 131,979</u>	<u>\$ 133,340</u>	<u>\$ 91,528</u>	<u>\$ 97,649</u>	<u>\$ 223,507</u>	<u>\$ 230,989</u>

Long-term Debt

Tulsa County had a total of \$143.2 million and \$150.6 million in outstanding debt at the end of fiscal years 2016 and 2015, respectively. Governmental Activities decreased by \$3.2 million while Business-Type Activities decreased by \$4.2 million. The \$3.2 million decrease in Governmental Activities debt is a result mainly of the payment of \$36.4 million on the Capital Improvement Revenue Bonds Series 2003, the payment of \$6.3 million on the Capital Improvement Revenue Bonds Series 2005 C, and the payment of \$3.1 million on the Capital Improvement Revenue Bonds Series 2006 B, along with an addition of new revenue bonds issued in the amount of \$41.1 million. Funds to pay the revenue bonds outstanding will come from the sales tax that was approved by voters in September 2003, known as the Vision 2025 initiative. The proceeds from the revenue bonds will fund capital improvements for American Airlines, education, health care, and event facilities that will promote economic development and community enrichment. The Series 2010 and 2013 Capital Improvement Revenue Bonds were issued for Tulsa County Sheriff department, Parks department, and Tulsa City-County Health Department. These bonds will be paid with capital lease proceeds. The capital lease payments will be sufficient to make the debt service payments on these bonds. During fiscal year 2015, Revenue Bond Series 2014 was issued in the amount of \$9.6 million, and during fiscal year 2016, Revenue Bond Series 2015 was issued in the amount of \$3.1 million. The proceeds from these bonds are for acquiring, constructing, furnishing, equipping, operating, maintaining, remodeling and repairing an expansion of the David L. Moss Criminal Justice Center. Funds to pay the revenue bonds outstanding will come from the sales tax that was approved by voters in April 2014. Also during fiscal year 2016, Revenue Bond Series 2016 was issued in the amount of \$38 million. The proceeds from these bonds will be used to construct, operate and maintain the Juvenile Justice Courts and Detention Center. Funds to pay the revenue bonds outstanding will come from the sales tax that was approved by voters in April 2014. More detailed information on long-term debt can be found in Note III. J. in the Notes to Financial Statements section.

State law limits the amount of general obligation debt. The County can issue up to 5 percent of the assessed value of all taxable property within the County's limits. The total debt limit is calculated to be nearly \$288.6 million at the end of fiscal year 2016. The general obligation debt outstanding (\$0) less the amount available in the Debt Service Fund (\$0 million) is \$0 million, leaving a legal debt margin of \$288.6 million.

There is not a credit rating on general obligation bonds as the County has no general obligation debt. The County's other debt, principally, revenue bonds, carries a AA- rating assigned by Standard and Poor's Ratings Services.

Ad valorem tax collections have remained relatively stable at 98.7% over the past ten fiscal years. Between

the Vision 2025 and 4 to Fix County initiatives, Tulsa County has been able to both expand and maintain its infrastructure (note III. J. provides additional detail on long term debt).

Tulsa County's Outstanding Debt
(In thousands of dollars)
June 30, 2016 and 2015

	Governmental Activities		Business-type Activities		Total	
	2016	2015	2016	2015	2016	2015
Revenue bonds payable-2003	\$ 22,000	\$ 58,415	\$ -	\$ -	\$ 22,000	\$ 58,415
Revenue bonds payable-2005	15,890	15,890	-	-	15,890	15,890
Revenue bonds payable-2005	6,500	12,775	-	16,931	6,500	29,706
Revenue bonds payable-2006	3,325	6,425	-	-	3,325	6,425
Revenue bonds payable-2010	13,900	14,530	-	-	13,900	14,530
Revenue bonds payable-2011	-	-	4,040	6,035	4,040	6,035
Revenue bonds payable-2013	1,190	1,350	-	-	1,190	1,350
Revenue bonds payable-2014	9,085	9,595	-	-	9,085	9,595
Loan payable-2014	989	403	-	-	989	403
Revenue bonds payable-2015	3,100	-	14,745	-	17,845	-
Revenue bonds payable-2016	38,020	-	-	-	38,020	-
Premium on debt issuance	1,313	2,092	-	-	1,313	2,092
Capital leases payable	2,394	306	-	-	2,394	306
Judgements payable	495	121	-	-	495	121
Compensated absences	6,189	5,748	-	-	6,189	5,748
Total	<u>\$ 124,390</u>	<u>\$ 127,650</u>	<u>\$ 18,785</u>	<u>\$ 22,966</u>	<u>\$ 143,175</u>	<u>\$ 150,616</u>

Economic Factors and the Impact on Next Year's Budgets

Sales tax receipts for the fiscal year ended June 30, 2016 increased 2.38% from the previous year. The total assessed valuation of real estate increased by 4.18% during the fiscal year ended June 30, 2016. In summary, real estate values in Tulsa County have increased and collections of ad valorem taxes slightly increased in fiscal year 2016. The County is significantly dependent on ad valorem tax levies to finance local services, with more than 85% of the county general fund operating revenues derived from this single revenue source. Thus, Tulsa County is vulnerable to the inherent volatility of this revenue stream due to economic factors. While Tulsa County has not suffered the budget ups and downs of other local governments, revenues have increased at a slow rate while many fixed costs such as employee healthcare have risen at a higher rate. The County General fund incurred an additional \$1.48 million in costs for jail operations in fiscal year 2016. The fiscal year 2017 budget plans for most departments under the Board of County Commissioners and all elected offices to keep their budget flat from fiscal year 2016. The election board and administrative services department, which prints ballots, will increase their budget for fiscal year 2017 due to the presidential election. The largest impact to the fiscal year 2017 budget is the addition of a General Fund appropriation for County Jail operations. This additional net cost of \$2.4 million to the General Fund budget for fiscal year 2017 was made in response to the unplanned jail operational needs in fiscal year 2015 and fiscal year 2016. Therefore, the single largest economic impact to the County General fund for both fiscal year 2016 (\$1.48 million) and fiscal year 2017 (\$2.4 million) is in the area of jail operations. Jail operations had no impact on the General Fund prior to fiscal year 2015 for close to a decade due to the fact that the dedicated sales tax and other jail related revenues were sufficient to cover operations. Beginning in fiscal year 2015 these revenues failed to meet all of the obligations of jail operations.

Contacting the County's Financial Management

This financial report is designed to provide citizens, taxpayers, plan participants and others with a general overview of Tulsa County's finances. Questions concerning any data provided in this report or requests for complete financial statements of the individual blended and discretely presented component units can be sent to the Tulsa County Clerk's office at 500 South Denver Avenue, Suite 120, Tulsa, Oklahoma 74103 or online at www.tulsacounty.org.

Basic Financial Statements

Tulsa County, Oklahoma
Statement of Net Position
June 30, 2016

	Primary Government			Component
	Governmental	Business-Type	Total	Units
	Activities	Activities		
ASSETS AND DEFERRED OUTFLOWS				
Assets:				
Current assets:				
Cash and cash equivalents	\$ 68,333,573	\$ 3,959,711	\$ 72,293,284	\$ 16,263,719
Restricted cash and cash equivalents	133,872,490	-	133,872,490	-
Accounts receivable	1,441,534	2,481,657	3,923,191	241,794
Ad valorem taxes receivable, (net of allowance for uncollectibles)	3,662,267	-	3,662,267	674,109
Sales tax receivable	12,492,126	-	12,492,126	-
Use tax receivable	955,862	-	955,862	-
Other taxes receivable	452,548	-	452,548	-
Accrued interest receivable	160,962	-	160,962	221
Capital leases receivable - current portion	225,787	-	225,787	-
Internal balances	(886,023)	-	(886,023)	-
Due from fiduciary funds	216,368	-	216,368	-
Intergovernmental receivables-from others	1,498,381	-	1,498,381	6,680,551
Inventory	300,676	173,448	474,124	807,984
Deferred and prepaid expenses	-	209,920	209,920	85,002
Total current assets	222,726,551	6,824,736	229,551,287	24,753,380
Non-current assets:				
Restricted cash and cash equivalents	-	9,375,553	9,375,553	35,839
Restricted - amounts held for others	-	1,005,510	1,005,510	-
Capital leases receivable - noncurrent portion	9,395,121	-	9,395,121	-
Land	19,943,110	96,000	20,039,110	5,168,624
Construction in progress	7,179,980	-	7,179,980	12,359,557
Capital assets, net	104,855,901	91,431,832	196,287,733	55,018,592
Total non-current assets	141,374,112	101,908,895	243,283,007	72,582,612
Total assets	364,100,663	108,733,631	472,834,294	97,335,992
Deferred outflows of resources:				
Pension related deferrals	26,831,055	816,933	27,647,988	5,791,932
Refundings of debt	370,264	115,547	485,811	-
Total deferred outflows of resources	27,201,319	932,480	28,133,799	5,791,932
TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 391,301,982	\$ 109,666,111	\$ 500,968,093	\$ 103,127,924
LIABILITIES, DEFERRED INFLOWS AND NET POSITION				
Liabilities:				
Current liabilities:				
Accrued interest payable	\$ 225,676	\$ 80,613	\$ 306,289	\$ -
Accounts payable	8,340,909	676,770	9,017,679	1,015,180
Salaries and benefits payable	99,854	-	99,854	-
Accrued liabilities	-	-	-	18,690
Payable to Tulsa County	-	-	-	28,700
Unearned revenue	105,124	-	105,124	-
Due to Criminal Justice Authority	3,408,420	-	3,408,420	-
Workers compensation, current portion	364,000	-	364,000	-
Other accrued expenses	-	303,700	303,700	-
Deferred credits and event revenues	-	162,660	162,660	-
Judgments payable, current portion	175,950	-	175,950	-
Bonds payable, current portion	50,136,196	4,375,000	54,511,196	-
Compensated absences, current portion	567,800	-	567,800	173,999
Obligations under capital leases, current portion	381,326	-	381,326	225,787
Total current liabilities	63,805,255	5,598,743	69,403,998	1,462,356
Non-current liabilities:				
Bonds payable	65,175,838	14,410,000	79,585,838	-
Judgments payable, long term portion	319,067	-	319,067	-
Trust fund liabilities	-	1,005,510	1,005,510	-
Workers compensation, long term portion	1,701,991	-	1,701,991	-
Compensated absences, long term portion	5,621,576	-	5,621,576	1,150,853
Net pension liability	32,218,952	1,113,629	33,332,581	6,990,594
OPEB liability	3,192,200	-	3,192,200	-
Obligations under capital leases, long-term portion	2,013,100	-	2,013,100	9,395,120
Total non-current liabilities	110,242,724	16,529,139	126,771,863	17,536,567
Total liabilities	174,047,979	22,127,882	196,175,861	18,998,923
Deferred inflows of resources:				
Pension related deferrals	14,007,582	554,105	14,561,687	3,155,936
Refundings of debt	75,529	164,513	240,042	-
Total deferred inflows of resources	14,083,111	718,618	14,801,729	3,155,936
Net position:				
Net investment in capital assets	114,221,112	72,693,866	186,914,978	62,925,866
Restricted for:				
Debt service	269,329	1,542,721	1,812,050	35,839
Capital projects	8,415,049	6,968,697	15,383,746	-
Debt service/capital projects	52,145,155	-	52,145,155	-
Public safety	3,624,535	-	3,624,535	-
Roads and highways	11,456,644	-	11,456,644	-
General government	18,495,617	-	18,495,617	-
Other	6,072,825	-	6,072,825	19,920
Criminal Justice Authority operations	-	-	-	3,395,022
Unrestricted	(11,529,374)	5,614,327	(5,915,047)	14,596,418
Total net position	203,170,892	86,819,611	289,990,503	80,973,065
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	\$ 391,301,982	\$ 109,666,111	\$ 500,968,093	\$ 103,127,924

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

Tulsa County, Oklahoma
Statement of Activities
For the Year Ended June 30, 2016

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		Component Units
					Governmental Activities	Business-Type Activities	
Primary Government:							
Governmental activities:							
Public safety	\$ 71,604,320	\$ 5,313,286	\$ 9,652,258	\$ -	\$ (56,638,776)	\$ -	\$ -
Health and welfare	67,461,008	6,186,238	6,651,607	-	(54,623,163)	-	-
Culture and recreation	11,648,310	143,663	3,414,652	-	(8,089,995)	-	-
Education	8,449,350	2,602,677	74,696	-	(5,771,977)	-	-
Roads and highways	452,047	-	-	-	(452,047)	-	-
Interest on long-term debt	13,968,372	-	6,430,281	535,854	(7,002,237)	-	-
Total governmental activities	3,190,961	468,187	-	-	(2,722,774)	-	-
	\$ 176,774,368	\$ 14,714,051	\$ 26,223,494	\$ 535,854	\$ (135,300,969)	\$ -	\$ -
Business-type activities:							
Public Facilities Authority	30,815,387	23,879,123	-	-	-	(6,936,264)	-
Total business-type activities	\$ 30,815,387	\$ 23,879,123	\$ -	\$ -	\$ -	\$ (6,936,264)	\$ -
Total primary government	\$ 207,589,755	\$ 38,593,174	\$ 26,223,494	\$ 535,854	\$ (135,300,969)	\$ (6,936,264)	\$ -
Component units:							
Criminal Justice Authority	\$ 29,667,368	\$ 77,680	\$ 27,239,552	\$ 11,413,273			9,063,137
City/County Health Department	28,261,073	2,805,137	13,146,533	-			(12,309,403)
Tulsa County Juvenile Justice Trust Authority	325,496	-	416,537	-			91,041
Tulsa County Home Finance Authority	33,950	176,973	-	-			143,023
Total component units	\$ 58,287,887	\$ 3,059,790	\$ 40,802,622	\$ 11,413,273			\$ (3,012,202)
General revenues:							
Taxes:							
Sales taxes			98,835,747			-	-
Use tax			8,296,250			-	-
Ad valorem taxes			61,779,123			-	13,988,269
Other taxes			8,338,184			-	-
Interest and investment earnings			1,109,492			265	24,888
Miscellaneous			8,140,841			-	371,360
Transfers (difference is explained in the notes)			(7,690,089)			7,682,552	-
Total general revenues, contributions, special items, and transfers			178,809,548			7,682,817	14,384,517
Change in net position			43,508,579			746,553	11,372,315
Net position-beginning			159,662,313			86,073,058	69,600,750
Net position-ending			\$ 203,170,892			\$ 86,819,611	\$ 80,973,065

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

Tulsa County, Oklahoma
Balance Sheet
Governmental Funds
June 30, 2016

ASSETS

	General Fund	County Highway Fund	Sales Tax Fund	Industrial Authority Special Revenue Fund	Industrial Authority Capital Projects Fund	Industrial Authority Debt Service Fund	Other Governmental Funds	Total Governmental Funds
Cash and cash equivalents	\$ 13,075,230	\$ 15,788,263	\$ 691,941	\$ -	\$ -	\$ -	\$ 38,778,139	\$ 68,333,573
Accounts receivable	208,456	-	-	-	-	-	1,233,078	1,441,534
Capital leases receivable	-	-	-	-	-	9,620,908	-	9,620,908
Restricted cash, cash equivalents, and investments	-	-	-	51,840,733	327,558	81,704,199	-	133,872,490
Interest and dividends receivable	50,435	3,480	11,074	1,060	63	94,768	82	160,962
Other taxes receivables	177,368	275,180	-	-	-	-	-	452,548
Ad valorem taxes receivable (net of allowance for uncollectibles)	2,979,866	-	-	-	-	-	682,401	3,662,267
Use tax receivable	-	-	955,862	-	-	-	-	955,862
Sales tax receivable	-	-	12,492,126	-	-	-	-	12,492,126
Due from other funds	-	-	-	912,728	1,588,770	8,173,692	451,330	11,126,520
Due from other governments	11,513	690,941	-	-	-	-	795,927	1,498,381
Consumable Inventory	-	300,676	-	-	-	-	-	300,676
Total Assets	\$ 16,502,868	\$ 17,058,540	\$ 14,151,003	\$ 52,754,521	\$ 1,916,391	\$ 99,593,567	\$ 41,940,957	\$ 243,917,847

LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES

Liabilities:

Salaries and benefits payable	92,375	-	-	-	-	-	7,479	99,854
Accounts payable and accrued liabilities	1,166,584	1,069,153	-	2,058,047	1,885,859	226,214	1,935,052	8,340,909
Unearned revenue	-	-	-	-	-	-	105,124	105,124
Due to other funds	-	200,000	10,007,405	-	-	1,588,770	-	11,796,175
Due to Criminal Justice Authority	-	-	3,408,420	-	-	-	-	3,408,420
Total Liabilities	1,258,959	1,269,153	13,415,825	2,058,047	1,885,859	1,814,984	2,047,655	23,750,482

Deferred Inflows:

Unavailable revenue	2,600,944	61,436	-	-	-	9,707,546	5,906	12,375,832
Total Deferred Inflows	2,600,944	61,436	-	-	-	9,707,546	5,906	12,375,832

Fund Balances:

Nonspendable	-	300,676	-	-	-	-	-	300,676
Restricted	-	15,427,275	-	50,696,474	30,532	88,071,037	32,280,089	186,505,407
Committed	-	-	735,178	-	-	-	7,607,307	8,342,485
Assigned	9,079,797	-	-	-	-	-	-	9,079,797
Unassigned	3,563,168	-	-	-	-	-	-	3,563,168
Total Fund Balances	12,642,965	15,727,951	735,178	50,696,474	30,532	88,071,037	39,887,396	207,791,533

Total Liabilities, Deferred Inflows, and Fund Balances

\$ 16,502,868	\$ 17,058,540	\$ 14,151,003	\$ 52,754,521	\$ 1,916,391	\$ 99,593,567	\$ 41,940,957	\$ 243,917,847
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The notes to the financial statements are an integral part of this statement.

Tulsa County, Oklahoma
Reconciliation of the Balance Sheet
to the Statement of Net Position
June 30, 2016

Fund Balance, total governmental funds	\$ 207,791,533
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets and construction in progress used in governmental activities are not financial resources and, therefore, are not reported in the funds	131,978,991
Ad valorem taxes and other receivables will be collected during the next fiscal year. The governmental funds statements report as deferred revenue the amount that is expected to be collected after 60 days, net of an allowance for uncollectible.	2,754,924
Capital lease receivables will be collected during subsequent fiscal years. The governmental funds statements report as deferred revenue the amount that is expected to be collected after 60 days.	9,620,908
Accrued interest payable not immediately due and payable is not reported in the funds.	(225,676)
The net pension liability (and related deferrals) used in governmental activities is not considered a current liability and thus not reported in the funds.	(19,395,479)
Proceeds from the 2003 revenue bonds are not financial resources, and therefore, are not reported in the funds.	(22,000,000)
Principal payments of \$36,415,000 are not financial uses but a reduction of the liability.	
Revenue bonds represent long-term liabilities.	
Proceeds from the 2005 revenue bonds are not financial resources, and therefore, are not reported in the funds.	(22,390,000)
Principal payments of \$6,275,000 are not financial uses but a reduction of the liability.	
Revenue bonds represent long-term liabilities.	
Proceeds from the 2006 revenue bonds are not financial resources, and therefore, are not reported in the funds.	(3,325,000)
Principal payments of \$3,100,000 are not financial uses but a reduction of the liability.	
Revenue bonds represent long-term liabilities.	
Proceeds from the 2010 revenue bonds are not financial resources, and therefore, are not reported in the funds.	(13,900,000)
Principal payments of \$630,000 are not financial uses but a reduction of the liability.	
Revenue bonds represent long-term liabilities.	
Proceeds from the 2013 revenue bonds are not financial resources, and therefore, are not reported in the funds.	(1,190,000)
Principal payments of \$160,000 are not financial uses but a reduction of the liability.	
Revenue bonds represent long-term liabilities.	
Proceeds from the 2014 revenue bonds are not financial resources, and therefore, are not reported in the funds.	(9,085,000)
Principal payments of \$510,000 are not financial uses but a reduction of the liability.	
Revenue bonds represent long-term liabilities.	
Proceeds from the 2015 revenue bonds are not financial resources, and therefore, are not reported in the funds.	(3,100,000)
There were no principal payments. Revenue bonds represent long-term liabilities.	
Proceeds from the 2015 ARRA loan are not financial resources, and therefore, are not reported in the funds.	(989,459)
Principal payments of \$65,541. Revenue bonds represent long-term liabilities.	
Proceeds from the 2016 revenue bonds are not financial resources, and therefore, are not reported in the funds.	(38,020,000)
There were no principal payments. Revenue bonds represent long-term liabilities.	
Unamortized bond premiums are not reported in the funds. This premium is amortized to interest expense as bonds are paid	(1,312,575)
Deferred gains and losses on refunding are not financial resources and, therefore, are not reported in the funds. These are amortized to interest expense over the shorter of the remaining life of the refunded bonds or the life of the new bonds.	294,735
Accrual of OPEB liability, which is not reported in governmental fund statements.	(3,192,200)
Accrual of Worker's Compensation liability, which is not reported in governmental fund statements.	(2,065,991)
Long-term liabilities (Capital leases payable of \$2,394,426, judgments payable of \$495,017, and compensated absences of \$6,189,376) are not due and payable in the current period, and therefore, are not reported in the current period.	(9,078,819)
Net position of governmental activities	<u>\$ 203,170,892</u>

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

Tulsa County, Oklahoma
Statements of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the year ended June 30, 2016

	General Fund	County Highway Fund	Sales Tax Fund	Industrial Authority Special Revenue Fund	Industrial Authority Capital Projects Fund	Industrial Authority Debt Service Fund	Other Governmental Funds	Total Governmental Funds
REVENUE:								
Ad valorem taxes	\$ 55,719,242	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,711,368	\$ 61,430,610
Other taxes	3,961,697	3,087,445	-	-	-	-	1,289,042	8,338,184
Charge for services	3,128,839	-	-	-	-	-	11,246,938	14,375,777
Sales taxes	-	-	98,835,747	-	-	-	-	98,835,747
Use tax	-	-	8,296,250	-	-	-	-	8,296,250
Capital lease revenue	-	-	-	-	-	682,818	-	682,818
Intergovernmental revenue	541,620	6,966,649	-	-	-	-	19,313,203	26,821,472
Investment income	210,806	33,951	84,776	4,861	369	766,426	802	1,101,991
Miscellaneous revenue	1,419,851	227,205	-	-	-	-	6,493,785	8,140,841
Total Revenues	64,982,055	10,315,250	107,216,773	4,861	369	1,449,244	44,055,138	228,023,690
EXPENDITURE								
Current:								
General government	34,496,070	-	-	776,526	1,227,103	980,889	18,656,286	56,136,874
Public safety	11,255,357	-	-	11,413,274	-	-	15,835,914	38,504,545
Health and welfare	7,044,082	-	-	41,005	-	-	4,830,124	11,915,211
Education	441,920	-	-	-	-	-	-	441,920
Culture and recreation	5,581,972	-	-	-	-	-	2,020,458	7,602,430
Roads and highways	911,975	9,323,650	-	-	-	-	-	10,235,625
Payment to Criminal Justice Authority	-	-	26,973,236	-	-	-	264,507	27,237,743
Payment to Other Governments (See Note 1.F.)	-	-	-	-	-	-	1,800,000	1,800,000
Capital outlay	1,189,979	2,583,695	-	348,549	-	18,330	4,694,680	8,835,233
Capital outlay - Vision 2025	-	-	-	-	11,644,233	-	-	11,644,233
Capital outlay - 4-To-Fix	-	518,411	-	-	-	-	88,081	606,492
Debt service:								
Principal retirement	-	49,175	-	575,541	-	46,580,000	100,702	47,305,418
Debt interest	-	951	-	474,436	-	4,350,532	6,768	4,832,687
Total Expenditures	60,921,355	12,475,882	26,973,236	13,629,331	12,871,336	51,929,751	48,297,520	227,098,411
Excess (deficiency) of revenues over (under) expenditures	4,060,700	(2,160,632)	80,243,537	(13,624,470)	(12,870,967)	(50,480,507)	(4,242,382)	925,279
Other Financing Sources (uses):								
Bond premium	-	-	-	648,000	-	-	-	648,000
Long-term debt proceeds	-	225,000	-	41,772,166	-	-	2,004,172	44,001,338
Transfers in (primary government)	10,171,903	3,147,674	-	11,427,344	13,541,179	66,290,983	22,243,315	126,822,398
Transfers out (primary government)	(17,119,295)	-	(79,898,732)	-	(923,077)	(13,541,179)	(23,030,204)	(134,512,487)
Total Other Financing Sources (uses)	(6,947,392)	3,372,674	(79,898,732)	53,847,510	12,618,102	52,749,804	1,217,283	36,959,249
Net change in fund balances	(2,886,692)	1,212,042	344,805	40,223,040	(252,865)	2,269,297	(3,025,099)	37,884,528
Fund Balance, beginning	15,529,657	14,515,909	390,373	10,473,434	283,397	85,801,740	42,912,495	169,907,005
Fund Balance, ending	\$ 12,642,965	\$ 15,727,951	\$ 735,178	\$ 50,696,474	\$ 30,532	\$ 88,071,037	\$ 39,887,396	\$ 207,791,533

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

Tulsa County, Oklahoma
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances
of Governmental Funds to the Statement of Activities
For the year ended June 30, 2016

Net change in fund balances--total governmental funds \$ 37,884,528

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

Governmental funds report capital outlays as expenditures while governmental activities report depreciation expense to allocate those expenditures over the life of the assets:

Capital asset purchases capitalized	6,651,036
Depreciation expense	(7,531,057)
Book value of disposed capital assets	(480,528)

Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position

Revenue bonds	47,155,541
Capital leases	140,662
Judgments payable	100,703

Long-term debt incurred does not represent financial resources and are not reported in the funds. However, in the statement of net assets they are reported as a long-term liability.

Judgments payable	-
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Issuance of debt is a revenue in the governmental funds, but the receipt increases long-term liabilities in the statement of net position

Revenue bonds	(41,772,166)
Revenue bonds, premium	(648,000)
Capital leases	(2,229,171)
Judgments payable	(474,351)

Amortization of bond premium over the term of the related debt.	1,427,541
Amortization of deferred gain and charge on debt refundings	(38,817)

Some expenses reported in the statement of activities do not require current financial resources, and therefore, are not reported as expenditures in governmental funds.

Change in worker's compensation claims	985,928
Change in estimated liability for OPEB obligation	(283,400)
Change in net pension liability and related deferrals	2,890,346
Change in accrued compensated absences liability	(441,469)
Change in accrued interest payable	253,002

Some revenues reported in the statement of activities do not provide current financial resources in the current year

Change in deferred revenue	(81,749)
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Change in net position--statement of activities	\$ 43,508,579
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The notes to the financial statements are an integral part of this statement.

Tulsa County, Oklahoma

**Proprietary Fund
Statement of Net Position
June 30, 2016**

<p>Tulsa County Public Facilities Authority</p>
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ASSETS

Current assets:	
Cash and cash equivalents	\$ 3,959,711
Investments	-
Due from other funds	-
Accounts receivable	2,481,657
Prepaid expenses	209,920
Inventories	173,448
	<hr/>
Total current assets	6,824,736
	<hr/>
Noncurrent assets:	
Restricted cash and cash equivalents	9,375,553
Restricted Horsemen's Trust Account	1,005,510
Land	96,000
Construction in progress	-
Capital assets, net of accumulated depreciation	91,431,832
Bond issuance costs, net	-
	<hr/>
Total noncurrent assets	101,908,895
	<hr/>
Deferred outflows of resources	
Refunding of debt	115,547
Pension	816,933
	<hr/>
Total deferred outflows	932,480
	<hr/>
Total assets and deferred outflows of resources	\$ 109,666,111

LIABILITIES AND NET POSITION

Current liabilities:	
Accrued interest payable	\$ 80,613
Accounts payable	676,770
Other accrued expenses	303,700
Unearned credits and event revenues	162,660
Current portion of 2003, 2005, and 2007 revenue bonds	4,375,000
	<hr/>
Total current liabilities	5,598,743
	<hr/>
Noncurrent liabilities:	
Liability to horsemen	1,005,510
Net pension liability	1,113,629
Bonds payable	14,410,000
	<hr/>
Total noncurrent liabilities	16,529,139
	<hr/>
Total liabilities	22,127,882
	<hr/>
Deferred inflows of resources	
Pension	554,105
Refundings of debt	164,513
	<hr/>
Total deferred inflows	718,618
	<hr/>
Net position:	
Net investment in capital assets	72,693,866
Restricted for debt service	1,542,721
Restricted for capital projects	6,968,697
Unrestricted	5,614,327
	<hr/>
Total net position	86,819,611
	<hr/>
Total liabilities and net position	\$ 109,666,111

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

Tulsa County, Oklahoma

**Proprietary Fund
Statement of Revenues, Expenses, and Changes in Net Position
For the year ended June 30, 2016**

	Tulsa County Public Facilities Authority
Operating Revenues	
Commissions	\$ 1,563,454
State fair revenue	3,563,850
Space rental (exhibits)	5,908,167
Racing revenue	1,956,416
Other income and fees	10,887,236
Total operating revenues	<u>23,879,123</u>
Operating Expenses	
Personnel	7,860,571
Maintenance and operation	10,543,140
Outside services	3,843,916
Total operating expenses	<u>22,247,627</u>
Operating income before depreciation and amortization	<u>1,631,496</u>
Depreciation and amortization	(7,792,953)
Amortization of deferred credits	-
Total depreciation and amortization	<u>(7,792,953)</u>
Operating income (loss)	(6,161,457)
Non-operating revenues (expenses)	
Interest income	265
Interest (expense)	<u>(774,807)</u>
Income (loss) before contributions and transfers	<u>(6,935,999)</u>
Contributions of capital assets	-
Transfers of sales tax collections	<u>7,682,552</u>
Total contributions and transfers	<u>7,682,552</u>
Change in net position	746,553
Net position at beginning of year	<u>86,073,058</u>
Net position at end of year	<u><u>\$ 86,819,611</u></u>

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

Tulsa County, Oklahoma

**Proprietary Fund
Statement of Cash Flows
For the year ended June 30, 2016**

	Tulsa County Public Facilities Authority
Cash flows from operating activities:	
Cash received from customers	\$ 23,737,273
Cash payments to suppliers for goods and services	(14,279,565)
Cash payments to employees	(8,050,376)
Gain on sale of equipment	-
	<u>1,407,332</u>
Net cash provided by (used in) operating activities	<u>1,407,332</u>
Cash flows from capital and related financing activities:	
Proceeds from debt	-
Purchases of capital assets	(1,389,751)
Principal payments on 2003, 2005, and 2007 revenue bonds	(3,930,471)
Deferred loss on advance refunding of bonds	-
Interest paid on revenue bonds	(570,013)
Debt issue cost	-
Transfers in from other funds	<u>7,682,552</u>
Net cash provided by (used in) financing activities	<u>1,792,317</u>
Cash flows from investing activities:	
Interest received on restricted cash and investments	265
Proceeds from maturity of investment contract	-
Payments for the purchase of investments	-
Proceeds from the sale of equipment	<u>-</u>
Net cash provided by (used in) investing activities	<u>265</u>
Net increase (decrease) in cash and cash equivalents	3,199,914
Cash and cash equivalents, beginning of year	<u>11,140,860</u>
Cash and cash equivalents, end of year	<u><u>\$ 14,340,774</u></u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:	
Operating income (loss)	\$ (6,161,457)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:	
Depreciation and amortization	7,792,953
Amortization of deferred credits	-
Changes in operating assets and liabilities:	
Accounts receivable	(114,823)
Pension payments in excess of expenses	(189,805)
Prepaid event expenses	(38,029)
Prepaid and other expenses	(62,740)
Inventories	(19,479)
Accounts payable	78,205
Trust fund liabilities	113,535
Deferred credits and event revenues	(27,027)
Other accrued expenses	<u>35,999</u>
Net cash provided by (used in) operating activities	<u><u>\$ 1,407,332</u></u>
Supplemental disclosure of non-cash investing, capital and financing activities:	
Contributions of capital assets	<u><u>\$ -</u></u>
Cash and cash equivalents consist of:	
Cash and cash equivalents	\$ 3,959,711
Restricted cash and cash equivalents	9,375,553
Horseman's Trust Account	<u>1,005,510</u>
Cash and cash equivalents	<u><u>\$ 14,340,774</u></u>

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

Tulsa County, Oklahoma

**Fiduciary Funds
Statement of Fiduciary Net Position
June 30, 2016**

	Pension Trust Fund	Agency Funds
ASSETS		
Cash and cash equivalents	\$ 259,358	\$ 43,169,198
Money market mutual funds	7,780,425	-
U.S. Government and Agency obligations and		
Treasury bond mutual funds	69,709,318	-
Domestic corporate bonds and bond mutual funds	72,193,643	-
Foreign bonds and obligations	2,058,819	-
Domestic equities	93,070,970	-
International equities	20,950,033	-
Judgments	185,532	-
Ad valorem receivable	-	28,161,592
Other receivables	-	136,464
OTC receipts	-	459,366
Interest and dividend receivable	947,611	-
Due from brokers for unsettled trades	1,038,313	-
Contributions receivable from employer/employees	993,664	-
Total assets	<u>\$ 269,187,686</u>	<u>\$ 71,926,620</u>
LIABILITIES		
Accounts payable and accrued expenses	\$ 171,917	\$ 371,082
Due to brokers for unsettled trades	2,387,520	-
Due to other taxing units	-	53,260,852
Due to others	-	18,294,686
Total liabilities	<u>2,559,437</u>	<u>71,926,620</u>
NET POSITION		
Net position held in trust for pension benefits	<u>266,628,249</u>	<u>-</u>
Total net position	<u>266,628,249</u>	<u>-</u>
Total liabilities and net position	<u>\$ 269,187,686</u>	<u>\$ 71,926,620</u>

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

Tulsa County, Oklahoma

Fiduciary Fund
Statements of Changes in Fiduciary Net Position
For the year ended June 30, 2016

	Pension Trust Fund
Additions:	
Contributions:	
Plan member	\$ 968,954
Employer	<u>10,892,672</u>
Total contributions	<u>11,861,626</u>
Investment Income:	
Net appreciation (depreciation) in fair value of investments	(5,750,255)
Interest	3,503,243
Dividends	<u>3,546,312</u>
Total investment income	1,299,300
Less investment expense	<u>(1,077,700)</u>
Net investment income	<u>221,600</u>
Total additions	<u>12,083,226</u>
Deductions:	
Benefits	18,158,915
Refunds of contributions	6,280
Administrative expense	<u>120,026</u>
Total deductions	<u>18,285,221</u>
Net increase (decrease)	(6,201,995)
Net position held in trust for pension benefits	
Beginning of Year	<u>272,830,244</u>
End of Year	<u><u>\$ 266,628,249</u></u>

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

Tulsa County, Oklahoma

Discretely Presented Component Units
Statement of Net Position
June 30, 2016

	Tulsa County Criminal Justice Authority	Tulsa City-County Health Department	Tulsa County Home Finance Authority	Tulsa County Juvenile Justice Trust Authority	Total 2016
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 321,898	\$ 11,049,549	\$ 3,774,061	\$ 1,118,211	\$ 16,263,719
Investments	-	-	-	-	-
Accounts receivable - net	-	241,794	-	-	241,794
Ad valorem taxes receivable	-	674,109	-	-	674,109
Accrued interest receivable	221	-	-	-	221
Intergovernmental receivables-Due from Tulsa County	3,414,178	-	-	-	3,414,178
Intergovernmental receivables-Due from others	7,443	3,156,623	-	102,307	3,266,373
Expense advances	-	-	85,002	-	85,002
Inventory	-	807,984	-	-	807,984
Total current assets	<u>3,743,740</u>	<u>15,930,059</u>	<u>3,859,063</u>	<u>1,220,518</u>	<u>24,753,380</u>
Noncurrent assets:					
Restricted cash	-	35,839	-	-	35,839
Non-depreciable capital assets	15,683,242	1,844,939	-	-	17,528,181
Capital assets, net of accumulated depreciation	<u>41,879,963</u>	<u>13,138,629</u>	<u>-</u>	<u>-</u>	<u>55,018,592</u>
Total noncurrent assets	<u>57,563,205</u>	<u>15,019,407</u>	<u>-</u>	<u>-</u>	<u>72,582,612</u>
Total assets	<u>61,306,945</u>	<u>30,949,466</u>	<u>3,859,063</u>	<u>1,220,518</u>	<u>97,335,992</u>
Deferred outflows of resources:					
Pension related deferrals	<u>-</u>	<u>5,791,932</u>	<u>-</u>	<u>-</u>	<u>5,791,932</u>
Total assets and deferred outflows of resources	<u>\$ 61,306,945</u>	<u>\$ 36,741,398</u>	<u>\$ 3,859,063</u>	<u>\$ 1,220,518</u>	<u>\$ 103,127,924</u>
LIABILITIES AND NET POSITION					
Current liabilities:					
Accounts payable	\$ 348,718	\$ 623,525	\$ -	\$ 42,937	\$ 1,015,180
Accrued liabilities	-	18,690	-	-	18,690
Deferred revenue	-	-	-	-	-
Compensated absences, current portion	-	173,999	-	-	173,999
Capital lease, current portion	-	225,787	-	-	225,787
Payable to Tulsa County	-	28,700	-	-	28,700
Total current liabilities	<u>348,718</u>	<u>1,070,701</u>	<u>-</u>	<u>42,937</u>	<u>1,462,356</u>
Noncurrent liabilities:					
Compensated absences, less current portion	-	1,150,853	-	-	1,150,853
Capital lease - long-term portion	-	9,395,120	-	-	9,395,120
Net pension liability	-	6,990,594	-	-	6,990,594
Total noncurrent liabilities	<u>-</u>	<u>17,536,567</u>	<u>-</u>	<u>-</u>	<u>17,536,567</u>
Total liabilities	<u>348,718</u>	<u>18,607,268</u>	<u>-</u>	<u>42,937</u>	<u>18,998,923</u>
Deferred inflows of resources:					
Pension related deferrals	<u>-</u>	<u>3,155,936</u>	<u>-</u>	<u>-</u>	<u>3,155,936</u>
Total liabilities and deferred inflows of resources	<u>348,718</u>	<u>21,763,204</u>	<u>-</u>	<u>42,937</u>	<u>22,154,859</u>
Net position:					
Net investment in capital assets	57,563,205	5,362,661	-	-	62,925,866
Restricted for debt service	-	35,839	-	-	35,839
Restricted for Criminal Justice Authority operations	3,395,022	-	-	-	3,395,022
Restricted for other	-	-	-	19,920	19,920
Unrestricted	<u>-</u>	<u>9,579,694</u>	<u>3,859,063</u>	<u>1,157,661</u>	<u>14,596,418</u>
Total net position	<u>60,958,227</u>	<u>14,978,194</u>	<u>3,859,063</u>	<u>1,177,581</u>	<u>80,973,065</u>
Total liabilities and net position	<u>\$ 61,306,945</u>	<u>\$ 36,741,398</u>	<u>\$ 3,859,063</u>	<u>\$ 1,220,518</u>	<u>\$ 103,127,924</u>

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

Tulsa County, Oklahoma

**Discretely Presented Component Units
Statement of Activities
For the Year ended June 30, 2016**

	Program Revenues				Net (Expense) Revenue and Changes in Net Position				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Criminal Justice Authority	City/County			Totals
						Health Department	Home Finance Authority	Tulsa County Juvenile Justice Trust Authority	
Tulsa County Criminal Justice Authority									
General government	\$ 29,667,368	\$ 77,680	\$ 27,239,552	\$ 11,413,273	\$ 9,063,137	\$ -	\$ -	\$ -	\$ 9,063,137
Total Criminal Justice Authority	29,667,368	77,680	27,239,552	11,413,273	9,063,137	-	-	-	9,063,137
Tulsa City/County Health Department									
General government	27,792,824	2,805,137	13,146,533	-	-	(11,841,154)	-	-	(11,841,154)
Interest on long-term debt	468,249	-	-	-	-	(468,249)	-	-	(468,249)
Total City/County Health Department	28,261,073	2,805,137	13,146,533	-	-	(12,309,403)	-	-	(12,309,403)
Tulsa County Home Finance Authority									
General government	33,950	176,973	-	-	-	-	143,023	-	143,023
Total Tulsa County Home Finance Authority	33,950	176,973	-	-	-	-	143,023	-	143,023
Tulsa County Juvenile Justice Trust Authority									
General government	325,496	-	416,537	-	-	-	-	91,041	91,041
Total Tulsa County Juvenile Justice Trust Authority	325,496	-	416,537	-	-	-	-	91,041	91,041
Total Major Component Units	\$ 58,287,887	\$ 3,059,790	\$ 40,802,622	\$ 11,413,273	\$ 9,063,137	\$ (12,309,403)	\$ 143,023	\$ 91,041	\$ (3,012,202)
General revenues:									
Ad valorem taxes					-	13,988,269	-	-	13,988,269
Interest earnings					-	24,780	108	-	24,888
Miscellaneous					-	371,067	-	293	371,360
Total general revenues					-	14,384,116	108	293	14,384,517
Change in net position					9,063,137	2,074,713	143,131	91,334	11,372,315
Net position-beginning of year					51,895,090	12,903,481	3,715,932	1,086,247	69,600,750
Net position-end of year					\$ 60,958,227	\$ 14,978,194	\$ 3,859,063	\$ 1,177,581	\$ 80,973,065

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

Tulsa County, Oklahoma
Notes to the Financial Statements
June 30, 2016

Note I. Summary of Significant Accounting Policies

The financial statements of Tulsa County are presented in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. Tulsa County applies all applicable GASB pronouncements.

A. Financial Reporting Entity

In accordance with the Governmental Accounting Standards Board Statement No. 14, “The Financial Reporting Entity”, as amended by GASB Statement No. 34, No. 39 and No. 61, Tulsa County has presented the entities that comprise the primary government including its blended and discretely presented component units in its basic financial statements.

As required by accounting principles generally accepted in the United States of America, the basic financial statements present the reporting entity, which consists of the primary government and all component units for which the County is financially accountable.

1. Blended Component Units

The following component units have been presented as *blended* component units for reasons explained below:

Tulsa County Public Facilities Authority (TCPFA) – The TCPFA is a public trust established under the provisions of the Oklahoma Trust Act on January 17, 1983. The TCPFA operates on a calendar year end. The TCPFA commenced operations on March 1, 1983, and as successor to the Tulsa County Fairgrounds Trust Authority, operates and manages certain properties owned by Tulsa County, commonly referred to as the Tulsa County Fairgrounds located at Expo Square. The three Tulsa County Commissioners serve on the five (5) member TCPFA board and they appoint the other two members. The chairmanship rotates annually between the three Tulsa County Commissioners. The component unit is blended because the governing body is substantially the same as the County and there is a financial benefit/burden relationship between the two legally separate entities.

Tulsa County Industrial Authority (TCIA) – The TCIA is a public trust established under the provisions of the Oklahoma Trust Act on March 1, 1965. It was created to promote the development of industry within the boundaries of Tulsa County. The three Tulsa County Commissioners serve as the trustees of the authority with the Chair of the Board of County Commissioners also serving as Chair of TCIA. The voters of Tulsa County have passed three temporary sales tax initiatives for capital improvements which utilize TCIA for debt service activities. The authority also plays a role in debt financing of other miscellaneous projects in Tulsa County. The component unit is blended because the governing body is the same as the County and the two separate legal entities have the same management that oversees operations.

Complete audited financial statements of the individual blended component units listed above can be requested from the Tulsa County Clerk’s office at 500 South Denver Suite 120, Tulsa, Oklahoma 74103.

Tulsa County, Oklahoma
Notes to the Financial Statements
June 30, 2016

Drainage District #12 – Drainage Districts were established by the Oklahoma State Drainage Act, first enacted in 1907, to allow a funding mechanism for construction and maintenance of flood control infrastructure for lots and lands within each established district. Although the Drainage Act was repealed in 1972, a savings clause within the repealing legislation allowed drainage districts already in existence to continue to operate. Under Oklahoma law, the drainage district is a separate legal entity with the power to bring suit and be sued in its own name. It operates with an advisory board and a drainage commissioner who is appointed by the Board of County Commissioners (BOCC) after he or she has independently acquired petition signatures of at least 20% of the property owners within the District. The Drainage District #12 provides services entirely to Tulsa County. Each year, the Drainage District Commissioner submits a proposed budget based on the District's total need for operating expenses and maintenance on levees and other flood control infrastructure within Tulsa County. That budget is then approved or modified and approved by the BOCC. In addition, the BOCC has final authority over setting the assessment rate, via the budgetary process, and appeals from Drainage District assessments. Aside from approving or modifying and approving the Drainage District's budget in total, the BOCC does not exercise any control over the day to day operations of the Drainage District nor does it control how funding within that budget is ultimately allocated for Drainage District operations. The financial activity of Drainage District #12 is included under the heading of "Other Special Revenue in Non-Major Governmental Funds." The District is blended because it provides services entirely to the County.

2. Discretely Presented Component Units

The discretely presented component units are reported in a separate column in the government-wide financial statements to emphasize their legal separation from the County. They are reported in the "Component Unit" column of the government-wide financial statements. The following discretely presented component units are included in the financial statements:

Tulsa County Criminal Justice Authority (TCCJA) – The TCCJA was created pursuant to an Amended and Restated Declaration of Trust dated October 20, 1995 as a public trust for the use and benefit of the county and other municipalities, under authority of and pursuant to the provisions of Title 60, Oklahoma Statutes, as amended and supplemented. The TCCJA was created to administer the funds used to construct and operate a new county jail (the David L. Moss Criminal Justice Center) and to account for certain activities and operations of the existing jail until construction of the new jail was completed. Seven (7) trustees govern the TCCJA, which are the three County Commissioners of Tulsa County, the Mayor of the City of Tulsa, and three mayors chosen by the Tulsa County Commissioners from the remaining cities within the County. The chairmanship of the board of the TCCJA is rotated among the three Tulsa County Commissioners. In the event of a financial shortfall, Tulsa County, along with the other beneficiaries of the public trust, is responsible for any financial burden. While the voting majority of the board is appointed by Tulsa County and there exists a financial benefit/burden relationship between the two entities, the TCCJA does not have substantively the same board, nor does it provide services exclusively to Tulsa County and the County is not responsible for payment of TCCJA's outstanding debt. Therefore, it is discretely presented as a component unit.

Tulsa City/County Health Department (Health Department) - The Health Department was created in 1950 by joint resolution of the City of Tulsa and the Tulsa County Board of County Commissioners (BOCC). A nine (9) member board oversees the day-to-day operations of the Health Department. The

Tulsa County, Oklahoma
Notes to the Financial Statements
June 30, 2016

City of Tulsa appoints five (5) members, all of which must be licensed physicians. The remaining four (4) members are appointed by the BOCC and are required to be registered voters. If the Health Department was not included in the financial statements of Tulsa County, the accompanying financial statements would be misleading and incomplete. Tulsa County acts as the collecting agent and treasurer for the Health Department. Tulsa County processes the payables and payroll for the Health Department. The Health Department employees also participate in the Tulsa County Employees' Retirement System. The City of Tulsa does not contribute any funding to this component unit. The Health Department is discretely presented because 1) the County does not appoint a voting majority of the board; 2) there is no financial benefit/burden relationship; 3) it would be misleading to exclude; 4) it does not provide services almost exclusively to Tulsa County and 5) the County is not expected to pay the Health Department's debt.

Tulsa County Home Finance Authority (TCHFA) – The TCHFA is a public trust established under the provisions of the Oklahoma Trust Act on October 16, 1978. The first amendment to the Trust Indenture was dated February 7, 1979 and the second amendment was dated January 19, 1982. The TCHFA was created to provide housing for low to middle income residential use, whether a single or multi-family dwelling. The TCHFA operates on a calendar year end. The TCHFA board is comprised of five (5) members appointed by the Tulsa County Commissioners. If TCHFA was not included in the financial statements of Tulsa County, the accompanying financial statements would be misleading and incomplete.

Tulsa County Juvenile Justice Trust Authority (TCJJTA) – The TCJJTA is a public trust established under the provision of the Oklahoma Trust Act on September 21, 1998. The first amendment to the Trust Indenture was dated June 19, 2014. The TCJJTA was created to provide funds and assistance for the furtherance and accomplishment of programs and services for the personal and social growth of juveniles. The Authority assists various agencies in making the most efficient use of their resources and powers in providing programs for the care and guidance of each child found to be deprived, delinquent or in need of supervision. The TCJJTA operates on fiscal year end of June 30. The board is comprised of five (5) regular Trustees, who shall be citizens and residents of Tulsa County, and two (2) non-voting Ex-Officio Trustees. While the voting majority of the board is appointed by Tulsa County and there exists an imposition of will by Tulsa County, the TCJJTA does not have substantively the same board, nor does it provide services exclusively to Tulsa County and the County is not responsible for payment of TCJJTA's outstanding debt. Therefore, it is discretely presented as a component unit.

Complete audited financial statements of the individual discretely presented component units can be requested from the Tulsa County Clerk's office at 500 South Denver Suite 120, Tulsa, Oklahoma 74103.

3. Jointly Governed Organizations

Tulsa City/County Library (Library) – The Library was created on July 1, 1962 by joint resolution of the City of Tulsa and the Board of County Commissioners (BOCC). Under the resolution, an eleven (11) member board was created to oversee the daily operations of the Library. The City of Tulsa appoints 6 members to the board, Tulsa County appoints 3 members, one member is the Chairman of the BOCC, and the other member is the Mayor of the City of Tulsa. The City of Tulsa does not provide any funding to the City/County Library. The County acts as a collecting agent and treasurer for the Library; however, the County does not provide any bookkeeping functions. The Library has been excluded from

Tulsa County, Oklahoma
Notes to the Financial Statements
June 30, 2016

the reporting entity since the County assumes no responsibility for its day-to-day operations. The County has no control over budgets, fee schedules or any other operating or management decisions. The Library is considered a *jointly governed organization*.

Complete audited financial statements of the jointly governed organization can be requested from the Tulsa County Clerk's office at 500 South Denver Suite 120, Tulsa, Oklahoma 74103.

4. Related Organization

Tulsa County Vision Authority (TCVA) – This Title 60 public trust was created June 26, 2006 to determine which additional projects shall be funded with excess funds generated from the Tulsa County sales tax approved by the voters on September 9, 2003--commonly known as the Vision 2025 proposition. The beneficiaries of the TCVA are Tulsa County, the City of Tulsa, the City of Bixby, the City of Broken Arrow, the City of Collinsville, the City of Glenpool, the City of Jenks, the City of Owasso, the City of Sand Springs, the City of Skiatook, and the Town of Sperry. There are seven (7) trustees, three (3) of whom are the Tulsa County Board of Commissioners, and the mayor of the City of Tulsa, and three (3) others appointed by the Board of County Commissioners who shall be mayors of the remaining beneficiaries (other than the City of Tulsa). The TCVA did not become active until after fiscal year 2014. The sales tax from the Vision 2025 proposition is maintained and accounted for by the Tulsa County Industrial Authority. The TCVA is reported as a related organization because while the County appoints a voting majority of the board of trustees, it cannot impose its will on the TCVA and does not have a financial benefit/burden relationship with the TCVA.

B. Basic Financial Statements

The basic financial statements include both government-wide (based on the County as a whole) and fund financial statements.

Both the government-wide and fund financial statements are categorized 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 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, roads and highways, etc.), which are otherwise being supported by general government revenues (ad valorem taxes, sales and use taxes, permits and charges, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating grants, 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, fees for licenses and permits, 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 cost (by function or business-type activity) is normally covered by general revenue (ad valorem taxes, sales taxes, interest income, etc.). Historically, the previous financial reporting model did not summarize or present net cost by function or activity.

Tulsa County, Oklahoma
Notes to the Financial Statements
June 30, 2016

The government-wide focus is more on the sustainability of the County as an entity and the change in the aggregate financial position resulting from the activities of the fiscal period. Each presentation provides valuable information that can be analyzed and compared (between years and between governments).

The fund financial statements now place an emphasis on the major funds in either the governmental or proprietary fund categories. Non-major funds (by category) or fund type are summarized into a single column.

The totals on the proprietary fund statements directly reconcile to the business-type activity column in the government-wide statements because Tulsa County does not have any other business-type activities.

The governmental funds major fund statements in the fund financial statements are presented on a current financial resource measurement focus and the modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. This presentation is deemed most appropriate to (a) demonstrate legal and covenant compliance, (b) illustrate the source and use of liquid resources, and (c) demonstrate how the County's actual experience conforms to the budget. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, reconciliation is presented 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.

The County'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, school districts, pension participants, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide financial statements.

C. Financial Statement Presentation

The financial transactions of the County are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets and deferred outflows, liabilities and deferred inflows, fund balance, net position, revenues and expenditures/expenses.

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

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets and deferred outflows, liabilities and deferred inflows, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The non-major funds are combined in a single column in the fund financial statements. Tulsa County reports the following major funds.

Tulsa County, Oklahoma
Notes to the Financial Statements
June 30, 2016

Governmental Funds

General Fund – Primary operating fund of the county and always classified as a major fund. It is used to account for all financial resources not accounted for and reported in another fund.

Special Revenue Funds – Used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The following funds are classified as major special revenue funds:

- **County Highway Fund** accounts for various taxes remitted to the County from the Oklahoma Tax Commission for the purpose of maintaining certain roads and bridges in the County.
- **Sales Tax Fund** accounts for four separate sales tax levies. Part of sales tax collections is for Tulsa County Criminal Justice Authority for the maintenance and operation of the David L. Moss jail which is transferred to the Criminal Justice Authority. The following sales tax collections are transferred to the Tulsa County Industrial Authority; sales tax collections for Vision 2025 for various capital improvement projects; sales tax collections for servicing debt and construction of David L. Moss jail expansion; sales tax collections for servicing debt and construction of new Juvenile Justice Courts and Detention Center facility.
- **Tulsa County Industrial Authority Special Revenue Fund** accounts for debt proceeds used for 1) the expansion of the county jail, 2) improving the Tulsa County Courthouse and 3) construction of juvenile justice courts and detention center. Also, accounts for restricted sales taxes and contract revenues used to repay the debt.

Capital Projects Funds – Used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. The following fund is classified as a major capital projects fund:

- **Tulsa County Industrial Authority Capital Projects Fund** accounts for the investment earnings and the proceeds from the issuance of revenue bonds as the financial resources are used to construct and maintain capital projects for Tulsa County and other beneficiaries. It has restricted funds consisting primarily of unspent bond funds and sales tax revenues to be used as required by voter approved propositions.

Debt Service Funds – Used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. The following debt service fund is classified as major:

- **Tulsa County Industrial Authority Debt Service Fund** accounts for the accumulation of financial resources for the payment of interest and principal on revenue bonds. It has restricted funds consisting of unspent revenue bond funds and the associated sales tax and capital lease revenues.

Tulsa County, Oklahoma
Notes to the Financial Statements
June 30, 2016

Proprietary Fund

Enterprise Funds – Used to account for business-like activities provided to the general public. These activities are financed primarily by user charges and the measurement of financial activity focuses on net income measurement similar to the private sector. The following enterprise fund is classified as major:

- **Tulsa County Public Facilities Authority** operates and manages certain properties owned by Tulsa County, commonly referred to as the Tulsa County Fairgrounds located at Expo Square.

Fiduciary Funds

Fiduciary Funds are used to report assets held in a trustee or agency capacity for third parties and therefore are not available to support County programs. The reporting focus is upon net position and changes in net position and employs accounting principles similar to proprietary funds.

- **Pension Trust Fund** reports the resources held in trust for members and beneficiaries of the Tulsa County Employees' Retirement System (TCERS). The TCERS is a single-employer defined benefit retirement plan. The Board of the TCERS was established to oversee operations of the pension fund and establish policies affecting eligibility, benefits, investment practices and other matters pertaining to the proper administration of the system in accordance with law. All decisions made by the Board of Trustees are subject to final approval by the Board of County Commissioners. Complete audited financial statements of TCERS can be requested from the Tulsa County Clerk's office at 500 South Denver Suite 120, Tulsa, Oklahoma 74103.
- **Agency Funds** are used to report resources held by the County in a purely custodial capacity (assets equal liabilities). Agency funds typically involve the receipt, temporary investment, and remittance of fiduciary resources to school districts, cities and towns, and other agencies located in Tulsa County.

D. Basis of Accounting and Measurement Focus

Basis of accounting determines when transactions and events are recognized in the accounting records. Measurement focus refers to what items are being reported in the financial statements.

The Government-wide, the Proprietary, the Fiduciary, and the Component Unit Financial Statements are presented on an accrual basis of accounting and an economic resource measurement focus. The Governmental Funds as reported in the Fund Financial Statements are presented on a modified accrual basis and the current financial resource measurement focus.

Accrual – Revenues are recognized when earned and expenses are recognized when incurred, regardless of the timing of the cash flows. Property taxes are recognized as revenues in the year for which they are levied.

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

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determined. “Available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Major revenue sources susceptible to accrual are sales taxes and property taxes.

Tulsa County defines the length of time used for “available” for purposes of revenue recognition in the governmental fund financial statements to be 60 days.

In applying the “susceptible to accrual” concept to intergovernmental revenues pursuant to GASB Statement No. 33, the provider recognizes liabilities and expenses when the applicable eligibility requirements including time requirements, is met. The recipient under most circumstances, reports resources transmitted before the eligibility requirements are met, as advances by the provider and as a Deferred Inflow – Unavailable Revenue.

Economic Resource Measurement Focus – Measures both current and long-term assets and liabilities. A Statement of Net Position prepared on the economic resource measurement focus reports the balances in capital assets and long-term liabilities as well as the short term assets and liabilities.

Current Financial Resource Measurement Focus – Activities of governmental funds are expendable; the focus is on the receipt and expenditure of financial resources. Accounting systems of governmental funds are designed to measure (a) the extent to which financial resources obtained during a period are sufficient to cover claims incurred during that period against financial resources and (b) the net financial resources available for future periods.

E. Assets, Liabilities, and Net Position

Cash and Cash Equivalents

State law requires that all cash belonging to the County be placed in the custody of the County Treasurer. A “pooled cash” concept is used in maintaining the cash and investment records. Under this concept, all cash is pooled together for investment purposes. Interest income is credited to the General Fund, unless otherwise provided by law or the County investment policy. For cash flow statement purposes, cash equivalents with maturity of 3 months or less are included with cash.

Investments

Investments, except for some U.S. Treasury and Agency obligations with maturities of less than one year, are reported at fair value. Fair value is the price that would be received to sell an asset in an orderly transaction between market participants at a measurement date. The U.S. Treasury and agency obligations with maturities of less than one year are reported at cost, which approximates fair value.

Accounts Receivable and Taxes Receivable

Trade receivables and ad valorem tax and other tax receivables are shown net of an allowance for uncollectibles.

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Capital Lease Receivable

The capital lease receivable is due from a discretely presented component unit and is used to pay related revenue bonds issued by the Tulsa County Industrial Authority. The capital lease receivable matures at the same time as the related bonds mature and the payments are structured to be sufficient to make debt service on the bonds as they come due. In the fund financial statements, the unavailable portion of the receivable is deferred.

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.

The internal balance reported on the entity-wide Statement of Net Position does not balance because the Tulsa County Public Facilities Authority (Business-type Activities) has a December 31 year end while Tulsa County's year end is June 30.

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

Due to Other Taxing Units/Others

Tulsa County acts as a collecting agent for many other governmental entities. The County is responsible for assessing ad valorem taxes, sending out statements, collecting the tax and distributing collections to the appropriate recipients. These recipients include, but are not limited to, schools, cities, the City/County Health Department, the City/County Library, Tulsa Career Tech Schools and Tulsa Community College. The County may also collect miscellaneous revenues for all or some of the above-mentioned entities. All unremitted collections on hand at June 30 are reported as due to other taxing units. Unapportioned collections held in depository accounts are reported as due to others.

Restricted Assets

Certain proceeds of the County's revenue bonds, as well as certain resources that are set aside for their repayment, are classified as restricted assets on the government-wide statement of net position, governmental funds' balance sheet and proprietary fund statement of net position because their use is limited by applicable bond covenants or laws/regulations imposed by other governmental agencies and the restricted assets are maintained in separate bank accounts.

Capital Assets

Capital assets, consisting of property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets purchased or acquired are carried at

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historical cost or estimated historical cost. Donated capital assets are recorded at estimated fair market value at the date of the donation. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. The cost of normal maintenance and repair that does not add to the value of the asset or materially extend the asset life is not capitalized. Interest is capitalized on enterprise fund assets during construction, other than infrastructure assets, acquired with tax-exempt debt. The amount of interest capitalized during construction on the enterprise fund assets is the net interest expense incurred (interest expense less interest income) from the date of borrowing until completion of the project. During fiscal year 2016, there was no interest expense capitalized.

Depreciation on capital assets is calculated on the straight-line basis over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40-50
Building improvements	30-40
Machinery & equipment	8-20
Signal light installations	20
Bridges	75-100
Roads and highways	15-40

State Statutes require Tulsa County to maintain an inventory of all “working tools, apparatus, machinery and equipment” with a cost of \$500 or more. These items are generally purchased from the “capital outlay” accounts of each elected official or department head. Tulsa County’s capitalization policy for financial reporting purposes for the capital assets mentioned above has been set at \$5,000. The capitalization threshold for infrastructure improvements has been set at \$25,000. All capital outlay expenditures, therefore, are not necessarily reported as additions to capital assets.

Bond Premiums and Issuance Costs

In the governmental funds, bond premiums and issuance costs are treated as period costs in the year of issuance. Bond premiums are treated as an “other financing source”. Bond issuance costs are reported as expenditures.

In proprietary funds, bond premiums are deferred and amortized over the term of the bonds using the effective interest method. Bond premiums are presented as an increase in the face amount of the revenue bonds payable. Since the County early implemented GASB Statement No. 65 – *Items Previously Reported as Assets and Liabilities*, bond issuance costs are now treated as period costs in proprietary funds as well as at the government-wide level.

Fund Balance

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable,

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restricted, committed, assigned and unassigned. These classifications are defined as:

- a. Nonspendable – includes amounts that cannot be spent because they are either 1) not in spendable form or 2) legally or contractually required to be maintained intact.
- b. Restricted – consists of fund balance with constraints placed on the use of resources either by 1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments, or 2) law through constitutional provisions or enabling legislation.
- c. Committed – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the county's highest level of decision-making authority, the Board of County Commissioners. The formal action is made by a resolution.
- d. Assigned – includes amounts that are constrained by the County's intent to be used for specific purposes but are neither restricted nor committed. Assignments of fund balance may be made by Board action or management decision when the Board has delegated that authority. Assignments for encumbrances in the General Fund are made through the purchasing process.
- e. Unassigned – represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes within the general fund.

The County does not have a policy regarding the order in which the various classes of fund balance are used. The default policy is to first use restricted fund balance prior to the use of unrestricted fund balance when an expense is incurred for purposes for which both restricted and unrestricted fund balance are available. The use of unrestricted fund balance amounts require that committed amounts would be reduced first, followed by assigned amounts and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

F. Revenues, Expenses and Expenditures

Property Tax Revenue

The County's property taxes are levied October 1, on the assessed value listed as of January 1 of the same year for all real and personal property located in the County, except certain exempt property. The Tulsa County Assessor is responsible for the valuation of all real and personal property located within Tulsa County. A revaluation of all property is required once every four years. The net assessed value as of January 1, 2016, was \$5,610,847,938 after excluding homestead exemptions of \$115,112,088.

The levy for Tulsa County for 2016 is 10.30 mills for General Fund operations, 2.58 mills for the County Health Department, 5.32 mills for the County Library, 4.0 mills for County Schools, and 0.04 mills for Debt Service, total Tulsa County levy is 22.24 mills.

In addition, the County also collects the ad valorem taxes assessed by cities and towns and school districts and apportions the ad valorem tax collected to the appropriate taxing unit.

Property taxes are collected and apportioned to the County by the Tulsa County Treasurer. Taxes are levied annually on October 1 and are due one-half by December 31 and one-half by March 31. Major tax payments are received in the months December through April, and are recognized as revenue in the year levied. Lien dates for personal and real property are in June and October, respectively. Governmental funds report Deferred Inflows – Unavailable Revenue in connection with receivables for revenues that are

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not considered to be available to liquidate liabilities of the current period. Revenues received within 60 days of year-end are considered to be available.

Current year tax collections for the year ended June 30, 2016 were 96.1% of the tax levy. Over the past ten fiscal years, the average percentage of levy collected is 98.7%.

Drainage Assessments

Each year, property owners in a separate area of Tulsa County are assessed a special tax in order to maintain a levy system to control periodic flooding of the Arkansas River. Levy amounts are determined based on property values and are billed at the same time as ad valorem taxes. Drainage assessments are collected by the County Treasurer and maintained in a separate drainage district fund to be expended for the maintenance of the levy system. The drainage district submits an annual budget of expected costs, which will determine total levy requirements. Delinquent assessments are handled in the same manner as ad valorem taxes. The drainage district does not have any outstanding debt. Due to the characteristics of the drainage district, it is presented as Other Special Revenue Funds in the financial statements of Nonmajor Governmental Funds.

Grant Revenue

The County, a recipient of grant revenues, recognizes revenues when all applicable eligibility requirements are met. Resources transmitted to the County before the eligibility requirements are met (if any) are reported as a liability.

Sales Tax Revenue

Tulsa County's sales tax rate is 0.917% and is collected by the State of Oklahoma and remitted to the County monthly. The allocated portion of the sales tax collections is wire transferred by the Oklahoma Tax Commission to the County's Sales Tax Fund. The sales tax collections are then transferred to the Jail Operations Fund (Tulsa County Criminal Justice Authority), and to the Tulsa County Industrial Authority, based on the proportion of the sales tax levy. Funds are disbursed at the direction of the Tulsa County Board of County Commissioners.

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

Compensated Absences

It is the County's policy to permit employees to accumulate earned but unused annual (vacation) leave benefits. Employees earn vacation leave at a rate of 15 days per year for the first 5 years of service and 18 days for 6 years of service through 10 years of service and 20 days per year for 11 through 20 years of service and 25 days thereafter. The maximum limit in the amount of unused vacation that can be accumulated at one time is two times the number of hours that the employee is currently eligible to earn per year. All accrued vacation leave that has been earned, is payable to the employee upon layoff,

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resignation, retirement or death. Each full-time employee also earns personal (sick) leave at a rate of one day per month up to a maximum of 130 days. There is no liability for unpaid accumulated sick leave, since the County does not have a policy to pay this amount when employees separate from service. The governmental fund financial statements record expenditures when employees are paid for vacation leave. The government-wide financial statements present the cost of accumulated vacation leave as a liability.

Payments to Other Governments

The amount reflected on the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds as payment to other governments is the total amount apportioned to cities and towns and the school districts of Tulsa County pursuant to and in accordance with Title 68 Oklahoma Statutes Section 3137. The total amount reflected represents these taxing entities' portion of the balance of the Resale Property Fund over and above necessary reserves.

G. Net Position

The government-wide and proprietary fund financial statements utilize a net position presentation. Net position is categorized as net investment in capital assets, restricted net position and unrestricted net position.

Net Investment in Capital Assets – This component of net position consists of capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted Net Position – Net position is reported as restricted when constraints placed on net position use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. It is the County's policy to use restricted net position prior to the use of unrestricted net position when both restricted and unrestricted net position are available for an expense which has been incurred.

Unrestricted Net Position – Unrestricted net position represents net position that is not restricted because of constraints imposed by external parties or imposed by laws of other governments or related to the acquisition and construction of capital assets. Unrestricted net position consists of net position that does not meet the definition of "restricted" or "net investment in capital assets".

Note II. Stewardship, Compliance, and Accountability

A. Legal and Contractual Obligations

Under Oklahoma law, the County may not obligate funds for periods extending beyond the current fiscal year, except for the issuance of general obligation bonds. All lease and lease-purchase agreements, whether or not they are capitalized, must be re-approved at the beginning of each fiscal year. Federal and State grant revenues and expenditures are accounted for in accordance with applicable contract provisions. General obligation bonds and related interest are levied for and paid in accordance with appropriate State laws.

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Note III. Detail Notes on All Funds

A. Cash and Investments

State Statutes govern Tulsa County's investment policies. Allowable investments for general purposes (non-pension) include collateralized or insured certificates of deposit, negotiable certificates of deposit, savings accounts, money market funds, repurchase agreements, certain prime banker's acceptances, certain commercial paper, and direct obligations of the U.S. Government and its Agencies. Certificates of deposit are carried on the County's books at cost. The interest earned at the balance sheet date will be reflected as a receivable.

State Statutes designate the collateral requirements for County deposits. All deposits are to be covered by pledged securities for amounts not covered by federal deposit insurance. The County's policy is to maintain pledged securities plus FDIC insurance at 110% of current deposits. Collateral to be pledged is restricted to obligations of the federal government and its agencies or obligations of the State of Oklahoma and its subdivisions. Prior authorization from the County Treasurer is necessary for any collateral to be released to the bank's discretion. The County monitors the collateral requirements on a daily basis to assure all County funds are properly and adequately covered.

As of June 30, 2016, all county investments, excluding retirement system investment and Tulsa County Industrial Authority investments, were time deposits at financial institutions. As such, these time deposits are not subject to fair value reporting requirements contained in GASB Statement No. 72.

The County's deposits and investments as of June 30, 2016 are categorized below after defining the different types of risk disclosures that the County's deposits and investments are subject.

Custodial credit risk for deposits is the risk that in the event of bank failure, the County's deposits may not be returned or the County will not be able to recover collateral securities in the possession of an outside party. The County requires deposits to be 110 percent secured by collateral valued at market or par, whichever is lower, less the amount of Federal Deposit Insurance Corporation (FDIC) insurance as detailed in the Investment Policy approved by the Board and authorized by the Oklahoma State Treasurer under the Unit Collateral System. The County's deposits were not exposed to custodial credit risk at June 30, 2016.

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Generally, the County's investing activities are approved by the Board of County Commissioners and managed under the custody of the County Treasurer. Investing activities comply with the Investment Policy adopted by the Board and also comply with State Statutes. The Investment Policy states that the issuing corporation of prime commercial paper must have the highest credit rating of either Moody's or Standard & Poor's. The Investment Policy does not provide credit rating guidelines for other permissible investment vehicles.

Concentration of Credit Risk is the risk of loss attributed to the magnitude of the County's investment in a single issuer. U.S. Government and Agency securities are excluded from these restrictions. Investments in Guaranteed Investment Contracts are also considered safe investments and are not

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normally included in the calculation of concentration of credit risk.

Interest Rate Risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The County provides that to the extent practicable, investments are matched with anticipated cash flows. Investments are diversified to minimize the risk of loss resulting from over-concentration of assets in a specific maturity period, a single issuer, or an individual class of securities. To mitigate the exposure to interest rate risk, the County's normal policy is to hold long-term, fixed rate debt until maturity.

Governmental Activities-Without Industrial Authority, Pooled With Agency Funds

Deposits

On June 30, 2016, the unrestricted cash and cash equivalents balance for Governmental Activities is \$68,333,573 including cash and cash equivalents of \$433,510 relating to Tulsa County Industrial Authority's General Fund, which is a non-major Special Revenue Fund. Agency Funds also have total deposits of \$43,169,198. The deposits of Governmental Activities exclusive of the Industrial Authority are pooled with the deposits of the Agency Funds; several financial institutions maintain the pool, which is invested in demand accounts or certificates of deposits in the County's name.

Industrial Authority

Deposits

On June 30, 2016, the cash balance includes \$37,170 and is maintained by two financial institutions in demand accounts in the Authority's name.

Investments

Investments of the Industrial Authority's funds are considered to be governed by Title 19 OSA 953.1A, as amended, of the Oklahoma Statutes. The Oklahoma Statutes places no limitations or restrictions on the choice of investment vehicles other than those a prudent investor would select. All investments are carried in street name (in the name of the agent, etcetera).

The Authority implemented GASB Statement No. 72, *Fair Value Measurement and Application*, during the fiscal year ended June 30, 2016. The County categorizes its fair value measurements within the fair value 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 in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The level inputs for the Authority's investments are all Level 1 inputs.

The composition of the Industrial Authority's reported cash and cash equivalents of \$433,510 and restricted cash, cash equivalents and investments of \$133,872,490 is shown in the following table.

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	Fair Value	Cost	Average Credit Quality - Rating (1)	Weighted Average Number of Years to Maturity (2)
Guaranteed Investment Contracts	\$ 15,444,986	\$ 15,444,986	AAA	0.38
Cavanal Hill US Treasury - Admin Fund	49,861,904	49,861,904	AAA	0.09
Invesco Prem US Government Fund	1,978,829	1,978,829	AAA	0.13
BOK Short-Term Cash Fund I	66,983,111	66,983,111	N/A	N/A
Cash	37,170	37,170	N/A	N/A
Total Investments	<u>\$ 134,306,000</u>	<u>\$ 134,306,000</u>		

(1) Ratings are provided where applicable to indicate Credit Risk. N/A indicates not applicable.

(2) Interest Rate Risk is estimated using weighted average days to maturity.

(3) The BOK Short-Term Cash Fund I does not have a weighted average to maturity. It is an internal money market fund and not rated, but is collateralized by U.S. Treasury and U.S. Agency securities.

As of June 30, 2016, the Industrial Authority had the following investments and maturities:

	Investment Maturities in Years				
	Value	Less than 1	1-5	6-10	More than 10
Guaranteed Investment Contracts	\$ 15,444,986	100%	0%	0%	0%
Cavanal Hill US Treasury - Admin Fund	49,861,904	100%	0%	0%	0%
Invesco Prem US Government Fund	1,978,829	100%	0%	0%	0%
BOK Short-Term Cash Fund I	66,983,111	N/A	N/A	N/A	N/A
Cash	37,170	N/A	N/A	N/A	N/A
Total	<u>\$ 134,306,000</u>	<u>100%</u>	<u>0%</u>	<u>0%</u>	<u>0%</u>

Proprietary Activities (Tulsa County Public Facilities Authority)

Cash and Investments

Amounts Held for Others - Included in the Amounts Held for Others is the Horseman's Trust Account which is cash held in a custodial capacity for the payment of purses during the live racing meet and the Junior Auction Scholarship Fund which is cash held in a custodial capacity for the payment of scholarships. A liability for these amounts has been recorded as Trust Fund Liabilities.

Restricted cash and cash equivalents - Restricted assets consist primarily of cash held by a bank trustee for debt service payments and managed pursuant to the bond indenture. In accordance with the bond indentures and state statutes, authorized investments consist of obligations of the U.S. Treasury, agencies and instrumentalities, investment contracts, commercial paper, repurchase agreements and money market accounts.

Custodial credit risk-Deposits - Custodial credit risk is the risk that in the event of a bank failure, the

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Authority's deposits may not be returned to it. The Authority does not have a policy to limit custodial credit risk and has balances that regularly exceed FDIC limits.

Discretely Presented Component Units

Tulsa City/County Health Department

All cash is maintained by the Treasurer of Tulsa County and is subject to the depository collateral risk of all pooled funds of Tulsa County.

Restricted cash consists of money market funds held in trust at a local bank for repayment of debt.

Tulsa County Criminal Justice Authority

The Authority follows the provisions of GASB Statement No. 31, *Certain Investments and External Investment Pools*, which requires governmental entities to report their investments at fiscal year-end at fair value in the balance sheets and statements of net position. State statutes govern the Authority's investment policies. Allowable investments for general purposes (non-pension) include certificates of deposit, savings accounts and direct obligations of the U.S. Government and its agencies.

State statutes designate the collateral requirements for the Authority's deposits. All deposits are to be covered by pledged securities for amounts not covered by federal deposit insurance. The Authority's policy is to maintain pledged securities at 110 percent of current deposits. No gains were realized as a result of the sale of investments during the year ended June 30, 2016.

Tulsa County Home Finance Authority

Bond indenture agreements and the Authority's trust instrument govern the investment policies of the Authority. Allowable investments include money market fund accounts, and other direct obligations of the U.S. government and its agencies whose debt obligations are guaranteed by the U.S. government. The Authority's deposits of cash and cash equivalents at December 31, 2015 consist of U.S. Treasury money market accounts which are reported at market value.

While the Authority has a large amount of investments that are considered uninsured deposits, these funds are invested in a U.S. Treasury security money market fund, the underlying investments of which are backed by the full faith and credit of the U.S. government.

Pension Trust Fund (TCERS)

Deposits - On June 30, 2016, the cash balance is \$259,358, and is maintained by the Bank of Oklahoma in a demand account in TCERS' name.

Custodial credit risk for deposits is the risk that in the event of bank failure, TCERS' deposits may not be returned or TCERS may not be able to recover collateral securities in the possession of an outside party. According to Title 62 OSA 517.4, Security for Local Public Deposits Act, the amount of the collateral securities or instruments to be pledged for the security of public deposits shall be established by the treasurer of the public entity. The Tulsa County Treasurer with the approval of TCERS requires deposits

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to be 110 percent secured by collateral valued at market or par; whichever is lower, less the amount of Federal Deposit Insurance Corporation (FDIC) insurance. The Bank of Oklahoma has placed the required collateral securities in a restricted account at a Federal Reserve Bank, which serves Oklahoma. The market value of pledged securities shall be provided not less than quarterly to the treasurer by either the financial institution holding the deposit or the financial institution holding the collateral securities, which market value must have been obtained from an independent, recognized and documented source. TCERS' deposits are not exposed to custodial credit risk because the deposits are insured by FDIC insurance and are collateralized.

Investments - Investments of the TCERS' funds are governed by Title 19 OSA 953.1A, as amended, of the Oklahoma Statutes. The Oklahoma Statutes place no limitations or restrictions on the choice of investment vehicles other than those a prudent investor would select. The Board of Trustees has retained nine outside investment management firms to manage nine different portfolios for TCERS except for certain judgments against Oklahoma government entities and a small amount of cash. Bank of Oklahoma Trust Services is the custodian of cash and investments. TCERS' investment securities are not exposed to custodial credit risk because all securities are held by a third party custodian rather than counterparty and are carried in street name.

The composition of TCERS' investments as of June 30, 2016 is shown in the following table:

Schedule of Investments With Credit Ratings for Pension Trust Fund as of June 30, 2016

	Fair Value	Cost	Average Credit Quality / Rating (1)	Weighted Average Number of Years to Maturity (2)
Money Market Mutual Fund	\$ 7,780,425	\$ 7,780,425	AAA	-
U.S. Treasuries	48,804,767	43,030,388	AAA	6.60
U.S. Agency Obligations:				
FHLMC (Freddie Mac)	3,132,524	3,072,501	AAA	3.80
FNMA (Fannie Mae)	13,859,193	13,653,509	AAA	4.00
GNMA (Ginnie Mae)	3,912,834	3,859,882	AAA	4.30
Total U.S. Agency Obligations	20,904,551	20,585,892		4.00
Corporate Bonds & Bond Mutual Funds	74,252,462	74,023,020	BB	6.80
Domestic Stocks	93,070,970	64,551,039	N/A	N/A
International Stocks	20,950,033	19,014,062	N/A	N/A
Judgments	185,532	185,532	N/A	N/A
Total Investments	\$ 265,948,740	\$ 229,170,358		

(1) Ratings are provided where applicable to indicate Credit Risk. N/A indicates not applicable.

(2) Interest Rate Risk is estimated using weighted average years to maturity.

As of June 30, 2016, TCERS had the following fixed income investments and maturities:

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Investment Maturities (In Years)

	Fair Value	Less than 1	1 - 5	6 - 10	More than 10
U.S. Treasuries and Treasury Bonds	\$ 48,804,767	0.83%	6.94%	10.62%	4.06%
U.S. Agencies (1)	20,904,551	0.54%	16.53%	0.07%	0.14%
Corporate Bonds and Bond Mutual Funds	74,252,462	5.19%	29.20%	17.35%	8.50%
Total Investments	\$ 143,961,780	6.56%	52.67%	28.04%	12.70%

(1) Includes Government National Mortgage Association (GNMA) investments, which are explicitly guaranteed by the U.S. Government.

TCERS categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. TCERS has the following recurring fair value measurements as of June 30, 2016.

Investments Measured at Fair Value as of June 30, 2016	Fair Value Measurements Using			
	Total Assets	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money Market Mutual Fund	\$ 7,780,425	\$ 7,780,425	\$ 0	\$ 0
Debt Securities:				
Treasury Bonds	28,285,523	28,285,523	0	0
Mortgage Backed Securities	20,904,551	2,184,575	18,719,976	0
Municipal Bonds	2,313,563	0	2,313,563	0
Corporate Bonds	48,181,589	0	48,181,589	0
Sovereign Debt	180,247	0	180,247	0
Foreign Corporate Bonds	1,878,572	0	1,878,572	0
Registered Investment Companies	42,217,735	42,217,735	0	0
Total Debt Securities	<u>143,961,780</u>	<u>72,687,833</u>	<u>71,273,947</u>	<u>0</u>
Equity Securities:				
Common stock	79,507,293	79,507,293	0	0
Preferred stock	401,375	401,375	0	0
Miscellaneous equities	577,702	577,702	0	0
Common Collective Trusts	25,467,986	0	<u>25,467,986</u>	0
Alternative Investments - Infrastructure	<u>8,066,647</u>	<u>8,066,647</u>	<u>0</u>	<u>0</u>
Total Equity Securities	<u>114,021,003</u>	<u>88,553,017</u>	<u>25,467,986</u>	<u>0</u>
Judgments	185,532	0	0	185,532
Total Investments	<u>\$265,948,740</u>	<u>\$169,021,275</u>	<u>\$96,741,933</u>	<u>\$185,532</u>

Money market mutual funds, debt securities, equity securities, and alternative investments classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those investments. Debt and equity securities classified in Level 2 of the fair value hierarchy are valued using one of the

Tulsa County, Oklahoma
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following: a) quoted prices for similar, but not identical, assets or liabilities in active markets, b) quoted prices for identical or similar assets or liabilities in inactive markets, c) inputs other than quoted market prices that are observable, such as interest rate and yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates, and d) other inputs derived from or corroborated by observable market inputs. Other miscellaneous investments classified in Level 3 of the fair value hierarchy are valued using unobservable inputs to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. Unobservable inputs reflect TCERS' own assumptions about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk). Unobservable inputs shall be developed based on the best information available in the circumstance, which might include TCERS' own data.

The investment objective of the common collective funds held by TCERS at June 30, 2016 is to seek an investment return that approximates as closely as practical, before expenses, the performance of the S&P 500 over the long term. In seeking to accomplish this investment objective, the fund may invest directly or indirectly in securities and other instruments, including in other pooled investment vehicles sponsored or managed by, or otherwise affiliated with State Street Bank and Trust Company (SSBT). TCERS's investment in common collective funds is valued at the net asset value (NAV) of units held by TCERS at year-end. The NAV, as provided by SSBT, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. SSBT may establish procedures, including prior notice periods, for deposits to and withdrawals from the fund. SSBT reserves the right to delay the processing of a requested deposit or withdrawal from the fund to ensure that securities liquidations will be carried out in an orderly manner. There were no unfunded commitments related to TCERS investments in common collective funds as of June 30, 2016.

The Board has adopted the following asset allocation among stocks, bonds, and cash to serve as a general guideline in investing the Plan's assets.

Schedule of Investment Allocation Targets - Pension Trust Fund

	Minimum	Target	Maximum
Domestic Equity	19.25%	29.25%	39.25%
Energy Infrastructure (MLPs)	0.00%	8.00%	18.00%
International Equity	0.00%	9.25%	19.25%
Bonds (maturity greater than 1 year)	43.50%	53.50%	63.50%
Cash (maturity less than 1 year)	0.00%	0.00%	5.00%

TCERS's international equity portfolio comprises 7.9% of the total portfolio investments at fair value as of June 30, 2016. The managers of these portfolios do not hedge the foreign currency risk and the Investment Policy does not require it.

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June 30, 2016

B. Receivables

Receivables as of year-end for the County's individual major funds and aggregate nonmajor governmental funds, and proprietary fund, including the applicable allowances for uncollectible ad valorem taxes, as reported in the government wide Statement of Net Position are as follows:

	General Fund	County Highway	Sales Tax Fund	Industrial Authority Special Revenue	Industrial Authority Capital Projects Fund	Industrial Authority Debt Service	Other Governmental Funds	Total Primary Government
Receivables:								
Interest receivable	\$ 50,435	\$ 3,480	\$ 11,074	\$ 1,060	\$ 63	\$ 94,768	\$ 82	\$ 160,962
Ad valorem taxes receivable	3,118,245	-	-	-	-	-	682,698	3,800,943
Other taxes receivable	177,368	275,180	-	-	-	-	-	452,548
Sales tax receivable	-	-	12,492,126	-	-	-	-	12,492,126
Use tax receivable	-	-	955,862	-	-	-	-	955,862
Accounts receivable	208,456	-	-	-	-	-	1,233,078	1,441,534
Gross receivable	3,554,504	278,660	13,459,062	1,060	63	94,768	1,915,858	19,303,975
Less: Allowance for uncollectible ad valorem taxes	138,378	-	-	-	-	-	297	138,675
Net receivables	\$ 3,416,126	\$ 278,660	\$ 13,459,062	\$ 1,060	\$ 63	\$ 94,768	\$ 1,915,561	\$ 19,165,300

Please note that the use tax receivable does not agree with the intergovernmental receivable recognized by Proprietary Funds due to a December 31 fiscal year end for the Tulsa County Public Facilities Authority (Proprietary Fund) and Tulsa County having a June 30 fiscal year end.

C. Transfers

Purpose of Transfers

Transfers are mainly used for cash flow purposes and to move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due.

Tulsa County, Oklahoma
Notes to the Financial Statements
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Transfers for the year ended June 30, 2016, consist of the following amounts:

<i>TRANSFERS IN</i>		<i>TRANSFERS OUT</i>				
		<i>GENERAL FUND</i>	<i>SALES TAX FUND</i>	<i>INDUSTRIAL AUTHORITY CAPITAL PROJECTS FUND</i>	<i>INDUSTRIAL AUTHORITY DEBT SERVICE FUND</i>	<i>OTHER GOVERNMENTAL FUNDS</i>
Primary Government:						
Governmental Activities:						
Major Funds:						
General Fund	\$ 10,171,903	\$ -	\$ -	\$ -	\$ -	\$ 10,171,903
County Highway Fund	3,147,674	490,000	-	-	-	2,657,674
Sales Tax Fund	-	-	-	-	-	-
Tulsa County Industrial Authority:						
Special Revenue Fund	11,427,344	2,995,437	4,087,132	-	-	4,344,775
Capital Projects Fund	13,541,179	-	-	-	13,541,179	-
Debt Service Fund	66,290,983	-	64,668,974	923,077	-	698,932
Sub-total Major Funds	104,579,083	3,485,437	68,756,106	923,077	13,541,179	17,873,284
Nonmajor Governmental Funds:						
	22,243,315	13,633,858	3,452,537	-	-	5,156,920
Sub-total Nonmajor Funds	22,243,315	13,633,858	3,452,537	-	-	5,156,920
Total Governmental Activities	126,822,398	17,119,295	72,208,643	923,077	13,541,179	23,030,204
Business-Type Activities:						
Public Facilities Authority	7,690,089	-	7,690,089	-	-	-
Total Business-type Activities	7,690,089	-	7,690,089	-	-	-
Total Primary Government	\$ 134,512,487	\$ 17,119,295	\$ 79,898,732	\$ 923,077	\$ 13,541,179	\$ 23,030,204
Reconciliation to the Statement of Activities:						
	Transfers-	Transfers		Net		
	In	Out		Transfers		
Governmental Funds	\$ 126,822,398	\$ (134,512,487)		\$ (7,690,089)		
Proprietary Fund	7,682,552	-		7,682,552		
Total	\$ 134,504,950	\$ (134,512,487)		\$ (7,537)		

Note: The net transfers do not balance as the Tulsa County Public Facilities Authority (Business-type Activities) adopted a December 31 fiscal year end while Tulsa County's fiscal year end remains June 30.

D. Capital Assets

Capital assets activity for the year ended June 30, 2016 was as follows:

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June 30, 2016

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities:				
Non-depreciable capital assets:				
Land	\$ 19,768,110	\$ 175,000	\$ -	\$ 19,943,110
Construction in progress	8,923,423	2,821,012	4,564,455	7,179,980
Total non-depreciable capital assets	28,691,533	2,996,012	4,564,455	27,123,090
Depreciable capital assets:				
Buildings/building improvement	46,046,952	4,186	5,354	46,045,784
Machinery and equipment	37,104,932	4,298,696	1,470,593	39,933,035
Capitalized software	3,650,739	510,724	-	4,161,463
Infrastructure	116,465,914	3,405,873	185,050	119,686,737
Total capital assets being depreciated	203,268,537	8,219,479	1,660,997	209,827,019
Total capital assets	231,960,070	11,215,491	6,225,452	236,950,109
Accumulated depreciation:				
Buildings/building improvement	23,579,399	772,118	625	24,350,892
Machinery and equipment	20,719,028	2,797,762	1,159,011	22,357,779
Capitalized software	2,774,020	455,894	-	3,229,914
Infrastructure	51,548,083	3,505,283	20,833	55,032,533
Total accumulated depreciation	98,620,530	7,531,057	1,180,469	104,971,118
Depreciable capital assets, net	104,648,007	688,422	480,528	104,855,901
Governmental capital assets, net	<u>\$ 133,339,540</u>	<u>\$ 3,684,434</u>	<u>\$ 5,044,983</u>	<u>\$ 131,978,991</u>

The capital assets reported under Governmental Activities includes the Industrial Authority's Capital Assets, which are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Industrial Authority:				
Non-depreciable capital assets:				
Land	\$ 2,360,964	\$ -	\$ -	\$ 2,360,964
Construction in progress	-	-	-	-
Total non-depreciable capital assets	<u>\$ 2,360,964</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,360,964</u>

The capital assets in the Industrial Authority represent expenditures incurred in connection with certain Vision 2025 projects for various non-profit entities. The expenditures were initially capitalized by the Industrial Authority as land and construction in progress as the facilities were being constructed. Upon completion in fiscal year 2007, the facilities were made available for use by the certain non-profit organizations under long-term capital lease arrangements which only require nominal rental payments. Under applicable accounting guidance, the accumulated construction costs have been expensed by the Industrial Authority in fiscal year 2007, and the land will remain on the books of the Industrial Authority. The total of governmental capital assets, net, as presented above as of June 30, 2016 is \$131,978,991,

Tulsa County, Oklahoma
Notes to the Financial Statements
June 30, 2016

which includes the Industrial Authority land of \$2,360,964.

	Beginning Balance	Increases	Decreases	Ending Balance
Business-type activities:				
Non-depreciable capital assets:				
Land	\$ 96,000	\$ -	\$ -	\$ 96,000
Construction in progress	-	-	-	-
Total non-depreciable capital assets	96,000	-	-	96,000
Depreciable capital assets:				
Building and systems	175,998,959	602,368	3,713,153	172,888,174
Machinery and equipment	15,916,881	787,383	71,512	16,632,752
Total capital assets being depreciated	191,915,840	1,389,751	3,784,665	189,520,926
Total capital assets	192,011,840	1,389,751	3,784,665	189,616,926
Accumulated depreciation:				
Buildings and systems	81,844,495	6,741,880	3,713,153	84,873,222
Machinery and equipment	12,518,377	769,007	71,512	13,215,872
Total accumulated depreciation	94,362,872	7,510,887	3,784,665	98,089,094
Depreciable capital assets, net	97,552,968	(6,121,136)	-	91,431,832
Business-type capital assets, net	\$ 97,648,968	\$ (6,121,136)	\$ -	\$ 91,527,832

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Notes to the Financial Statements
June 30, 2016

	Beginning Balance	Increases	Decreases	Ending Balance
Discretely presented component units:				
Capital assets non-depreciable assets:				
Land and improvements	\$ 5,168,624	\$ -	\$ -	\$ 5,168,624
CIP	946,284	11,413,273	-	12,359,557
Total non-depreciable	6,114,908	11,413,273	-	17,528,181
Depreciable capital assets:				
Buildings	92,094,303	47,476	42,198	92,099,581
Equipment	4,951,119	215,066	432,839	4,733,346
Infrastructure	331,513	19,044	-	350,557
Total depreciable capital assets	97,376,935	281,586	475,037	97,183,484
Total capital assets	103,491,843	11,694,859	475,037	114,711,665
Accumulated depreciation:				
Buildings	36,980,776	2,379,417	42,198	39,317,995
Equipment	2,851,681	347,310	401,219	2,797,772
Infrastructure	38,653	10,472	-	49,125
Total accumulated depreciation	39,871,110	2,737,199	443,417	42,164,892
Depreciable capital assets, net	57,505,825	(2,455,613)	31,620	55,018,592
Component units capital assets, net	\$ 63,620,733	\$ 8,957,660	\$ 31,620	\$ 72,546,773

Depreciation expense is charged to function as follows:

Governmental Activities		Business-Type Activities		Component Units	
General Government	\$ 1,925,989	Public Facilities Authority	\$ 7,510,887	Criminal Justice Authority	\$ 2,105,696
Public Safety	777,440		<u>\$ 7,510,887</u>		
Health & Welfare	85,737			City/County Health	643,120
					<u>\$ 2,748,816</u>
Culture & Recreation	964,341				
Education	6,715				
Roads & Highways	<u>3,770,834</u>				
	<u>\$ 7,531,057</u>				

The reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities reports that depreciation expense exceeded capital outlays capitalized during the current period by \$880,021. Depreciation expense during the current period for Governmental Activities is \$7,531,057 while capitalized capital outlays totaled \$6,651,036.

Tulsa County, Oklahoma
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June 30, 2016

E. Judgments Payable

Under Oklahoma law, judgments granted against the County are payable over a three-year period and bear annual interest at four (4) percentage points above the average United States Treasury Bill rate for the preceding year, not to exceed 10% per annum. Judgments are levied against all taxable property within the County and are accumulated and paid out of the Debt Service Fund. During the year, the County recorded \$474,351 in judgments principal and \$2,492 in related interest on these judgments. At June 30, 2016, the total amount of unpaid judgment principal of \$495,017 is reflected in the government wide Statement of Net Position.

F. Compensated Absences

Employees earn annual (vacation) leave at a rate of 15 days per year for the first 5 years of service and 18 days for 6 years of service through 10 years of service and 20 days per year for 11 through 20 years of service and 25 days thereafter. The maximum limit in the amount of unused vacation that can be accumulated at one time is two times the number of hours that the employee is currently eligible to earn per year. All accrued vacation leave that has been earned, is payable to the employee upon layoff, resignation, retirement or death. Each full-time employee also earns personal (sick) leave at a rate of one day per month up to a maximum of 130 days. There is no liability for unpaid accumulated sick leave, since the County does not have a policy to pay this amount when employees separate from service. The amount of accumulated unpaid vacation benefits including the employer FICA portion is \$6,189,376 for the fiscal year ended June 30, 2016. The current liability reported for compensated absences for the fiscal year ended is \$567,800 and the remainder of \$5,621,576 is shown as a non-current liability in the government-wide Statement of Net Position.

G. Capital Leases

Governmental Activities

The County acquires machinery and equipment through lease-purchase agreements. Oklahoma law prohibits the County from entering into contracts of this nature for longer than one year. It is the County's intent to exercise its right to purchase this property; accordingly, the lease-purchase agreements have been capitalized to conform to accounting principles generally accepted in the United States of America. The unpaid portion of these agreements have been reported as capitalized lease obligations both as a current and a non-current liability in the Statement of Net Position at an amount equal to the present value of all remaining payments to maturity.

The County has the following capital leases:

In 2011, the County entered into a capital lease with the Oklahoma Department of Transportation for \$122,139 used to purchase a compact truck loader at 0% interest rate. The lease matures in 2018. Monthly payments of \$1,454 are made by the County.

In 2013, the County entered into a capital lease with the Oklahoma Department of Transportation for \$166,200 used to purchase a chip spreader at 0% interest rate and a 3% administrative fee. The lease matures in 2020. Monthly payments of \$1,778 are made by the County. This equipment was returned to

Tulsa County, Oklahoma
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ODOT and retired on December 14, 2015. No further payments are required.

In 2015, the County entered into a capital lease with the Oklahoma Department of Transportation for \$150,000 used to purchase a steel wheel vibratory roller at 0% interest rate and a 3% administrative fee. The lease matures in 2022. Monthly payments of \$1,839 are made by the County.

In 2016, the County entered into a capital lease with the Oklahoma Department of Transportation for \$225,000 used to purchase an asphalt laydown machine at 0% interest rate and a 3% administrative fee. The lease matures in 2024. Monthly payments of \$2,414 are made by the County.

In 2016, the County entered into a capital lease with Motorola Solutions, Inc. for \$2,004,171 for the purchase of radio equipment at 3.23% nominal annual interest rate. The lease matures in 2022. Annual principal payments of \$314,324 are made by the County starting December 1, 2016. Interest will be added to the payments starting December 1, 2017.

Assuming that all capital leases are renewed each year by resolution of the Board of County Commissioners, minimum lease commitments under capitalized lease-purchase agreements as of June 30, 2016 are as follows:

Year Ending June 30	Principal	Interest	Totals
2017	\$ 381,326	\$ 643	\$ 381,969
2018	326,744	56,068	382,812
2019	317,685	47,679	365,364
2020	326,346	39,018	365,364
2021	335,286	30,078	365,364
2022	344,515	20,849	365,364
2023	334,399	10,732	345,131
2024	28,125	844	28,969
Total	<u>\$2,394,426</u>	<u>\$ 205,911</u>	<u>\$ 2,600,337</u>

Change in all types of capital leases as reflected in the statement of net assets are as follows:

	Balance 7/1/2015	Additions	Deletions	Balance 6/30/2016	Due Within One Year
Equipment	\$ 305,917	\$ 2,229,171	\$ 140,662	\$ 2,394,426	\$ 381,326
Total	<u>\$ 305,917</u>	<u>\$ 2,229,171</u>	<u>\$ 140,662</u>	<u>\$ 2,394,426</u>	<u>\$ 381,326</u>

The following is a listing of capital assets purchased with the above noted capital leases:

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	Cost	Accumulated Depreciation	Book Value
Machinery & Equipment	\$ 2,709,628	\$ 45,590	\$ 2,664,038
Total	<u>\$ 2,709,628</u>	<u>\$ 45,590</u>	<u>\$ 2,664,038</u>

Component Unit: Tulsa City/County Health Department

On February 25, 2010, TCIA issued \$11,350,000 of Health Facilities Revenue bonds. Repayment of these bonds is secured by a capital lease with the Department. Under the terms of the lease, quarterly payments are made to the bond trustee for retirement of the applicable bonds and the related interest. The lease matures in January 2040 and is secured by certain property.

Prior to 2014, TCIA had considered the Health Facilities Revenue Bonds to be conduit debt. TCIA has determined the bonds are their debt and recognized a lease receivable from the Department. The Department previously recognized the substance of the transaction and recorded the various components of the bonds. Since TCIA and the Department are part of the same reporting entity, the Department has restated its 2013 financial statements to reflect the change made by TCIA.

The Department leases certain land, buildings, improvement, and equipment under an agreement classified as a capital lease. The cost of these assets represents approximately \$8,112,000 and accumulated amortization at June 30, 2016 was approximately \$3,056,000. Capital leases are capitalized using interest rates appropriate at the inception of the lease. Amortization of these assets is included in depreciation expense.

Minimum lease commitments under the capital lease are as follows:

Year Ended June 30:	Principal	Interest	Total
2017	\$ 225,787	\$ 457,715	\$ 683,502
2018	236,627	446,710	683,337
2019	249,670	435,115	684,785
2020	262,252	422,901	685,153
2021	274,513	410,092	684,605
2022-2026	1,593,279	1,834,738	3,428,017
2027-2031	2,019,915	1,406,459	3,426,374
2032-2036	2,564,981	861,821	3,426,802
2037-2040	2,193,883	202,644	2,396,527
	<u>\$ 9,620,907</u>	<u>\$ 6,478,195</u>	<u>\$ 16,099,102</u>

Changes in all types of debt and compensated absences as reflected in the statement of net position are as follows:

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	Balance 07/01/2015	Additions	Deletions	Balance 06/30/2016	Due Within One Year
Capital lease-Building	\$ 9,835,539	\$ -	\$ 214,632	\$ 9,620,907	\$ 225,787
Compensated absences	1,307,790	171,927	154,865	1,324,852	173,999
	<u>\$ 11,143,329</u>	<u>\$ 171,927</u>	<u>\$ 369,497</u>	<u>\$ 10,945,759</u>	<u>\$ 399,786</u>

H. Operating Leases

Tulsa County leases office facilities under operating leases. Oklahoma law prohibits the County from obligating funds for periods exceeding one year. Tulsa County's obligation is contingent upon the BOCC appropriating funds each fiscal year sufficient to pay any required lease payments due and payable for that fiscal year. Total costs for such leases were \$263,025 for the year ended June 30, 2016. The future minimum lease payments under these operating leases are as follows:

<u>Year Ending June 30</u>	<u>Amount</u>
2017	\$ 286,562
2018	210,901
2019	186,171
2020	95,463
Thereafter	31,414
Total	<u>\$ 810,511</u>

I. Capital Lease Receivable

Tulsa County Industrial Authority (TCIA, a blended component unit of Tulsa County) has entered into a capital lease agreement with the Tulsa City-County Health Department (TCCHD, a discretely presented component unit of Tulsa County). The proceeds from the lease can only be used to make debt service payments on revenue bonds issued by TCIA. TCCHD makes quarterly payments that are sufficient to make debt service payments on the 2010 Series Health Care Facility Bonds. The lease was dated March 1, 2010 and will mature on January 1, 2040. It has an effective interest rate of 4.56%. The following schedule shows the changes in the capital lease receivable:

<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>
<u>\$ 9,835,539</u>	<u>\$ -</u>	<u>\$ 214,632</u>	<u>\$ 9,620,907</u>

The future minimum lease payments under this lease are as follows:

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Year ended June 30	Principal	Interest	Total
2017	\$ 225,787	\$ 457,715	\$ 683,502
2018	236,627	446,710	683,337
2019	249,670	435,115	684,785
2020	262,252	422,901	685,153
2021	274,513	410,092	684,605
2022-2026	1,593,279	1,834,738	3,428,017
2027-2031	2,019,915	1,406,459	3,426,374
2032-2036	2,564,981	861,821	3,426,802
2037-2040	2,193,883	202,644	2,396,527
	<u>\$ 9,620,907</u>	<u>\$ 6,478,195</u>	<u>\$ 16,099,102</u>

In TCIA's separately issued financial statements, additional capital leases are reported for Tulsa County departments. However, these capital leases are eliminated in Tulsa County's financial statements since TCIA is a blended component unit of Tulsa County. The schedules for the eliminations and reclassifications for the Sheriff and Parks departments, the David L Moss Jail Expansion, the Juvenile Justice Courts and Detention Center, and an ARRA loan from TCIA's separately issued financial statements are shown in the TCIA's note disclosures.

J. General Long-term Bonded Debt

Governmental Activities

The General Fund and the Debt Service Funds (Tulsa County and Tulsa County Industrial Authority) are used to liquidate liabilities such as revenue bonds payable, capital leases, judgments, and compensated absences. During the conversion to the full accrual basis of accounting, the result of adding the current and non-current portion of revenue bonds payable to the positive amount of restricted fund balance on the Tulsa County Industrial Authority's Balance Sheet-Governmental Funds results in a negative balance in unrestricted net position on the Tulsa County Industrial Authority's Statement of Net Position. Debt service of the revenue bonds is to be repaid from future sales tax collections and is a different revenue stream from the proceeds of bonds which finances the Vision 2025 projects. The purpose of Vision 2025 funding was for capital improvements for: American Airlines, education, health care, events facilities, and community enrichment within Tulsa County, which will promote economic development for and provide additional jobs and payroll within Tulsa County.

Changes in all types of debt as reflected in the Statement of Net Position are as follows:

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	Balance 7/1/15	Additions	Deletions	Balance 6/30/16	Due within One Year
Revenue bonds payable-2003	\$ 58,415,000	\$ -	\$ 36,415,000	\$ 22,000,000	\$ 22,000,000
Revenue bonds payable-2005	15,890,000	-	-	15,890,000	15,890,000
Revenue bonds payable-2005	12,775,000	-	6,275,000	6,500,000	6,500,000
Revenue bonds payable-2006	6,425,000	-	3,100,000	3,325,000	3,325,000
Revenue bonds payable-2010	14,530,000	-	630,000	13,900,000	650,000
Revenue bonds payable-2013	1,350,000	-	160,000	1,190,000	160,000
Revenue bonds payable-2014	9,595,000	-	510,000	9,085,000	555,000
Loan payable-2014	402,834	652,166	65,541	989,459	66,196
Revenue bonds payable-2015	-	3,100,000	-	3,100,000	190,000
Revenue bonds payable-2016	-	38,020,000	-	38,020,000	800,000
Premium on debt issuance	2,092,116	648,000	1,427,541	1,312,575	819,984
Subtotal	121,474,950	42,420,166	48,583,082	115,312,034	50,956,180
Capital lease payable	305,917	2,229,171	140,662	2,394,426	381,326
Judgments payable	121,369	474,351	100,703	495,017	175,950
Compensated absences	5,747,907	5,315,653	4,874,184	6,189,376	567,800
Total	<u>\$ 127,650,143</u>	<u>\$ 50,439,341</u>	<u>\$ 53,698,631</u>	<u>\$ 124,390,853</u>	<u>\$ 52,081,256</u>

The total of general long-term debt as presented above as of June 30, 2016 is \$124,390,853, which provides the individual components of the amount reported for long-term liabilities (\$115,312,034 for the revenue bond issues and \$9,078,819 for the remaining long-term liabilities) used in governmental activities that is presented on the government wide Statement of Net Position. The purpose for which the general long-term bonded debt is issued is to finance the capital projects of the Tulsa County Industrial Authority, which entrust the capital projects to Tulsa County and other beneficiaries.

During 2003 the Authority issued the \$242,150,000 Capital Improvement Revenue Bonds. Funds to pay the revenue bonds will come from the sales tax that was approved by voters in September 2003. The proceeds from the bond will be used to fund:

- Capital improvements for American Airlines which will promote economic development for and provide additional jobs and payroll for the County;
- Education, health care and event facilities which will promote economic development for and provide additional jobs and payroll within the County; and
- Capital improvements for community enrichment within the County.

Tulsa County began collecting those taxes in January 2004 and will continue collection for the next thirteen years. Interest on the Series 2003A bonds changed on August 17, 2009, based on a new supplemental bond indenture modifying the variable rate related to the Series 2003A bonds to a fixed interest rate. Separate portions of the bond principal now retain specific fixed rates. These rates are between 3.25 and 5 percent. The Series 2003B bonds are no longer outstanding – they reached maturity on May 15, 2011. The amount outstanding at June 30, 2016 was \$22,000,000.

Debt requirements for the years ending June 30 are as follows:

Tulsa County, Oklahoma
Notes to the Financial Statements
June 30, 2016

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 22,000,000	\$ 720,000	\$ 22,720,000
	<u>\$ 22,000,000</u>	<u>\$ 720,000</u>	<u>\$ 22,720,000</u>

During 2005 the Authority issued the \$150,000,000 Capital Improvement Revenue Bonds. Funds to pay the revenue bonds will come from the sales tax that was approved by voters in September 2003. The proceeds from the bond will be used to fund Phase II of the following projects:

- Capital improvements for American Airlines which will promote economic development for and provide additional jobs and payroll for the County;
- Education, health care and event facilities which will promote economic development for and provide additional jobs and payroll within the County; and
- Capital improvements for community enrichment within the County.

Tulsa County began collecting those taxes in January 2004 and will continue collection for the next thirteen years. Interest on the Series 2005A bonds changed on August 17, 2009, based on a new supplemental bond indenture modifying the variable rate related to the Series 2005A bonds to a fixed interest rate. Separate portions of the bond principal now retain specific fixed rates. These rates are between 3.25 and 4 percent. The Series 2005B bonds are at a fixed rate of 5 percent and paid in semi-annual intervals along with the principal coupons beginning on May 15, 2006 and ending May 15, 2013. A final principal payment of \$15,890,000 is due on May 17, 2017 for the Series 2005A bonds. The amount outstanding at June 30, 2016 was \$15,890,000.

Debt requirements for the years ending June 30 are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 15,890,000	\$ 535,175	\$ 16,425,175
	<u>\$ 15,890,000</u>	<u>\$ 535,175</u>	<u>\$ 16,425,175</u>

During 2006 the Authority issued the \$60,000,000 Capital Improvement Revenue Bonds. Funds to pay the revenue bonds will come from the sales tax that was approved by voters in September 2003. The proceeds from the bond will be used to fund Phase III of the following projects:

- Capital improvements for American Airlines which will promote economic development for and provide additional jobs and payroll within the County;
- Education, health care and event facilities which will promote economic development for and provide additional jobs and payroll within the County; and
- Capital improvements for community enrichment within the County.

Tulsa County began collecting those taxes in January 2004 and will continue collection for the next

Tulsa County, Oklahoma
Notes to the Financial Statements
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thirteen years. Interest on the bonds for the Series 2005C bonds will be 5 percent paid in semi-annual intervals, along with the principal coupons beginning on May 15, 2007 and ending May 15, 2017. The amount outstanding at June 30, 2016 was \$6,500,000.

Debt requirements for the years ending June 30 are as follows:

Year	Principal	Interest	Total
2017	\$ 6,500,000	\$ 325,000	\$ 6,825,000
	<u>\$ 6,500,000</u>	<u>\$ 325,000</u>	<u>\$ 6,825,000</u>

During 2007 the Authority issued the \$31,650,000 Capital Improvement Revenue Bonds. Funds to pay the revenue bonds will come from the sales tax that was approved by voters in September 2003. The proceeds from the bond will be used to fund:

- Capital improvements for American Airlines which will promote economic development for and provide additional jobs and payroll within the County;
- Education, health care and event facilities which will promote economic development for and provide additional jobs and payroll within the County; and
- Capital improvements for community enrichment within the County.

Tulsa County began collecting those taxes in January 2004 and will continue collection for the next thirteen years. Interest on the Series 2006B bonds will be 4.25 and 5 percent paid on semi-annual intervals beginning on November 15, 2006 and ending May 15, 2017. Interest on the Series 2006C Bonds will be 3.94 and 3.99 percent paid on semi-annual intervals beginning November 15, 2006 and ending May 15, 2015. The amount outstanding at June 30, 2016 was \$3,325,000. Debt requirements for the years ended June 30 are as follows:

Year	Principal	Interest	Total
2017	\$ 3,325,000	\$ 166,250	\$ 3,491,250
	<u>\$ 3,325,000</u>	<u>\$ 166,250</u>	<u>\$ 3,491,250</u>

The Series 2010 consists of debt issued for the benefit of Tulsa City-County Health Department and Tulsa County. The debt is payable from lease payments from these entities.

Tulsa County, Oklahoma
Notes to the Financial Statements
June 30, 2016

Year	Principal	Interest	Total
2017	\$ 650,000	\$ 548,738	\$ 1,198,738
2018	665,000	531,595	1,196,595
2019	685,000	513,815	1,198,815
2020	705,000	493,980	1,198,980
2021	730,000	472,072	1,202,072
2022-2026	3,525,000	1,963,988	5,488,988
2027-2031	2,000,000	1,425,417	3,425,417
2032-2036	2,495,000	931,960	3,426,960
2037-2040	2,445,000	293,985	2,738,985
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	\$ 13,900,000	\$ 7,175,550	\$ 21,075,550

The Series 2013 consists of debt issued by TCIA for Tulsa County and is payable from lease payments.

Year	Principal	Interest	Total
2017	\$ 160,000	\$ 22,495	\$ 182,495
2018	165,000	19,295	184,295
2019	165,000	15,995	180,995
2020	170,000	13,768	183,768
2021	175,000	10,962	185,962
2022-2023	355,000	11,775	366,775
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	\$ 1,190,000	\$ 94,290	\$ 1,284,290

The Series 2014 consists of debt issued for Tulsa County. The Authority issued \$9,595,000 of Capital Improvement Revenue Bonds in September 2014. Proceeds were used to construct an expansion of the county jail. The bonds will be repaid with a 0.026% sales tax, which was approved by voters in April 2014. The sales tax will be in effect from July 2014 through July 2029. The bonds mature in September 2029 and bear interest rates between 2.00% and 3.40%. The amount outstanding at June 30, 2016 was \$9,085,000. Debt requirements for the years ended June 30 are as follows:

Tulsa County, Oklahoma
Notes to the Financial Statements
June 30, 2016

Year	Principal	Interest	Total
2017	\$ 555,000	\$ 236,560	\$ 791,560
2018	570,000	223,923	793,923
2019	580,000	212,423	792,423
2020	590,000	200,722	790,722
2021	605,000	188,772	793,772
2022-2026	3,235,000	715,324	3,950,324
2027-2030	2,950,000	199,232	3,149,232
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	\$ 9,085,000	\$ 1,976,956	\$ 11,061,956

The INCOG loan consists of debt issued for Tulsa County. The Authority entered into a loan agreement for \$1,055,000 with INCOG in October 2014. The loan proceeds will be used to update the HVAC system in the courthouse. The loan will have an interest rate of 1% and will mature in October 2029. The loan will be repaid in annual installments of \$76,091. The amount outstanding at June 30, 2016 was \$989,459. Debt requirements for the years ended June 30 are as follows:

Year	Principal	Interest	Total
2017	\$ 66,196	\$ 9,895	\$ 76,091
2018	66,858	9,233	76,091
2019	67,527	8,564	76,091
2020	68,202	7,889	76,091
2021	68,884	7,207	76,091
2022-2026	354,890	25,562	380,452
2027-2030	296,902	7,459	304,361
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	\$ 989,459	\$ 75,809	\$ 1,065,268

In May, 2016, the Authority executed an additional American Recovery and Reinvestment Act note with INCOG totaling \$241,200 for the purpose of purchasing and replacing certain equipment at O'Brien Recreation Center. The term of the note is 15 years with interest at 1%. The loan proceeds are drawn as the funds are spent for the stated purpose. No funds were expended as of June 30, 2016.

The Series 2015 consists of debt issued for Tulsa County. The Authority issued \$3,100,000 of Capital Improvement Revenue Bonds in October 2015. Proceeds were used to construct an expansion of the county jail. The bonds will be repaid with a 0.026% sales tax, which was approved by voters in April 2014. The sales tax will be in effect from July 2014 through July 2029. The bonds mature in September 2029 and bear interest rates between 1.00% and 3.20%. The amount outstanding at June 30, 2016 was \$3,100,000. Debt requirements for the years ended June 30 are as follows:

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Notes to the Financial Statements
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Year	Principal	Interest	Total
2017	\$ 190,000	\$ 67,995	\$ 257,995
2018	200,000	66,045	266,045
2019	200,000	64,045	264,045
2020	205,000	60,995	265,995
2021	205,000	56,895	261,895
2022-2026	1,100,000	218,256	1,318,256
2027-2030	1,000,000	64,312	1,064,312
	<u>\$ 3,100,000</u>	<u>\$ 598,543</u>	<u>\$ 3,698,543</u>

The Series 2016 consists of debt issued for Tulsa County. The Authority issued \$38,020,000 of Capital Improvement Revenue Bonds in April 2016. Proceeds will be used to construct, operate and maintain the Juvenile Justice Courts and Detention Center. The bonds will be repaid with a 0.041% sales tax, which was approved by voters in April 2014. The sales tax will be in effect from July 2014 through July 2029. The bonds mature in September 2029 and bear interest rates between 2.00% and 3.00%. the amount outstanding at June 30, 2016 was \$38,020,000. Debt requirements for the years ended June 30, 2016 are as follows:

Year	Principal	Interest	Total
2017	\$ 800,000	\$ 690,535	\$ 1,490,535
2018	2,615,000	766,444	3,381,444
2019	2,635,000	713,944	3,348,944
2020	2,660,000	660,994	3,320,994
2021	2,690,000	607,494	3,297,494
2022-2026	14,130,000	2,206,769	16,336,769
2027-2030	12,490,000	656,940	13,146,940
	<u>\$ 38,020,000</u>	<u>\$ 6,303,120</u>	<u>\$ 44,323,120</u>

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Notes to the Financial Statements
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Conduit Debt Obligations

The Tulsa County Industrial Authority has issued industrial revenue bonds and other debt instruments that provide financial assistance to private sector and other governmental entities for the acquisition and construction of industrial and commercial facilities that is deemed to be in the public interest. The bonds and notes (conduit debt obligations) are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities transfers to the private-sector entity served by the bond issuance. The Authority, the County, the State, nor any other political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds and notes are not reported as liabilities in the accompanying financial statements. The total amount of conduit debt obligations outstanding as of June 30, 2016 was \$691,299,078.

Tulsa County Home Finance Authority has conduit debt obligations that are certain limited-obligation revenue bonds, certificates of participation, or similar debt instruments issued by a state or local governmental entity for the express purpose of providing capital financing for a specific third party that is not a part of the issuer's financial reporting entity. Although conduit debt obligations bear the name of the governmental issuer, the issuer has no obligation for such debt beyond the resources provided by a lease or loan with the third party on whose behalf they are issued. The bonds issued by the Authority are conduit debt and are not the legal obligation of the Authority, County, State nor any political subdivision and are payable solely from the pledged revenues. Accordingly, the Authority has elected to exclude the conduit debt as a liability and the related assets from their statement of net position. The total amount of conduit debt obligations outstanding as of December 31, 2015 was \$22,630,644.

Pledge of Sales Tax Revenue

The Tulsa County Industrial Authority (TCIA) has also pledged 6/10 of one cent sales tax revenue received from the County to repay \$242,150,000 of Series 2003A & B; \$150,000,000 of Series 2005A & B; \$60,000,000 of Series 2005C; and \$31,650,000 of Series 2006B & C Capital Improvement Revenue Bonds. Proceeds from the bonds provided financing for Vision 2025 Projects related to 1) American Airlines capital improvements; 2) education, health care and events facilities; and 3) community enrichment capital improvements. The bonds are payable from these sales tax revenues and are payable through 2017. The total principal and interest payable for the remainder of the life of these bonds is \$49,461,425. Total pledged sales taxes received from the County in the current fiscal year were \$64,668,974. Debt service payments for the current fiscal year of \$49,561,775 were 76.6% of the pledged sales taxes. The collection of pledged sales continues to January 1, 2017.

TCIA also pledged an additional 0.026% of sales tax revenue received from the County to repay \$9,595,000 of Series 2014 Capital Improvement Revenue Bonds and \$3,100,000 of Series 2015 Capital Improvement Revenue Bonds. Proceeds from the bonds provided financing for the construction, operation and maintenance of a county jail expansion. The total principal and interest payable for the remainder of the life of these bonds is \$14,760,499. The bonds are payable from these sales tax revenues through 2029. Total pledged sales taxes received from the County in the current fiscal year were \$2,802,322. Debt service payments for the current fiscal year of \$781,131 were 27.9% of the pledged sales taxes. The collection of pledged sales taxes ends July 1, 2029.

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The Authority also pledged an additional 0.041% of sales tax revenue received from the County to repay \$38,020,000 of Series 2016 Capital Improvement Revenue Bonds. Proceeds from the bonds provided financing for the construction, operation and maintenance of the juvenile justice courts and detention center. The total principal and interest payable for the remainder of the life of these bonds is \$44,323,120. The bonds are payable from these sales tax revenues through 2029. Total pledged sales taxes received from the County in the current fiscal year were \$1,284,810. No debt service payments were made for the current fiscal year. The collection of pledged sales taxes ends July 1, 2029.

Business-Type Activities

Revenue bonds outstanding consist of unmatured debt issued by the Tulsa County Public Facilities Authority (TCPFA). TCPFA has been included as an Enterprise Fund within the basic financial statements for financial reporting purposes. The debt of TCPFA does not constitute debt of the County and is solely payable from resources of TCPFA. Primarily the revenues derived from Expo Square fairs and exhibits collateralize revenue bonds.

Long-term Liabilities

Long-term liability activity for the year ended December 31, 2015, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Bonds payable:					
Series 2005 revenue bonds	\$ 16,790,000	\$ -	\$ 16,790,000	\$ -	\$ -
Series 2005 bond premium	141,189	-	141,189	-	-
Series 2011 revenue bonds	6,035,000	-	1,995,000	4,040,000	2,020,000
Series 2015 revenue bonds	-	14,745,000	-	14,745,000	2,355,000
Total bonds payable	\$ 22,966,189	\$ 14,745,000	\$ 18,926,189	\$ 18,785,000	\$ 4,375,000

Bonds Payable

As of October 1, 2005, TCIA issued \$27,805,000 of its Capital Improvement and Refunding Revenue Bonds, Series 2005 (2005 Series revenue bonds) (average interest rate of 4.3%) principally to refund \$22,228,368 of outstanding 1999 Series Revenue Bonds (average interest rate of 6.5%). The bond payable includes a bond issuance premium of \$294,200. The premium was being amortized utilizing the effective interest rate method. Of the net proceeds of \$27,229,003 (after underwriting fees and other issuance costs of \$1,125,550 and a premium on the bond issuance of \$549,553), \$22,228,368 was used to refund the outstanding 1999 Series Revenue Bonds, and \$5,000,635 was deposited into an irrevocable trust with an escrow agent to finance certain additions and improvements. As a result, the 1999 Series Revenue Bonds were defeased, and TCIA had no further liability on the 1999 bonds. The difference between the reacquisition price (funds required to refund the 1999 Series Revenue Bonds) and the net carrying amount of the 1999 Series Revenue Bonds is shown as a reduction of \$2,049,217 in bonds payable. This reduction was being amortized to interest expense utilizing the effective interest method. These bonds were refunded during fiscal year ended December 31, 2015. See note below on 2015 bonds.

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Notes to the Financial Statements
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As of December 21, 2011, TCIA issued \$9,860,000 of its Capital Improvement and Refunding Revenue Bonds, Series 2011 (2011 Series revenue bonds) (average interest rate of 1.2 percent) principally to refund \$9,031,023 of outstanding 2007 Series revenue bonds (average interest rate of 4.0 %). Of the net proceeds of \$9,617,668 (after underwriting fees and other issuance costs of \$242,332), \$9,031,023 was used to refund the outstanding 2007 Series revenue bonds, and \$586,645 was deposited in an irrevocable trust with an escrow agent to finance certain additions and improvements. As a result, the 2007 Series revenue bonds were defeased, and the Authority has no further liability on the 2007 bonds. The difference between the reacquisition price (funds required to refund the 2007 Series revenue bonds) and the net carrying amount of the 2007 Series revenue bonds is reported as a deferred outflow of resources. This reduction is being amortized to interest expense utilizing the effective interest method.

Interest on the 2011 Series revenue bonds is due semi-annually. The 2011 Series revenue bonds outstanding at December 31, 2015, mature or have mandatory redemption, in the amounts and bear interest at the rates indicated below (excluding bond premium amortization):

<u>Date of Maturity or Redemptions</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Interest</u>
May 1, 2016	\$ -	\$ 30,300	1.40%
November 1, 2016	2,020,000	30,300	1.40%
May 1, 2017	-	16,160	1.60%
November 1, 2017	2,020,000	16,160	1.60%
	<u>\$ 4,040,000</u>	<u>\$ 92,920</u>	

The 2011 Series revenue bonds are subject to redemption, at the option of TCIA, in whole at any time, at a redemption price equal to the principal amount thereof plus accrued interest in the event of extraordinary events as stated in the bond indenture.

As of August 4, 2015, the Authority issued \$14,745,000 of its Capital Improvement and Refunding Revenue Bonds, Series 2015 (2015 Series revenue bonds) (average interest rate of 3.5 percent) principally to refund \$16,790,000 of outstanding 2005 Series revenue bonds (average interest rate of 4.3 percent). The net proceeds of \$15,246,165 (after underwriting fees and other issuance costs of \$282,065) plus \$1,935,471 of cash was deposited in an irrevocable trust with an escrow agent to refund the 2005 bonds. As a result, the 2005 Series revenue bonds were defeased, and the Authority has no further liability on the 2005 bonds. The difference between the reacquisition price (funds required to refund the 2005 Series revenue bonds) and the net carrying amount of the 2005 Series revenue bonds of \$174,544 is reported as a deferred inflow of resources. This reduction is being amortized to interest expense utilizing the effective interest method.

Interest on the 2015 Series revenue bonds is due semi-annually. The 2015 Series revenue bonds outstanding at December 31, 2015 mature or have mandatory redemption in the amounts and bear interest at the rates indicated below (excluding bond premium amortization).

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<u>Date of Maturity or Redemptions</u>	<u>Principal</u>	<u>Interest</u>	<u>Annual Interest Rate</u>
May 1, 2016	\$ -	\$ 211,538	0.500%
November 1, 2016	2,355,000	211,538	0.500%
May 1, 2017	-	205,650	3.000%
November 1, 2017	1,805,000	205,650	3.000%
May 1, 2018	-	178,575	4.000%
November 1, 2018	1,930,000	178,575	4.000%
May 1, 2019	-	139,975	4.000%
November 1, 2019	2,030,000	139,975	4.000%
May 1, 2020	-	99,375	4.000%
November 1, 2020	2,110,000	99,375	4.000%
May 1, 2021	-	67,725	3.000%
November 1, 2021	2,225,000	67,725	3.000%
May 1, 2022	-	34,350	3.000%
November 1, 2022	2,290,000	34,350	3.000%
	<u>\$ 14,745,000</u>	<u>\$ 1,874,376</u>	

The 2011 and 2015 Series bond indentures also provide that the Authority shall establish and collect such rates, fees and charges so as to render annual gross revenues (net of operating expenses), equal to at least 1.10 times the average annual principal of and interest on all bonds.

TCIA's 2011 and 2015 Series revenue bonds are equally secured. Under the Indentures, the Authority grants a first lien on and pledge of a first security interest in the Gross Revenues derived from the ownership, existence and/or operation of the Tulsa State Fairgrounds and the Authority grants a first mortgage lien on its interest in the racing facilities.

K. Employees' Retirement System

As provided by Title 19, §951 through §965 of the Oklahoma Statutes, Tulsa County maintains a single-employer, defined benefit contributory pension plan designated the *Tulsa County Employees' Retirement System* ("TCERS"), which covers participants with retirement, death and disability benefits. A nine-member Board of Trustees administers the System. Of the nine members, the Chairman of the Board of County Commissioners, the County Treasurer and the County Clerk serve as ex-officio members. The Board of County Commissioners (BOCC) appoints two members. The members appointed by the BOCC shall have demonstrated professional experience in investment or funds management, public funds management, public or private pension fund management or retirement system management; or have demonstrated experience in the banking profession and have demonstrated professional experience in investment or fund management; or be licensed to practice law in the state of Oklahoma; or be licensed by the State Board of Public Accountancy to practice in Oklahoma as a public accountant or certified public accountant. Three members shall be elected by the employees of Tulsa County. One retired member of

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June 30, 2016

the system shall be elected by the employees, retirees, and the beneficiaries (surviving spouses) of the system. The Board of Trustees meets the last Tuesday of each month to conduct business, except in December they meet the third Tuesday of the month. Agendas are posted in properly designated areas.

In June 2012, the Governmental Accounting Standards Board issued Statement No. 68, Accounting and Financial Reporting for Pensions. The statement was effective for fiscal years beginning after June 15, 2014. The County is using a measurement date one year prior to its fiscal year end to report net pension liability and pension related deferred inflows and outflows of resources. Net pension liability is based on an actuarial valuation as of June 30, 2015. The following table shows the changes in the net pension liability for the measurement period reported in the current fiscal year.

	Tulsa County Increase (Decrease)			Tulsa City-County Health Department Plan Increase (Decrease)			Total Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)	Total Pension liability (a)	Fiduciary Net Position (b)	Net Pension Liability (a) - (b)	Total Pension liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances at June 30, 2015	\$ 243,275,452	\$ 228,686,957	\$ 14,588,496	\$ 52,928,238	\$ 49,753,937	\$ 3,174,300	\$ 296,203,690	\$ 278,440,894	\$ 17,762,796
Changes for the year:									
Service cost	4,723,232	-	4,723,232	990,816	-	990,816	5,714,048	-	5,714,048
Interest on total pension liability	19,341,303	-	19,341,303	4,057,322	-	4,057,322	23,398,625	-	23,398,625
Effect of economic/demographic gains or losses	(1,931,872)	-	(1,931,872)	(405,157)	-	(405,157)	(2,337,029)	-	(2,337,029)
Effect of assumption changes or inputs	6,102,657	-	6,102,657	1,279,865	-	1,279,865	7,382,522	-	7,382,522
Benefit payments	(14,224,494)	(14,224,494)	-	(2,983,943)	(2,983,943)	-	(17,208,437)	(17,208,437)	-
Employer contributions	-	8,651,900	(8,651,900)	-	1,807,218	(1,807,218)	-	10,459,118	(10,459,118)
Member contributions	-	614,792	(614,792)	-	128,968	(128,968)	-	743,760	(743,760)
Net investment income	-	523,062	(523,062)	-	-	-	-	523,062	(523,062)
Administrative expenses	-	(105,931)	105,931	-	(22,222)	22,222	-	(128,153)	128,153
Net changes	14,010,826	(4,540,671)	18,551,498	2,938,903	(1,069,979)	4,008,881	16,949,729	(5,610,650)	22,560,379
Balances at June 30, 2016	\$ 257,286,279	\$ 224,146,285	\$ 33,139,993	\$ 55,867,140	\$ 48,683,959	\$ 7,183,182	\$ 313,153,419	\$ 272,830,244	\$ 40,323,175

Pension payments made by the County and TCCHD from the measurement date to June 30, 2016 are reported as deferred outflows.

Employer contributions between the measurement date and June 30, 2016 are reported as deferred outflows. At June 30, 2016, these payments amount to \$8,845,282 for Tulsa County and \$1,848,581 for TCCHD.

Plan Description and Provisions

Membership in the TCERS is mandatory for all eligible employees. An employee becomes eligible on the first day of employment as a regular, full time employee. Oklahoma Statutes include elected and appointed salaried County officials as employees for retirement system purposes. Seasonal, temporary, hourly, part-time or contracted workers are not considered to be eligible employees.

As of June 30, 2016, the TCERS participants are as follows:

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	<u>Tulsa County</u>	<u>TCCHD</u>	<u>Total</u>
Retirees or beneficiaries currently receiving benefits	953	200	1,153
Inactive employees entitled to but not yet receiving benefits	482	89	571
Active employees	<u>1,523</u>	<u>299</u>	<u>1,822</u>
Total employees covered by benefit terms	<u>2,958</u>	<u>588</u>	<u>3,546</u>

For the year ended June 30, 2016, the County's total payroll for the plan amounted to \$76,834,455.

	<u>Covered Payroll</u>	<u>Percentage of Total</u>
Tulsa County	\$ 63,514,113	82.66%
TCCHD	<u>13,320,342</u>	<u>17.34%</u>
	<u>\$ 76,834,455</u>	<u>100.00%</u>

Normal Retirement Benefits - Service credit for employment prior to July 1, 1965 is granted only to employees who were contributing to TCERS on March 6, 1974. The employee becomes eligible to receive benefits at age 62 with 5 years of service or he/she attains the Rule of 80. The Rule of 80 applies if the employee's age, in years and months, added to his/her years and months of participation in the retirement system together equal at least 80 points.

The monthly annuity payable to the employee is based on a percentage to be applied to the average compensation of the highest paid thirty-six (36) months of employment. The three highest years need not be contiguous, but each year must consist of twelve continuous months. Benefits are calculated on the average base payroll earnings and do not include overtime, allowances, etcetera. The benefit percentages for years of credited service are as follows:

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Years of Credited Service	Percentage of Benefit	
	If Vested as of June 30, 2010	If Vested <u>after</u> June 30, 2010
5	12.5%	10.0%
6	15.0%	12.0%
7	17.5%	14.0%
8	20.0%	16.0%
9	22.5%	18.0%
10	25.0%	20.0%
11	28.0%	22.0%
12	31.0%	24.0%
13	34.0%	26.0%
14	37.0%	28.0%
15	40.0%	30.0%
16	42.0%	34.0%
17	44.0%	38.0%
18	46.0%	42.0%
19	48.0%	46.0%
20	50.0%	50.0%

Beyond 20 years, there will be a 1.5% increase in the percentage rate for each year of credited service, to a maximum of 100%.

Disability Benefits

Disability benefits are available to participants who have become permanently disabled as a direct result of County employment. The employee must have the required eight years of participation in the retirement system to receive benefits. Medical proof of disability, as well as a written statement of condition and cause from the employee's supervisor must accompany applications for disability. The retirement system's Board of Trustees may require additional medical proof and makes the final determination of eligibility. There are no age requirements.

The percentage and base salary used to calculate benefits for employees who qualify for disability retirement is the same as that used in calculating "regular" retirement benefits except that the maximum percentage that may be applied is 40% (for a disability retiree having 15 or more credited years of service) if vested as of June 30, 2010. Anyone vested after June 30, 2010 or hired after June 30, 2010 the maximum percentage is 40% (for a disability retiree having 18 years or more credited years of service).

A review of all disability retirees is conducted by the TCERS Board of Trustees each August, at which time disability retirees must submit medical proof that they remain disabled. This requirement for the annual disability review ends when the retiree reaches age 62.

Death Benefits – As of November 1, 2000, a surviving spouse is eligible to receive 70% of the retirement

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benefit of a vested, deceased employee who was retired, or who had reached the Rule of 80. If the vested employee had not reached the age of 62 or attained the Rule of 80, the surviving spouse can either start receiving full retirement benefits when their spouse would have reached the age of 62 or attained the Rule of 80, or start receiving retirement benefits at a reduced percentage calculated by an actuarial formula when their spouse would have reached the age of 55.

As of July 1, 2010, a surviving spouse of a member who was not vested as of June 30, 2010 or was hired after June 30, 2010 is eligible to receive 67% of the retirement benefit to which the employee/retiree was entitled.

Reduced Benefits – There is a reduced benefit available to employees who have attained age 55 with at least five years of credited service (the last two years must be consecutive), at an actuarially reduced percentage from the normal rate at age 62.

Contributions - In accordance with Title 19 OSA 954 of the Oklahoma Statutes, contribution rates as set by the Board are applied to all full-time base salaries and wages and the resulting contributions are credited to the pension fund on a monthly basis. Effective July 1, 2007, the Board of County Commissioners and the Board of Trustees approved a resolution changing the employer contribution rate to 12%, while employees contribute \$1 per year. Effective July 1, 2012, the employer contribution rate changed to 14%, and the employee contribution rate to 0.25% of the base salary. On July 1, 2013, the employee's contribution rate increased to 1% of the base salary. On January 1, 2016, the employee's contribution rate increased to 1.5% of the base salary.

Beginning July 1, 2007, the total employer and employee contributions shall not exceed sixteen and one-half percent (16.5%) of the monthly compensation of each member. The appropriation for the fiscal year ending June 30, 2008 can be raised to thirteen and one-half percent (13.5%), for the fiscal year ending June 30, 2009 can be raised to fourteen and one-half percent (14.5%), for the fiscal year ending June 30, 2010 can be raised to fifteen and one-half percent (15.5%), and for the fiscal year ending June 30, 2011 and each year thereafter, can be raised to sixteen and one-half percent (16.5%), as permitted by Title 19 O.S. 2007, Section 954, as amended. Contributions made for fiscal year ended June 30, 2016 were \$8,845,282 for Tulsa County and \$1,848,581 for TCCHD.

Actuarial Assumptions

Key assumptions used in the plans actuarial valuation as of June 30, 2015 were:

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Discount Rate	7.75%
Long-term expected rate of return	7.75%
Valuation date	July 1, 2015
Measurement date	June 30, 2015
Inflation	2.50%
Salary increase including inflation	5% grade down to 2.5%
Mortality	RP-2000 Mortality for Employees, Healthy Annuitants, and Disabled Annuitants with 10 years projection per Scale AA for healthy participants
Actuarial cost method	Entry Age Normal

The actuarial assumptions that determined the total pension liability as of June 30, 2015 were based on the results of an actuarial experience study for the period July 1, 2007 to June 30, 2012.

Effective as of an actuarial valuation for June 30, 2016, the discount rate and long-term expected rate of return assumption was reduced from 7.75% to 7.25%. This resulted in an increase to the net pension liability of approximately \$18.3 million.

Discount Rate

The discount rate used to measure the total pension liability was 7.75%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at the actuarially determined contribution amount. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The net pension liability of the plan is calculated using the discount rate of 7.75 percent. The total net pension liability would increase to \$77,396,664 if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) and would decrease to \$9,327,053 if the rate were increased 1-percentage-point higher (8.75 percent) than the current rate.

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	1% Decrease (6.75%)	Current Discount Rate (7.75%)	1% Increase (8.75%)
County's net pension liability	\$ 63,978,855	\$ 33,332,581	\$ 7,710,076
TCCHD's net pension liability	<u>13,417,809</u>	<u>6,990,594</u>	<u>1,616,977</u>
Total net pension liability	<u>\$ 77,396,664</u>	<u>\$ 40,323,175</u>	<u>\$ 9,327,053</u>

Pension Plan Fiduciary Net Position

The pension plan's fiduciary net position has been determined on the same basis used by the pension plan. Detailed information about the pension plan's fiduciary net position and other information is available in the separately issued, stand-alone financial report of TCERS, which can be obtained from Tulsa County at 500 South Denver, Tulsa, Oklahoma 74103 or online at www.tulsacounty.org.

Asset Allocation

The Board has adopted the following Asset Allocation for 2016 among stock, bonds, and cash to serve as a general guideline in investing the Plan's assets:

	Minimum	Target	Maximum	Long-term Rate of Return
Domestic Equity	19.25%	29.25%	39.25%	10.00%
International Equity	0.00%	9.25%	19.25%	11.00%
Domestic Bonds	17.00%	37.00%	57.00%	5.00%
Alternative Assets	0.00%	24.50%	59.50%	11.30%
Arithmetic mean return				8.56%

Summary of Significant Accounting Policies

Basis of Accounting

The financial statements of Tulsa County Employees' Retirement System are prepared using the accrual basis of accounting and in conformity with accounting principles generally accepted in the United States of America. Member and employer contributions are recognized as revenues in the period in which employee services are performed and expenses are recorded when incurred regardless of when payment is made. Contributions from members are recognized when the employer makes payroll deductions from plan members. Employer contributions are recognized when due and the employer has made a formal commitment to provide the benefits. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the

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TCERS and additions to/deductions from TCERS' fiduciary net position have been determined on the same basis as they are reported by TCERS.

Method Used to Value Investments

Investments are reported at fair value. The fair value of investments is based on published market prices and quotations from major investment brokers at current exchange rates, as available. Many factors are considered in arriving at that value. Corporate bonds are valued based on yields currently available on comparable securities of issuers with similar credit ratings. Approximately 19% of the net position restricted for pension benefits at June 30, 2016 was invested in U.S. Government and Agency obligations. TCERS has no investments in stocks and bonds of any commercial or industrial organization whose market value equals 5% or more of TCERS's assets available for benefits.

Basis of Presentation

The financial statements of the TCERS are presented in accordance with the generally accepted accounting principles promulgated by the Governmental Accounting Standards Board (GASB). During fiscal year 2016, TCERS adopted the provisions of GASB Statement No. 72, *Fair Value Measurement and Application*. The adoption expanded footnote disclosures regarding investments; however, it had no effect on TCER's accounting for investments.

GASB Statement No. 82, *Pension Issues-an Amendment of GASB Statements No. 67, No. 68, and No. 73*, has been early implemented by Tulsa County and TCPFA. This Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements.

TCERS is considered a Pension Trust Fund (Fiduciary Fund) in Tulsa County's Financial Report. Copies of Tulsa County Employees' Retirement System's Comprehensive Annual Financial Report are available from the County Clerk's office.

For the year ended June 30, 2016, pension expense of \$5,970,510 for Tulsa County and \$1,096,944 for TCCHD was recognized. At June 30, 2016, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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	Deferred Outflows of Resources			Deferred Inflows of Resources		
	Tulsa County	TCCHD	Total	Tulsa County	TCCHD	Total
Difference between expected and actual experience	\$ -	\$ -	\$ -	\$ (1,749,935)	\$ (368,236)	\$ (2,118,171)
Changes of assumptions	5,032,016	1,055,327	6,087,343	(1,542,868)	(335,712)	(1,878,580)
Contributions subsequent to the measurement date	8,845,282	1,848,581	10,693,863	-	-	-
Net difference between projected and actual earnings on pension plan investments	13,770,690	2,888,024	16,658,714	(11,268,884)	(2,451,988)	(13,720,872)
Total	\$ 27,647,988	\$ 5,791,932	\$ 33,439,920	\$(14,561,687)	\$(3,155,936)	\$(17,717,623)

Deferred outflows of resources related to pensions resulting from County and TCCHD contributions subsequent to the measurement date of \$10,693,863, will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year ended June 30:</u>	<u>Tulsa County</u>	<u>TCCHD</u>	<u>Total</u>
2017	\$ (41,325)	\$ (41,832)	\$ (83,157)
2018	(41,325)	(41,832)	(83,157)
2019	(41,325)	(41,832)	(83,157)
2020	3,852,795	805,488	4,658,283
2021	512,202	107,420	619,622

L. Post-Employment Health Plan (PEHP)

Administration and Plan Provisions

Post-Employment Health Plan or PEHP is a defined contribution arrangement. The Tulsa County Board of County Commissioners (BOCC) signed the participation agreement that established PEHP, on May 27, 1997. PEHP is designed to assist Tulsa County employees offset the ever-increasing burden of post-employment medical expenses. PEHP, which began on July 1, 1997, establishes an investment account for each qualified Tulsa County employee to help pay future medical expenses and is a separate benefit from Tulsa County Employees' Retirement System (TCERS) or from the Section 457 deferred compensation program. PEHP, which contains two sub-accounts—a Universal Reimbursement Account and an Insurance Premium Reimbursement Account, is funded entirely by contributions from Tulsa County (employee contributions are not allowed). Tulsa County, Tulsa County Court Fund, Tulsa County Law Library, Tulsa Area Emergency Management Agency, Tulsa County Public Facilities Authority, and Drainage District #12 currently contribute monthly \$40 per employee to the Universal Reimbursement Account and 2% of each employee's salary to the Premium Reimbursement account. The Tulsa City/County Health Department elected to participate only in the Premium Reimbursement account and contributes 1% of each employee's salary each month. The BOCC can amend or alter the contribution amount or rate at any time. All administrative charges are paid by Tulsa County. These two sub-accounts provide tax-free return on investment and tax-free payment of medical costs after separation from County

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employment. Each participating employee has the flexibility to direct both the investments inside his/her account and the distribution of benefits upon separation from County employment. These funds may not be withdrawn by the employee until their employment with Tulsa County has ceased.

Participants

The following organizations and departments participate in PEHP:

Tulsa County
Tulsa County Court Fund
Tulsa County Law Library
Tulsa Area Emergency Management Agency (civil defense)
Tulsa City/County Health Department
Tulsa County Public Facilities Authority (fairgrounds)
Tulsa County Drainage District #12

Membership is available in PEHP for all regular, full time employees of the participants listed above.

Number of Participants and Contributions

As of June 30, 2016, the number of participants and total contributions made into PEHP for fiscal year 2016 is shown below:

Organization	Number of Participants	Amount Contributed
Tulsa County	1,248	\$ 1,614,421
Tulsa County Court Fund	44	63,802
Tulsa County Law Library	2	2,809
Tulsa Area Emergency Management Agency	3	4,532
Tulsa City/County Health Department	313	277,330
Tulsa County Public Facilities Authority	48	72,305
Tulsa County Drainage District #12	4	6,535
Total	1,662	\$ 2,041,734

M. Other Post-Employment Benefits (OPEB)

Plan Description

The County offers post-employment benefit (OPEB) options for health care, prescription drug, dental and vision benefits for retired employees under the age of 65 and their dependents that elect to make required benefit payments on a monthly basis. These benefits are considered for accounting purposes to be provided in accordance with a single employer substantive plan. A substantive plan is one in which the plan terms are understood by the county and plan members. This understanding is based on communications between the employer and plan member and the historical pattern of practice with regard to the sharing of benefit costs. All of the government's employees may become eligible for those post-

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retirement benefits if they are retired members under the age of 65 of the Tulsa County Employees' Retirement System (TCERS). As of June 30, 2016, 316 retired employees are receiving benefits under this plan.

Benefits Provided

The Plan covers all current retirees of TCERS under the age of 65 who elected postretirement medical coverage through Tulsa County and future retired employees under the age of 65 of Tulsa County through the County's fully insured health plan. The benefit levels are the same as those afforded to active employees. The benefits offered by the County to retirees include health care, prescription drug, dental and vision benefits. The retirees become eligible to receive benefits when they retire through TCERS.

Membership

At June 30, 2016, membership consisted of the following:

Active	1,822
Retired members	316
Total membership	2,138

Funding Policy

The contribution requirement of the County is an implicit subsidy. The implicit subsidy is not a direct payment from the employer on behalf of the member but rather stems from retiree contribution levels that are less than the claims cost as retiree ages. Since claims experience for employees and non-Medicare eligible retirees are pooled when determining premiums, these retired members pay a premium based on a pool of members that, on average, are younger and healthier. There is an implicit subsidy from the employee group since the premiums paid by the retirees are lower than they would have been if the retirees were insured separately. The subsidies are valued using the difference between the age-based claims costs and the premium paid by the retiree. The amount required to fund the implicit rate is based on projected pay-as-you-go financing requirements. Plan members receiving benefits contribute 100% of the total premiums.

Annual OPEB Costs and Net OPEB Obligation

This is the third actuarial valuation (each valid for a two-year period) which the County had performed to determine the projected liabilities of the plan as of fiscal year-end, as well as the employer's annual required contribution (ARC). The Net OPEB obligation at June 30, 2016 was calculated as follows:

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Annual Required Contribution (ARC) Fiscal Year 2016	\$ 658,500
Interest on Net OPEB Obligation Fiscal Year 2016	101,800
Adjustment to ARC Fiscal Year 2016	(103,900)
Annual OPEB Cost	<u>656,400</u>
Contributions Fiscal Year 2016	<u>(373,000)</u>
Increase in Net OPEB Obligation	283,400
Net OPEB Obligation, beginning of year	<u>2,908,800</u>
Net OPEB Obligation, end of year	<u><u>\$ 3,192,200</u></u>

Year Ended	Annual OPEB Cost	Percentage of OPEB Cost Contributed	Net OPEB Obligation
06/30/14	\$ 662,100	60.0%	\$2,643,900
06/30/15	662,100	60.0%	2,908,800
06/30/16	656,400	56.8%	3,192,200

Funded Status and Funding Progress

The funded status of the plan as of June 30, 2016 (the latest actuarial valuation date), is as follows:

Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Projected Unit Credit	(3) Unfunded AAL (UAAL) (2)-(1)	(4) Funding Ratios (1)/(2)	(5) Annual Covered Payroll	(6) UAAL as a % of Covered Payroll (3)/(5)
6/30/12	-	\$ 6,297,000	\$ 6,297,000	0.00%	\$67,099,000	9.40%
6/30/14	-	6,191,000	6,191,000	0.00%	66,348,000	9.30%
6/30/16	-	6,134,000	6,134,000	0.00%	75,037,000	8.20%

Actuarial Methods and Assumptions

The actuarial present value of future benefits determined by the initial valuation is split into the unfunded accrued liability and the actuarial present value of future normal costs. The unfunded accrued liability is adjusted in subsequent years for principal payments, interest accruals, Plan amendments, changes in actuarial assumptions, and actual experience gains and losses. The actuarial present value of future normal costs is funded over future covered payroll.

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. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements,

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presents multi-year trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Valuation date	June 30, 2016
Actuarial cost method	Projected Unit Credit
Amortization method	Level percentage of projected payroll
Remaining amortization periods	30 years open
Baseline discount rate	3.50%
Initial Annual medical cost trend rate and inflation rate	7.0%
Ultimate annual medical cost trend rate and inflation rate	4.1%
Years until ultimate inflation rate	78 years

N. Fund Balance/Net Position

The following table shows the fund balance classifications as shown on the Governmental Funds Balance Sheet in accordance with GASB Statement No. 54:

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<u>Major Special Revenue Funds</u>									
	General Fund	County Highway Fund	Sales Tax Fund	Major Special Revenue Fund - IA	Major Capital Projects Fund - IA	Major Sales Tax Debt Service Fund - IA	Major Capital Lease Debt Service Fund - IA	Other Special Revenue Funds	Total
Fund Balance									
Nonspendable for:									
Highway materials inventory	\$ -	\$ 300,676	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 300,676
Restricted for:									
Ad valorem receipt, land records, levy maintenance, grants, courts	-	-	-	-	-	-	-	18,495,617	18,495,617
Sheriff operations	-	-	-	-	-	-	-	2,972,598	2,972,598
Jail operations	-	-	-	-	-	-	-	651,937	651,937
Juvenile detention and juvenile courts	-	-	-	-	-	-	-	866,819	866,819
Parks projects and maintenance	-	-	-	-	-	-	-	2,348,978	2,348,978
Highway and bridge projects and maintenance	-	11,094,532	-	-	-	-	-	-	11,094,532
Judgments	-	-	-	-	-	-	-	35,338	35,338
TCIA debt service	-	-	-	-	-	43,051,551	541,889	-	43,593,440
TCIA debt service/capital projects	-	-	-	50,696,474	-	44,477,597	-	-	95,174,071
4-To-Fix sales tax capital projects in highways, parks and special projects	-	4,332,743	-	-	-	-	-	4,051,774	8,384,517
Juvenile Justice Center sales tax	-	-	-	-	-	-	-	2,857,028	2,857,028
TCIA capital projects	-	-	-	-	30,532	-	-	-	30,532
Sub-total Restricted	-	15,427,275	-	50,696,474	30,532	87,529,148	541,889	32,280,089	186,505,407
Committed to:									
Unallocated interest, use & sales tax, Risk management and TCIA General fund	-	-	735,178	-	-	-	-	7,607,307	8,342,485
Sub-total Committed	-	-	735,178	-	-	-	-	7,607,307	8,342,485
Assigned:									
General Government encumbrances	170,537	-	-	-	-	-	-	-	170,537
Public Safety encumbrances	84,550	-	-	-	-	-	-	-	84,550
Health & Welfare encumbrances	4,392	-	-	-	-	-	-	-	4,392
Culture & Recreation encumbrances	6,349	-	-	-	-	-	-	-	6,349
Roads and Highways encumbrances	5,533	-	-	-	-	-	-	-	5,533
Supplement to FY2017 budget	8,808,436	-	-	-	-	-	-	-	8,808,436
Sub-total Assigned	9,079,797	-	-	-	-	-	-	-	9,079,797
Unassigned:									
Resources available for any purpose	3,563,168	-	-	-	-	-	-	-	3,563,168
Total Fund Balance	\$ 12,642,965	\$ 15,727,951	\$ 735,178	\$50,696,474	\$ 30,532	\$87,529,148	\$ 541,889	\$ 39,887,396	\$207,791,533

Note IV. Risk Management

The County's risk-management activities are all recorded in the Risk Management Fund. The workers' compensation claims are administered in this separate, non-major Special Revenue Fund for financial reporting purposes.

Oklahoma law requires all county employees be covered by a liability bond. The County Treasurer is covered by a liability bond in the amount of \$300,000. The County Clerk is covered by a liability bond in the amount of \$50,000. Each employee of the County Treasurer's office is covered by a liability bond in the amount of \$50,000. All other county employees are bonded at \$2,500 each. The Oklahoma Tort Claims Act limits the County's liability for tort claims to \$1,000,000.

In July 2007, Tulsa County made the decision to become fully self-insured for workers' compensation coverage. Tulsa County purchases services from a third party claims administrator to review and administer the payment of workers' compensation claims for job related injuries. Tulsa County also purchases stop-loss protection in the form of reinsurance from a company specializing in this type of coverage. The reinsurance protects Tulsa County against catastrophic claim losses that might exceed

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fund reserves. For the reinsurance programs, there have been no significant reductions in insurance coverage and the settlement amounts have not exceeded the insurance coverage for the current or the three prior years. Tulsa County services one ongoing workers' compensation case that was opened in a time period when Tulsa County was previously self-insured. This case was awarded a life time benefit to a surviving spouse.

Reported judgments (tort liability) are principally funded through property taxes over a three-year period. Taxes collected are recorded in the Debt Service Fund, with the exception of those amounts associated with workers' compensation judgments, which are recorded in the Risk Management Fund. The Risk Management Fund receives transfers from the General Fund and Special Revenue Funds to pay for insurance, claims, claim reserves and administrative costs of the program. The workers' compensation judgments include lump-sum judgments which are paid in full at the time of judgment and long-term installment judgments which are payable in installments. During fiscal year 2016, an actuarial valuation was performed to determine the incurred but not reported (IBNR) liability for claims incurred since July 1, 2007. Also, the County has one claimant remaining from claims incurred prior to July 1, 2007, which was not included in the valuation previously mentioned. An estimated \$9,587 for that claim was added to the estimated IBNR of \$2,056,404 for a total of \$2,065,991 claims liability. When converting to the entity wide statements and the full accrual basis of accounting, the fund balance of the Risk Management Fund is replaced with a current liability representing the claims expected to be paid within the next fiscal year and then a long-term liability representing the projected future medical benefits expected to be paid to claimants based on a projected payout schedule discounted back to the current period. Changes in the claims liability from July 1, 2012 through June 30, 2016 are as follows:

Claims liability, June 30, 2013	<u>\$ 3,585,501</u>
Claims incurred	1,351,510
Claims paid	<u>(1,698,705)</u>
Claims liability, June 30, 2014	<u>\$ 3,238,306</u>
Claims incurred	944,307
Claims paid	<u>(1,130,694)</u>
Claims liability, June 30, 2015	<u>\$ 3,051,919</u>
Claims incurred	(11,288)
Claims paid	<u>(974,640)</u>
Claims liability, June 30, 2016	<u>\$ 2,065,991</u>

Note V. Contingent Liabilities

Federal Grants

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time; although, the government expects such amounts, if any, to be immaterial.

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Litigation

The government is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the Tulsa County District Attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the government.

Note VI. Commitments

Encumbrances

The County has the following outstanding encumbrances as of June 30, 2016. The encumbrances in all funds except the General Fund are already reported as a component of committed or restricted fund balance. The General Fund encumbrances are assigned through the purchasing process.

	<u>Assigned</u>	<u>Committed</u>	<u>Restricted</u>	<u>Total</u>
General Fund:				
General government	\$ 170,537	\$ -	\$ -	\$ 170,537
Public safety	84,550	-	-	84,550
Health and welfare	4,392	-	-	4,392
Education	-	-	-	-
Culture and recreation	6,349			6,349
Roads and highways	<u>5,533</u>	<u>-</u>	<u>-</u>	<u>5,533</u>
Sub-total General fund encumbrances	<u>271,361</u>	<u>-</u>	<u>-</u>	<u>271,361</u>
Highway fund	-	-	54,715	54,715
Other governmental funds	<u>-</u>	<u>-</u>	<u>419,296</u>	<u>419,296</u>
Total encumbrances	<u><u>\$ 271,361</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 474,011</u></u>	<u><u>\$ 745,372</u></u>

Construction Contracts

At June 30, 2016, Tulsa County had the following construction projects outstanding:

Tulsa County Industrial Authority	\$ 6,977,110
Tulsa County Juvenile Bureau	37,483,000
Tulsa County Highways	5,712,000
Tulsa County Criminal Justice Authority	1,800,000

Note VII. Related Party Transactions

Public Facilities Authority

The County provides, at its cost, certain printing and office supplies to the Public Facilities Authority, which are used for administrative purposes. During the year ended December 31, 2015, the Authority paid the County \$61,684 for these items. In addition, the Authority uses the County computer facilities at no cost to the Authority.

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June 30, 2016

Tulsa County Industrial Authority

The Industrial Authority has issued revenue bonds for the benefit of the Tulsa City-County Health Department (TCCHD). The Authority received lease payments from TCCHD totaling approximately \$682,819 for the year ended June 30, 2016, which approximated the debt service payments due on the bonded debt.

During 2016, capital outlay for designated projects for Tulsa County was approximately \$407,884 and the Tulsa County Criminal Justice Authority was approximately \$11,413,274.

Tulsa County Criminal Justice Authority

The jail is operated by the Tulsa County Sheriff's office in accordance with the authority given it by state statutes. As such, the Tulsa County Criminal Justice Authority has no employees and has no liability for the employee benefits. Detention personnel and deputies/management are provided by Tulsa County employees and the Tulsa County Criminal Justice Authority reimburses the County for these costs.

Funding from Tulsa County provides the principle source of revenues for the operations of the Tulsa County Criminal Justice Authority. This funding consists primarily of sales taxes collected by the County for the operations of the Authority.

The Authority and Tulsa County entered into an Interlocal Cooperative Jail Financing Agreement effective July 1, 2015. The agreement changes how revenues and expenses are divided between the two parties. The Authority will now be depositing, expending, and accounting for the restricted quarter-penny sales tax, other Authority revenue, and Authority grant revenue. All other jail-related revenues and expenses will be administered by Tulsa County.

The Authority purchases vehicles used for the operations of the jail facility and these assets are accounted for by Tulsa County. Vehicles used in the transporting of prisoners are included as part of the common fleet of vehicles maintained by Tulsa County. The authority purchased no vehicles during the year ended June 30, 2016.

Tulsa County Juvenile Justice Trust Authority

There are no related party transactions for fiscal year 2016.

Note VIII. Unrestricted Net Position-Tulsa County Industrial Authority

Unrestricted net position of the Tulsa County Industrial Authority for the entity-wide statements consists of:

Net position available for future operations	\$ 433,510
Amount to be provided by future sales tax collection for retirement of revenue bonds	(12,968,481)
Unrestricted net position (deficit)	<u>\$(12,534,971)</u>

Tulsa County, Oklahoma
Notes to the Financial Statements
June 30, 2016

The Authority has been given the responsibility of providing the accounting and financing for the Vision 2025 sales tax initiative. Most of the capital assets constructed with the proceeds of the revenue bonds are transferred to other governmental units while the related debt has been retained in the Authority. Three of those projects have been retained and long-term agreements were made with beneficiary.

The conduit debt operation of the Authority has generated the net position available for future operations that are recorded as part of the committed fund balance in the TCIA's general fund.

Note IX. Jail Operations

Since July 1, 2005 when the Tulsa County Sheriff's Department began managing the operations of the jail in accordance with the authority granted it by state statutes, the Tulsa County Criminal Justice Authority and the Sheriff's Department have annually agreed upon a budget for operating the jail. The budget is approved by the Authority's Board of Trustees. For the year ended June 30, 2016, the agreed-upon costs to operate the jail totaled \$36,498,836 of which Tulsa County's portion was \$8,300,215.

NOTE X – Recent Accounting Pronouncements

The GASB has issued several new accounting pronouncements, which will be effective in subsequent years. A description of the new accounting pronouncements, the fiscal year in which they are effective, and the County's consideration of the impact of these pronouncements are described below:

GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* - GASB No. 74 was issued in June 2015, and replaces Statement No. 43, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, as amended, and Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans*. It also includes requirements for defined contribution OPEB plans that replace the requirements for those OPEB plans in Statement No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans*, as amended, Statement 43, and Statement No. 50, *Pension Disclosures*. This Statement is effective for financial statements for fiscal years beginning after June 15, 2016. At this time the impact to the county is unknown.

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* – GASB No. 75 was issued in June 2015, and addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For a defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed. This Statement is effective for fiscal years beginning after June 15, 2017. The County has not yet determined the impact that implementation of GASB No. 75 will have on its net position, although it may be material.

Tulsa County, Oklahoma
Notes to the Financial Statements
June 30, 2016

GASB Statement No. 77, *Tax Abatement Disclosures* - GASB No. 77 was issued in August 2015, and establishes financial reporting standards for tax abatement agreements entered into by state and local governments. The disclosures required by this Statement encompass tax abatements resulting from both (a) agreements that are entered into by the reporting government and (b) agreements that are entered into by other governments and that reduce the reporting government's tax revenues. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2015. At this time the impact to the county is unknown.

GASB Statement No. 78, *Pensions Provided Through Certain Multiple-Employer Defined Benefit Pension Plans* - GASB No. 78 was issued in December 2015, and amends the scope and applicability of Statement 68 to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plan that (1) is not a state or local governmental pension plan, (2) is used to provide defined benefit pensions both to employees of state or local governmental employers and to employees of employers that are not state or local governmental employers, and (3) has no predominant state or local governmental employer (either individually or collectively with other state or local governmental employers that provide pensions through the pension plan). This Statement establishes requirements for recognition and measurement of pension expense, expenditures, and liabilities; note disclosures; and required supplementary information for pensions that have the characteristics described above. The requirements of this Statement are effective for reporting periods beginning after December 15, 2015. The statement does not affect the county's financial statements.

GASB Statement No. 79, *Certain External Investment Pools and Pool Participants* – GASB No. 79 was issued in December 2015, and addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. An external investment pool qualifies for that reporting if it meets all of the applicable criteria established in this Statement. The specific criteria address (1) how the external investment pool transacts with participants; (2) requirements for portfolio maturity, quality, diversification, and liquidity; and (3) calculation and requirements of a shadow price. Significant noncompliance prevents the external investment pool from measuring all of its investments at amortized cost for financial reporting purposes. Professional judgment is required to determine if instances of noncompliance with the criteria established by this Statement during the reporting period, individually or in the aggregate, were significant. The requirements of this Statement are effective for reporting periods beginning after June 15, 2015, except for certain provisions on portfolio quality, custodial credit risk, and shadow pricing. Those provisions are effective for reporting periods beginning after December 15, 2015. At this time, the impact to the county is unknown.

GASB Statement No. 80, *Blending Requirements for Certain Component Units – An Amendment of GASB Statement No. 14* – GASB No. 80 was issued in January 2016, and amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain Organizations Are Component Units*. The requirements

Tulsa County, Oklahoma
Notes to the Financial Statements
June 30, 2016

of this Statement are effective for reporting periods beginning after June 15, 2016. At this time, the impact to the county is unknown.

GASB Statement No. 81, *Irrevocable Split-Interest Agreements* – GASB No. 81 was issued in March 2016, to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. At this time, the impact to the county is unknown.

NOTE XI – Subsequent Events

Tulsa County has evaluated subsequent events through December 30, 2016, the date which the financial statements were available to be issued.

The citizens of Tulsa County have approved a sales tax in the amount of one-twentieth of one percent (.05%) for the purpose of funding capital improvements. This sales tax will commence on January 1, 2017 and continue until December 31, 2031 at which time the sales tax will expire.

Required Supplementary Information

Tulsa County, Oklahoma
Required Supplementary Information

General Fund
Budgetary Comparison Schedule (Budgetary Basis)
For the Year Ended June 30, 2016

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Beginning fund balance, budgetary basis:	\$ 11,600,349	\$ 11,600,349	\$ 15,529,657	\$ 3,929,308
Revenues:				
Ad valorem taxes	54,107,041	54,107,041	55,832,360	1,725,319
Other taxes	2,548,500	2,548,500	3,973,124	1,424,624
Charges for services	2,987,409	2,987,409	3,147,619	160,210
Intergovernmental revenues	392,000	512,000	549,485	37,485
Interdepartmental revenues	575,600	663,351	567,203	(96,148)
Salaries reimbursements	404,219	58,249	44,666	(13,583)
Miscellaneous revenues	1,411,208	1,473,288	1,583,092	109,804
Investment income	100,000	100,000	193,775	93,775
Total revenues	62,525,977	62,449,838	65,891,324	3,441,486
Expenditures:				
General government	43,737,098	42,601,006	36,160,402	6,440,604
Public safety	12,254,435	11,537,811	11,263,165	274,646
Health and welfare	10,922,199	7,682,520	7,136,169	546,351
Culture and recreation	443,002	463,077	407,072	56,005
Education	5,631,352	5,635,732	5,536,360	99,372
Roads and highways	1,436,210	969,051	919,372	49,679
Total expenditures	74,424,296	68,889,197	61,422,540	7,466,657
Excess revenues and beginning fund balances over (under) expenditures	(297,970)	5,160,990	19,998,441	14,837,451
Other financing sources (uses):				
Transfers in	900,000	11,078,542	10,171,903	(906,639)
Transfers out	-	(14,123,858)	(17,044,083)	(2,920,225)
Total other financing sources (uses)	900,000	(3,045,316)	(6,872,180)	(3,826,864)
Excess revenues, beginning fund balances, and other financing sources (uses) over (under) expenditures and other uses	\$ 602,030	\$ 2,115,674	13,126,261	\$ 11,010,587
Reconciliation to Statement of Revenues, Expenditures, and Changes in Fund Balances				
Ad valorem taxes			(113,118)	
Other taxes			(11,427)	
Charges for services			(18,780)	
Intergovernmental revenues			(7,865)	
Investment income			17,031	
Miscellaneous			(163,241)	
Salaries reimbursement			(44,666)	
Interdepartmental revenue			(567,203)	
Payment from agency			-	
General government			860,323	
Public safety			(56,832)	
Health and welfare			70,471	
Education			(45,284)	
Culture and recreation			(73,522)	
Roads and highways			(6,948)	
Payment to Criminal Justice Authority			-	
Payment to TAEMA			-	
Capital outlay			(247,023)	
Transfers in			-	
Transfers out			(75,212)	
Ending fund balance, (GAAP Basis)			\$ 12,642,965	

The accompanying notes are an integral part of the Required Supplementary Information.

Tulsa County, Oklahoma
Required Supplementary Information

COUNTY HIGHWAY FUND
Budgetary Comparison Schedule (Budgetary Basis)
For the Year ended June 30, 2016

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Beginning fund balance, budgetary basis	\$ 12,869,686	\$ 12,869,686	\$ 14,515,909	\$ 1,646,223
REVENUES:				
Diesel fuel	1,430,279	1,475,110	1,370,639	(104,471)
Gasoline tax	3,243,534	3,339,412	3,500,099	160,687
Motor vehicle fees	2,576,187	2,928,044	3,102,603	174,559
Investment income	-	-	52,785	52,785
Intergovernmental	-	1,050,804	1,116,405	65,601
Miscellaneous	-	1,426,703	1,507,072	80,369
Total Revenues:	7,250,000	10,220,073	10,649,603	429,530
EXPENDITURES:				
Salaries	3,742,362	3,877,066	3,681,740	195,326
Employee benefits	2,006,883	2,134,497	1,876,996	257,501
Operating expenditures	1,478,755	14,994,325	4,873,398	10,120,927
Other charges	-	-	-	-
Capital outlay	-	1,940,291	1,197,968	742,323
Debt service	-	73,686	20,232	53,454
Contingency	-	3,913,318	-	3,913,318
Interdepartmental	22,000	26,500	24,131	2,369
Total expenditures:	7,250,000	26,959,683	11,674,465	15,285,218
Excess revenues and beginning fund balance over (under) expenditures, budgetary basis	12,869,686	(3,869,924)	13,491,047	17,360,971
Other financing sources (uses):				
Transfers in:	-	2,847,674	2,847,674	0
Transfers out:	-	-	-	-
Total other financing sources (uses):	-	2,847,674	2,847,674	0
Excess revenues, beginning fund balance, and other financing sources over (under) expenditures and other financing uses, budgetary basis	\$ 12,869,686	\$ (1,022,250)	\$ 16,338,721	\$ 17,360,971
Adjustments to conform with GAAP:				
Consumable inventory			-	
Other taxes			(15,158)	
Intergovernmental revenues			978,482	
Investment income			1,167	
Miscellaneous			(1,298,844)	
Long-term debt proceeds			225,000	
Transfers in			300,000	
Operating expenditures			1,132,615	
Capital outlay			(1,385,727)	
Capital outlay - 4-To-Fix			(518,411)	
Debt service			(29,894)	
Ending fund balance, GAAP basis			\$ 15,727,951	

The accompanying notes are an integral part of the Required Supplementary Information.

SCHEDULE OF CHANGES IN THE COUNTY'S NET PENSION LIABILITY
AND RELATED RATIOS
Last 10 Fiscal Years
(In thousands of dollars)

	2016			2015		
	Tulsa County	TCCHD	Total	Tulsa County	TCCHD	Total
Total pension liability						
Service cost	\$ 4,723	\$ 991	\$ 5,714	\$ 4,629	\$ 1,007	\$ 5,636
Interest	19,341	4,057	23,398	18,646	4,057	22,703
Changes of benefit items	-	-	-	-	-	-
Differences between expected actual experience	(1,932)	(405)	(2,337)	(242)	(53)	(295)
Changes of assumptions	6,103	1,280	7,383	(2,377)	(517)	(2,894)
Benefit payments, including refunds of employee contributions	(14,224)	(2,984)	(17,208)	(13,348)	(2,904)	(16,252)
Net change in total pension liability	\$ 14,011	\$ 2,939	\$ 16,950	\$ 7,308	\$ 1,590	\$ 8,898
Total pension liability-beginning	243,275	52,928	296,203	235,967	51,338	287,305
Total pension liability-ending (a)	\$ 257,286	\$ 55,867	\$ 313,153	\$ 243,275	\$ 52,928	\$ 296,203
Plan fiduciary net position						
Contributions - employer	\$ 8,652	\$ 1,807	\$ 10,459	\$ 7,952	\$ 1,726	\$ 9,678
Contributions - employee	615	129	744	565	123	688
Net investment income	523	-	523	34,060	7,411	41,471
Benefit payments, including refunds of employee contributions	(14,224)	(2,984)	(17,208)	(13,348)	(2,904)	(16,252)
Administrative expense	(106)	(22)	(128)	(105)	(23)	(128)
Other	-	-	-	-	-	-
Net change in plan fiduciary net position	\$ (4,540)	\$ (1,070)	\$ (5,610)	\$ 29,124	\$ 6,333	\$ 35,457
Plan fiduciary net position-beginning	228,687	49,754	278,441	199,563	43,421	242,984
Plan fiduciary net position-ending (b)	\$ 224,147	\$ 48,684	\$ 272,831	\$ 228,687	\$ 49,754	\$ 278,441
County's net pension liability (a) - (b)	\$ 33,139	\$ 7,183	\$ 40,322	\$ 14,588	\$ 3,174	\$ 17,762
Plan fiduciary's net position as a percentage of the total pension liability	87.12%	87.14%	87.12%	94.00%	94.00%	94.00%
Covered payroll	\$ 63,514	\$ 13,320	\$ 76,834	\$ 59,467	\$ 12,939	\$ 72,406
County's net pension liability as a percentage of covered payroll	52.18%	53.93%	52.48%	24.53%	24.53%	24.53%

Notes to Schedule:

	Previous	Current	Previous	Current
The following changes were made to assumptions:				
Inflation Rate	2.50%	2.50%	3.00%	2.50%
Salary increases including inflation	5% grading down to 2.5%	5% grading down to 2.5%	5% grading down to 3%	5% grading down to 2.5%
Mortality	RP-2000 Mortality for Employees, Healthy Annuitants, and Disabled Annuitants with 10 year projection per Scale AA for healthy participants	RP-2000 Mortality for Employees, Healthy Annuitants, and Disabled Annuitants with generational projection per Scale AA for healthy participants	RP-2000 Mortality for Employees, Healthy Annuitants, and Disabled Annuitants with 5 year projection per Scale AA	RP-2000 Mortality for Employees, Healthy Annuitants, and Disabled Annuitants with 10 year projection per Scale AA for healthy participants

Only fiscal years 2016 and 2015 are presented because 10-year data is not available.

SCHEDULE OF COUNTY CONTRIBUTIONS

Pension Trust Fund

Last 10 Fiscal Years

(Dollar amounts in thousands)

	2016			2015		
	Tulsa County	TCCHD	Total	Tulsa County	TCCHD	Total
Actuarially determined contribution	\$ 7,061	\$ 1,865	\$ 8,926	\$ 6,846	\$ 1,812	\$ 8,658
Contributions in relation to the actuarially determined contribution	9,044	1,849	10,893	8,652	1,807	10,459
Contribution deficiency (excess)	\$ (1,983)	\$ 16	\$ (1,967)	\$ (1,806)	\$ 5	\$ (1,801)
Covered payroll	\$ 63,241	\$ 13,320	\$ 76,561	\$ 63,924	\$ 12,910	\$ 76,834
Contributions as a percentage of covered payroll	14.30%	13.88%	14.23%	13.53%	14.00%	13.61%

Note: Only fiscal years 2016 and 2015 are presented because 10-year data is not available.

Tulsa County, Oklahoma
Required Supplementary Information
Other Post Employment Benefits

Schedule of Funding Progress

Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Projected Unit Credit	(3) Unfunded AAL (UAAL) (2)-(1)	(4) Excess of Assets over AAL (1)-(2)	(5) Funding Ratios (1)/(2)	(6) Annual Covered Payroll	(7) UAAL as a Percentage of Covered Payroll (3)/(6)	(8) Excess as a Percentage of Covered Payroll (4)/(6)
6/30/2010	-	6,749,000	6,749,000	-	0%	68,385,000	9.9%	0%
6/30/2012	-	6,297,000	6,297,000	-	0%	67,099,000	9.4%	0%
6/30/2014	-	6,191,000	6,191,000	-	0%	66,348,000	9.3%	0%
6/30/2016	-	6,134,000	6,134,000	-	0%	75,037,000	8.2%	0%

Schedule of Employer Contributions

Fiscal Year Ending	Employer Contribution	Annual Required Contribution (ARC)	Percentage of ARC Contributed
6/30/2008	\$ 305,900	\$ 917,200	33.4%
6/30/2009	384,700	917,200	41.9%
6/30/2010	409,300	720,200	56.8%
6/30/2011	409,300	720,200	56.8%
6/30/2012	397,900	692,700	57.4%
6/30/2013	397,900	692,700	57.4%
6/30/2014	397,200	660,800	60.1%
6/30/2015	397,200	660,800	60.1%
6/30/2016	373,000	658,500	56.6%

Tulsa County, Oklahoma
Notes to Required Supplementary Information
June 30, 2016

Budgetary Comparison Schedules-General Fund and County Highway Fund

A cash basis of accounting is used to prepare the Budgetary Comparison Schedule. Reconciliation from the cash basis to the modified accrual basis of accounting, which is GAAP, is presented on the face of the schedule.

Budget Law and Practice

Guidelines for the County Budget Act are set out in Title 19, Section 1410 of Oklahoma Statutes. At least thirty (30) days prior to the beginning of each fiscal year, the county budget board shall complete a budget for each fund of the county for which a budget is required. Each budget shall provide a complete financial plan for the budget year. The budget format shall be as prescribed by the State Auditor and Inspector. The format shall contain at least the following in tabular form for each fund, itemized by department and account within each fund:

1. Actual revenues and expenditures for the immediate prior fiscal year;
2. Estimated actual revenues and expenditures for the current fiscal year; and
3. Estimated revenues and proposed expenditures for the budget year.

The Budget Board of Tulsa County complies with the purpose of the Budget Act, which is to:

1. Establish uniform and sound fiscal procedures for the preparation, adoption, execution and control of budgets;
2. Enable counties to make financial plans for both current and capital expenditures and to ensure that their executive staffs administer their respective functions in accordance with adopted budgets;
3. Make available to public and investors sufficient information as to the financial conditions, requirements and expectations of the county government; and
4. Assist county governments to improve and implement generally accepted accounting principles as applied to governmental accounting, auditing, and financial reporting and standards of governmental finance management.

The legal level of control is that expenditures budgeted in each fund may not exceed the budgeted revenues, including fund balance, for the fund. Once approved the Tulsa County Budget Board may amend the legally adopted budget when unexpected modifications are required in estimated revenues and appropriations.

Budgets are submitted annually in accordance with the budget act. The budgets are prepared on the cash and expenditures/encumbrances basis. Revenues are budgeted in the year receipt is expected; and expenditures, which include encumbrances, are budgeted in the year that the applicable purchase orders are expected to be issued. The General Fund and the County Highway Fund are the two major funds with legally adopted annual budgets and the Budgetary Comparison Schedules are reported in Required Supplementary Information. The Visual Inspection Fund, the Juvenile Detention Fund, the Parks Fund, and the Debt Service Fund are non-major funds with legally adopted annual budgets. The budget and actual financial statements report expenditures when liabilities are due for payment. Unencumbered appropriations for annually budgeted funds lapse at fiscal year-end. Budgets are adopted on a basis

Tulsa County, Oklahoma
Notes to Required Supplementary Information
June 30, 2016

consistent with State of Oklahoma legal requirements. Reconciliation from the budgetary basis of accounting to accounting principles generally accepted in the United States of America is presented in the Budgetary Comparison Schedule or the Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budget and Actual. Other funds do not have annual budgets. Appropriations for these funds are made on a monthly basis, according to the funds available.

Budgetary Control

Each fund's appropriated budget is prepared on a detailed line item basis. Revenues are budgeted by source. Expenditures are budgeted by department and character (health and welfare and capital outlay) which constitutes the legal level of control. Expenditures may not exceed appropriations at this level. All budget revisions at this level are subject to authorization by the Department Head and approval by the Budget Board. All budget revisions are subject to final review by the County Budget Board. Revisions to the budget were made throughout the year. There were supplemental appropriations in the General Fund, Park Fund and Highway Fund during the fiscal year ending June 30, 2016.

Encumbrances

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve that portion of the applicable appropriation, is utilized in the governmental funds. Encumbrances outstanding at year-end are reported as assignments of fund balance by purpose in the General Fund and as commitments or restrictions of fund balance in other governmental funds. A detailed schedule of encumbrances by purpose is included in the Notes to the Financial Statements. Encumbrances do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

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Supplemental Combining and Individual Fund Financial Statements and Schedules

Nonmajor Governmental Funds

Tulsa County, Oklahoma
Nonmajor Governmental Funds
June 30, 2016

Special Revenue Funds

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. Tulsa County has the following nonmajor special revenue funds:

Visual Inspection – Established to account for the revaluation of property within Tulsa County. All entities within Tulsa County receive a proportionate share of the revalued property.

Park Fund – Established to account for revenues collected and expenditures incurred for the operation and maintenance of the County's park system.

Resale Property – Established to account for various revenues collected and expenditures incurred to sell abandoned properties.

Special Projects – Established to account for the receipt and expenditure of federal and state grants.

Sheriff's Cash – Established to account for the revenues collected and expenditures incurred for the operation of various Sheriff's departments.

County Clerk's Records Management – Established to account for the receipt and expenditure of record preservation fees.

Risk Management Fund – Established to account for claims, claim reserves, and administrative costs associated with workers' compensation judgments.

Court Clerk Revolving Cash Fund – Established to account for revenues collected and expenditures incurred in the operation of the Court Clerk's office.

County Contribution Fund – Established by an Interlocal Agreement between Tulsa County and the Tulsa County Criminal Justice Authority to account for the revenues collected and operating expenses incurred in the operation of the David L. Moss County jail.

Juvenile Justice Center Fund – Established to account for revenues collected and expenditures incurred in the building of a new Juvenile Justice Center.

Other Special Revenue Funds – A grouping of smaller funds with varying revenue and expenditure types. A few of the more significant funds are the County Clerk's Lien Fee, Drainage District 12, Juvenile Cash Fund, and Treasurer Mortgage Certification Fee.

Debt Service Fund

Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. This debt service fund is used to accumulate resources to make the principal and interest payments on certain general long-term debt of Tulsa County.

Non-Major Governmental Funds
Combining Balance Sheet
June 30, 2016

	VISUAL INSPECTION FUND	PARK FUND	RESALE PROPERTY FUND	SPECIAL PROJECTS FUND	SHERIFF'S CASH FUND	RECORDS MANAGEMENT FUND	RISK MANAGEMENT FUND	COURT CLERK REVOLVING CASH FUND	COUNTY CONTRIBUTION FUND	JUVENILE JUSTICE CENTER FUND	OTHER SPECIAL REVENUE FUNDS	DEBT SERVICE FUND	TOTAL NON-MAJOR GOVERNMENTAL FUNDS
Assets													
Cash and cash equivalents	\$ 26,618	\$ 3,760,951	\$ 5,083,011	\$ 7,039,201	\$ 2,307,342	\$ 2,006,417	\$ 7,124,673	\$ 2,114,754	\$ 466,245	\$ 2,856,583	\$ 5,957,859	\$ 34,485	\$ 38,778,139
Restricted cash, cash equivalents, and investments	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts receivable	-	13,432	-	132,461	362,311	-	29,263	-	561,517	-	134,094	-	1,233,078
Interest receivable	-	-	-	-	-	-	-	-	-	-	82	-	82
Ad valorem taxes receivable (net of uncollectible)	-	-	676,005	-	-	-	-	-	-	-	-	6,396	682,401
Due from other funds	-	-	-	7,317	78,210	-	-	24,701	42,228	445	298,429	-	451,330
Due from other governments	-	-	-	-	-	72	-	-	516,734	-	279,121	-	795,927
Total assets	\$ 26,618	\$ 3,774,383	\$ 5,759,016	\$ 7,178,979	\$ 2,747,863	\$ 2,006,489	\$ 7,153,936	\$ 2,139,455	\$ 1,586,724	\$ 2,857,028	\$ 6,669,585	\$ 40,881	\$ 41,940,957
Liabilities, Deferred Inflows and Fund Balances													
Liabilities:													
Salaries and benefits payable	-	-	-	-	6,233	251	-	-	-	-	995	-	7,479
Accounts payable and accrued liabilities	25,243	510,651	8,121	8,676	55,664	9,059	162,488	71,830	934,787	-	148,533	-	1,935,052
Unearned revenue	-	-	-	-	-	-	88,687	-	-	-	16,437	-	105,124
Total liabilities	25,243	510,651	8,121	8,676	61,897	9,310	251,175	71,830	934,787	-	165,965	-	2,047,655
Deferred inflows:													
Unavailable revenue	-	-	-	-	-	-	-	-	-	-	363	5,543	5,906
Total deferred inflows	-	-	-	-	-	-	-	-	-	-	363	5,543	5,906
Fund Balances:													
Nonspendable	-	-	-	-	-	-	-	-	-	-	-	-	-
Restricted	1,375	3,263,732	5,750,895	7,170,303	2,685,966	1,997,179	-	2,067,625	651,937	2,857,028	5,798,711	35,338	32,280,089
Committed	-	-	-	-	-	-	6,902,761	-	-	-	704,546	-	7,607,307
Assigned	-	-	-	-	-	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-	-	-	-	-	-
Total fund balance	1,375	3,263,732	5,750,895	7,170,303	2,685,966	1,997,179	6,902,761	2,067,625	651,937	2,857,028	6,503,257	35,338	39,887,396
Total liabilities, deferred inflows and fund balance	\$ 26,618	\$ 3,774,383	\$ 5,759,016	\$ 7,178,979	\$ 2,747,863	\$ 2,006,489	\$ 7,153,936	\$ 2,139,455	\$ 1,586,724	\$ 2,857,028	\$ 6,669,585	\$ 40,881	\$ 41,940,957

Non-Major Governmental Funds
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
For the Year ended June 30, 2016

	VISUAL INSPECTION FUND	PARKS FUND	RESALE PROPERTY FUND	SPECIAL PROJECTS FUND	SHERIFF'S CASH FUND	RECORDS MANAGEMENT FUND	RISK MANAGEMENT FUND	COURT CLERK REVOLVING CASH FUND	COUNTY CONTRIBUTION FUND	JUVENILE DETENTION CENTER FUND	OTHER SPECIAL REVENUE FUNDS	DEBT SERVICE FUND	TOTAL NON- MAJOR GOVERNMENTAL FUNDS
Revenues													
Ad valorem tax	\$ -	\$ -	\$ 5,601,488	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 109,880	\$ 5,711,368
Other taxes	-	-	-	-	-	-	-	-	-	-	1,289,042	-	1,289,042
Charges for services	-	2,602,677	125	1,040,709	4,202,575	702,635	2,503	-	17,790	-	2,677,924	-	11,246,938
Capital Lease revenue	-	-	-	-	-	-	-	-	-	-	-	-	-
Intergovernmental	2,612,386	74,696	-	1,625,191	235,548	-	-	4,873,061	6,459,669	-	3,432,652	-	19,313,203
Investment income	-	-	-	-	310	-	-	-	-	-	492	-	802
Miscellaneous	28	491,573	293,846	198,990	516,381	12,555	4,429,488	439,418	21,340	-	90,042	124	6,493,785
Total revenues	2,612,414	3,108,946	5,895,459	2,864,890	4,954,814	715,190	4,431,991	5,312,479	6,498,799	-	7,490,152	110,004	44,055,138
Expenditures													
Current:													
General government	2,595,587	-	2,873,573	1,885,689	-	799,516	4,037,173	5,284,337	-	-	1,180,411	-	18,656,286
Public safety	-	-	-	-	3,917,916	-	-	-	9,821,670	-	2,096,328	-	15,835,914
Health & welfare	-	-	-	-	-	-	-	-	-	42,812	4,787,312	-	4,830,124
Culture & recreation	-	2,020,458	-	-	-	-	-	-	-	-	-	-	2,020,458
Payment to other governments (See Note 1F.)	-	-	1,800,000	-	-	-	-	-	-	-	-	-	1,800,000
Payment to Tulsa County Criminal Justice Authority	-	-	-	-	264,507	-	-	-	-	-	-	-	264,507
Capital outlay	23,906	956,828	-	920,529	2,661,384	2,017	-	-	50,717	-	79,299	-	4,694,680
Capital outlay - 4 To-Fix	-	88,081	-	-	-	-	-	-	-	-	-	-	88,081
Debt service:	-	-	-	-	-	-	-	-	-	-	-	-	-
Principal retirement	-	-	-	-	-	-	-	-	-	-	-	100,702	100,702
Debt interest	-	-	-	-	-	-	-	-	-	-	-	6,768	6,768
Total expenditures	2,619,493	3,065,367	4,673,573	2,806,218	6,843,807	801,533	4,037,173	5,284,337	9,872,387	42,812	8,143,350	107,470	48,297,520
Excess (deficiency) of revenues over (under) expenditures	(7,079)	103,579	1,221,886	58,672	(1,888,993)	(86,343)	394,818	28,142	(3,373,588)	(42,812)	(653,198)	2,534	(4,242,382)
Other financing sources (uses):													
Bond premium	-	-	-	-	-	-	-	-	-	-	-	-	-
Long-term debt proceeds	-	-	-	-	2,004,172	-	-	-	-	-	-	-	2,004,172
Transfers in	1,000,000	1,776,405	1,500,000	6,511,244	520,125	5,919	3,134,925	-	3,743,408	3,138,801	912,488	-	22,243,315
Transfers out	(1,000,000)	(1,688,926)	(2,402,352)	(10,782,286)	(904,211)	-	(1,560,580)	-	-	(4,344,775)	(347,074)	-	(23,030,204)
Total other financing sources (uses)	-	87,479	(902,352)	(4,271,042)	1,620,086	5,919	1,574,345	-	3,743,408	(1,205,974)	565,414	-	1,217,283
Net change in fund balance	(7,079)	191,058	319,534	(4,212,370)	(268,907)	(80,424)	1,969,163	28,142	369,820	(1,248,786)	(87,784)	2,534	(3,025,099)
Fund balance, beginning	8,454	3,072,674	5,431,361	11,382,673	2,954,873	2,077,603	4,933,598	2,039,483	282,117	4,105,814	6,391,041	32,804	42,912,495
Fund balance, ending	\$ 1,375	\$ 3,263,732	\$ 5,750,895	\$ 7,170,303	\$ 2,685,966	\$ 1,997,179	\$ 6,902,761	\$ 2,067,625	\$ 651,937	\$ 2,857,028	\$ 6,303,257	\$ 35,338	\$ 39,887,396

Tulsa County, Oklahoma

General Fund

Schedule of Revenues-Budget and Actual (Budgetary Basis)

For the year ended June 30, 2016

	Final Budget	Actual	Variance
Ad Valorem Tax			
Current tax	\$ 52,384,041	\$ 53,764,035	\$ 1,379,994
Back tax	1,705,000	2,049,737	344,737
Other	18,000	18,588	588
	<u>54,107,041</u>	<u>55,832,360</u>	<u>1,725,319</u>
Other Taxes			
Tobacco tax	-	1,185,244	1,185,244
Flood control tax	-	-	-
Other taxes	3,500	15,186	11,686
Documentary stamps	1,350,000	1,547,804	197,804
Motor vehicle fees	950,000	958,158	8,158
Vehicle registration stamps	245,000	266,732	21,732
	<u>2,548,500</u>	<u>3,973,124</u>	<u>1,424,624</u>
Charges for Services			
Recording fees	1,700,000	1,777,870	77,870
Zoning fees	120,000	120,697	697
Treasurer fees	-	-	-
Inspection fees	370,409	439,683	69,274
Print and duplicating services	529,000	516,515	(12,485)
Pharmacy	90,000	93,066	3,066
Other fees	178,000	199,788	21,788
	<u>2,987,409</u>	<u>3,147,619</u>	<u>160,210</u>
Intergovernmental			
Federal grants	-	-	-
State contracts	40,000	40,000	-
City & County grants & contracts	40,000	40,000	-
Other grant revenue	120,000	120,000	-
DA state fund	200,000	166,031	(33,969)
Election Board expense	27,000	31,923	4,923
Election Board salaries	80,500	134,907	54,407
Other intergovernmental	4,500	16,624	12,124
	<u>512,000</u>	<u>549,485</u>	<u>37,485</u>
Investment Income			
Interest	100,000	193,775	93,775
Realized gain on sale of assets	-	-	-
	<u>100,000</u>	<u>193,775</u>	<u>93,775</u>
Miscellaneous			
Concessions	-	13	13
Rents and royalties	-	940	940
Sale of materials	72,000	92,104	20,104
Refunds	-	5,753	5,753
Fines	-	1,219	1,219
Estopped warrants	-	4,273	4,273
Sale of assets	-	20,036	20,036
Reimbursements	1,289,814	1,379,891	90,077
Gifts	-	20,838	20,838
Donations	480	480	-
Miscellaneous	110,994	56,754	(54,240)
Insurance claim revenue	-	791	791
	<u>1,473,288</u>	<u>1,583,092</u>	<u>109,804</u>
Salaries reimbursements	<u>58,249</u>	<u>44,666</u>	<u>(13,583)</u>
Interdepartmental	<u>663,351</u>	<u>567,203</u>	<u>(96,148)</u>
Total revenues	<u>\$ 62,449,838</u>	<u>\$ 65,891,324</u>	<u>\$ 3,441,486</u>

General Fund
Schedule of Appropriations- By Function/Activity - Includes prior year encumbrance carry forward
For the year ended June 30, 2016

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GENERAL GOVERNMENT

	Appropriations				Expenditures	Encumbrances	Total	Variance
	Original Budget	Supplements & Adjustments	Net Total					
Commissioners								
Personal services	\$ 720,596	\$ (1,608)	\$ 718,988	\$ 647,019	\$ -	\$ 647,019	\$ 71,969	
Employee benefits	281,964	408	282,372	247,410	-	247,410	34,962	
Travel	18,000	(1,000)	17,000	14,487	-	14,487	2,513	
Maintenance and operations	5,300	3,200	8,500	6,886	42	6,928	1,572	
Capital outlay	1,000	(1,000)	-	-	-	-	-	
Contingency	-	-	-	-	-	-	-	
	1,026,860	-	1,026,860	915,802	42	915,844	111,016	
Administrative Services								
Personal services	1,118,895	30,130	1,149,025	1,126,879	-	1,126,879	22,146	
Employee benefits	482,181	20,309	502,490	499,853	-	499,853	2,637	
Maintenance and operations	1,436,417	(24,849)	1,411,568	1,272,595	99,820	1,372,415	39,153	
Capital outlay	23,440	63,702	87,142	45,342	14,207	59,549	27,593	
Contingency	-	78,775	78,775	-	-	-	78,775	
	3,060,933	168,067	3,229,000	2,944,669	114,027	3,058,696	170,304	
Building Operations								
Personal services	2,246,492	(14,311)	2,232,181	2,173,087	-	2,173,087	59,094	
Employee benefits	1,157,894	14,431	1,172,325	1,091,886	-	1,091,886	80,439	
Maintenance and operations	3,997,604	742,180	4,739,784	2,894,994	465,233	3,360,227	1,379,557	
Travel	-	1,524	1,524	1,524	-	1,524	-	
Capital outlay	511,300	74,444	585,744	438,311	147,320	585,631	113	
Contingency	-	-	-	-	-	-	-	
	7,913,290	818,268	8,731,558	6,599,802	612,553	7,212,355	1,519,203	
Management Information Systems								
Personal services	2,221,984	(152,984)	2,069,000	2,033,217	-	2,033,217	35,783	
Employee benefits	874,587	2,984	877,571	774,555	-	774,555	103,016	
Travel	20,708	(1,649)	19,059	4,507	750	5,257	13,802	
Maintenance and operations	1,208,488	(86,789)	1,121,699	916,147	165,631	1,081,778	39,921	
Capital outlay	-	512,611	512,611	262,166	153,590	415,756	96,855	
Contingency	-	-	-	-	-	-	-	
	\$ 4,325,767	\$ 274,173	\$ 4,599,940	\$ 3,990,592	\$ 319,971	\$ 4,310,563	\$ 289,377	

Treasurer

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	Appropriations				Expenditures	Encumbrances	Total	Variance
	Original Budget	Supplements & Adjustments	Net Total					
Treasurer								
Personal services	\$ 638,933	\$ 33,132	\$ 672,065	\$ 671,997	\$ -	\$ 671,997	\$ 68	
Employee benefits	235,383	22,285	257,668	256,662	-	256,662	1,006	
Travel	150	-	150	-	25	25	125	
Maintenance and operations	486,341	(31,283)	455,058	442,678	10,169	452,847	2,210	
Capital outlay	20,000	(20,000)	-	-	-	-	-	
Contingency	-	-	-	-	-	-	-	
	1,380,807	4,134	1,384,941	1,371,337	10,194	1,381,531	3,409	
Assessor								
Personal services	2,662,030	(74,600)	2,587,430	2,511,794	-	2,511,794	75,636	
Employee benefits	1,041,506	700	1,042,206	1,007,247	-	1,007,247	34,959	
Travel	35,355	4,761	40,116	33,631	4,045	37,676	2,440	
Maintenance and operations	240,980	97,274	338,254	278,709	39,036	317,745	20,509	
Capital outlay	24,500	39,269	63,769	32,693	30,838	63,531	238	
Contingency	-	-	-	-	-	-	-	
	4,004,371	67,404	4,071,775	3,864,074	73,919	3,937,993	133,782	
County Clerk								
Personal services	1,911,154	11,760	1,922,914	1,919,759	-	1,919,759	3,155	
Employee benefits	800,014	(11,760)	788,254	785,068	-	785,068	3,186	
Travel	-	-	-	-	-	-	-	
Maintenance and operations	-	-	-	-	-	-	-	
Contingency	-	-	-	-	-	-	-	
	2,711,168	-	2,711,168	2,704,827	-	2,704,827	6,341	
District Attorney								
Maintenance and operations	245,000	14,520	259,520	158,166	27,321	185,487	74,034	
Contingency	-	-	-	-	-	-	-	
	245,000	14,520	259,520	158,166	27,321	185,487	74,034	
Drug Court								
Other charges	137,488	(137,488)	-	-	-	-	-	
	137,488	(137,488)	-	-	-	-	-	
Early Settlement								
Personal services	83,904	2,195	86,099	84,365	-	84,365	1,734	
Employee benefits	22,703	645	23,348	23,236	-	23,236	112	
Maintenance and operations	12,000	26	12,026	5,671	20	5,691	6,335	
	118,607	2,866	121,473	113,272	20	113,292	8,181	
Public Defender								
Personal services	-	89,726	89,726	67,667	-	67,667	22,059	
Employee benefits	-	28,974	28,974	21,244	-	21,244	7,730	
Maintenance and operations	40,500	10,795	51,295	46,022	4,611	50,633	662	
Capital outlay	14,000	(1,220)	12,780	9,190	1,835	11,025	1,755	
Contingency	-	-	-	-	-	-	-	
	\$ 54,500	\$ 128,275	\$ 182,775	\$ 144,123	\$ 6,446	\$ 150,569	\$ 32,206	

Court Clerk

Page 4 of 6	Appropriations					Expenditures	Encumbrances	Total	Variance			
	Original Budget		Supplements & Adjustments		Net Total							
Court Clerk	\$	4,601,586	\$	(58)	\$	4,601,528	\$	-	\$	4,266,494	\$	335,034
		2,007,514		58		2,007,572		-		1,885,086		122,486
		2,187		-		2,187		-		-		2,187
		2,000		-		2,000		-		1,500		500
		-		-		-		-		-		-
	6,613,287		-		6,613,287		6,153,080		-	6,153,080		460,207
INCOG												
		852,143		-		852,143		852,143		-		-
		852,143		-		852,143		852,143		-		-
River Parks Authority												
		675,000		-		675,000		675,000		-		-
		675,000		-		675,000		675,000		-		-
TAEMA												
		158,909		-		158,909		158,909		-		-
		158,909		-		158,909		158,909		-		-
Audit												
		409,721		7,533		417,254		416,681		-		574
		409,721		7,533		417,254		416,681		-		574
Total General Government		43,737,098		(1,136,093)		42,601,005		36,160,402		1,314,882		5,125,722
PUBLIC SAFETY												
Mental Health Crt - Co Portion												
		92,000		(92,000)		-		-		-		-
		92,000		(92,000)		-		-		-		-
Sheriff												
		6,230,701		(278,106)		5,952,595		5,948,074		-		4,521
		2,836,408		(149,400)		2,687,008		2,678,786		75		8,147
		75,410		(30,786)		44,624		40,046		3,122		1,456
		664,500		(65,583)		598,917		525,105		62,100		11,712
		275,079		(175,575)		99,504		99,504		-		-
		83,250		34,826		118,076		51,551		56,931		9,594
		-		-		-		-		-		-
		10,165,348		(664,624)		9,500,724		9,343,066		122,228		35,430
Court Services												
		1,060,175		(343)		1,059,832		1,031,228		-		28,604
		478,012		343		478,355		450,991		-		27,364
		2,500		(2,500)		-		-		-		-
		451,000		21,322		472,322		424,791		40,888		6,643
		5,400		21,178		26,578		13,089		10,454		3,035
		1,997,087		40,000		2,037,087		1,920,099		51,342		65,646
Total Public Safety		\$ 12,254,435		\$ (716,624)		\$ 11,537,811		\$ 11,263,165		\$ 173,570		\$ 101,076

HEALTH AND WELFARE

County Inspector

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	Appropriations				Expenditures	Encumbrances	Total	Variance
	Original Budget	Supplements & Adjustments	Net Total					
ALTH AND WELFARE								
County Inspector								
Personal services	\$ 359,828	\$ (4,073)	\$ 355,755	\$ -	\$ 355,694	\$ -	\$ 355,694	\$ 61
Employee benefits	162,960	(962)	161,998	-	161,957	-	161,957	41
Travel	42,000	5,900	47,900	4,600	42,471	4,600	47,071	829
Maintenance and operations	6,750	6,001	12,751	-	12,308	-	12,308	443
Capital outlay	5,000	(2,366)	2,634	-	2,634	-	2,634	-
Contingency	-	-	-	-	-	-	-	-
	576,538	4,500	581,038	4,600	575,064	4,600	579,664	1,374
Pharmacy								
Personal services	183,699	(8,273)	175,426	-	173,638	-	173,638	1,788
Employee benefits	72,837	(7,478)	65,359	-	65,088	-	65,088	271
Maintenance and operations	17,380	(1,665)	15,715	535	12,474	535	13,009	2,706
Other charges	80,899	9,029	89,928	7,455	82,465	7,455	89,920	8
Capital outlay	-	800	800	-	784	-	784	16
Contingency	-	-	-	-	-	-	-	-
	354,815	(7,587)	347,228	7,990	334,449	7,990	342,439	4,789
Juvenile Bureau								
Personal services	3,331,067	(27,958)	3,303,109	-	3,216,105	-	3,216,105	87,004
Employee benefits	1,458,189	27,960	1,486,149	-	1,367,498	-	1,367,498	118,651
Travel	150,570	3,524	154,094	8,200	62,169	8,200	70,369	83,725
Maintenance and operations	312,044	67,162	379,206	6,398	337,408	6,398	343,806	35,400
Other charges	570,000	(570,000)	-	-	-	-	-	67,017
Capital outlay	2,926,225	(2,848,510)	77,715	-	10,698	-	10,698	57,000
Contingency	-	57,000	57,000	-	-	-	-	448,797
	8,748,095	(3,290,822)	5,457,273	14,598	4,993,878	14,598	5,008,476	-
Social Services								
Personal services	718,319	8,213	726,532	-	726,124	-	726,124	408
Employee benefits	308,977	12,084	321,061	-	320,649	-	320,649	412
Travel	200	-	200	30	156	30	186	14
Maintenance and operations	105,455	6,518	111,973	9,140	88,750	9,140	97,890	14,083
Other charges	109,800	5,826	115,626	15,780	89,600	15,780	105,380	10,246
Capital outlay	-	21,590	21,590	4,340	7,500	4,340	11,840	9,750
Contingency	-	-	-	-	-	-	-	-
	1,242,751	54,231	1,296,982	29,290	1,232,779	29,290	1,262,069	34,913
Total Health and Welfare	\$ 10,922,199	\$ (3,239,678)	\$ 7,682,521	\$ 56,478	\$ 7,136,170	\$ 56,478	\$ 7,192,648	\$ 489,873

CULTURE AND RECREATION

Parks

	Appropriations			Expenditures	Encumbrances	Total	Variance
	Original Budget	Supplements & Adjustments	Net Total				
Personal services	\$ 3,483,540	\$ 79,996	\$ 3,563,536	\$ 3,563,536	\$ -	\$ 3,563,536	\$ -
Employee benefits	1,775,468	(78,238)	1,697,230	1,692,170	-	1,692,170	5,060
Maintenance and operations	253,444	22,496	275,940	252,744	19,123	271,867	4,073
Capital outlay	118,900	(19,874)	99,026	27,910	55,531	83,441	15,585
	5,631,352	4,380	5,635,732	5,536,360	74,654	5,611,014	24,718

Total Culture and Recreation

	5,631,352	4,380	5,635,732	5,536,360	74,654	5,611,014	24,718
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EDUCATION

OSU Extension

Personal services	40,116	-	40,116	40,116	-	40,116	-
Employee benefits	9,971	51	10,022	10,022	-	10,022	-
Travel	32,960	2,230	35,190	29,168	5,388	34,556	634
Maintenance and operations	43,430	(2,722)	40,708	38,090	2,500	40,590	118
Other charges	316,525	10,065	326,590	279,240	47,350	326,590	-
Capital outlay	-	10,451	10,451	10,436	-	10,436	15
Contingency	-	-	-	-	-	-	-
	443,002	20,075	463,077	407,072	55,238	462,310	767

Total Education

	443,002	20,075	463,077	407,072	55,238	462,310	767
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ROADS & HIGHWAYS

Highway Budget

Personal services	533,817	7,261	541,078	539,924	-	539,924	1,154
Employee benefits	194,393	(4,166)	190,227	189,071	-	189,071	1,156
Travel	4,500	(4,354)	146	146	-	146	-
Maintenance and operations	703,500	(480,246)	223,254	175,885	22,715	198,600	24,654
Other charges	-	-	-	-	-	-	-
Capital outlay	-	14,345	14,345	14,345	-	14,345	-
Contingency	-	-	-	-	-	-	-
	1,436,210	(467,160)	969,050	919,371	22,715	942,086	26,964

Total Roads & Highways

	1,436,210	(467,160)	969,050	919,371	22,715	942,086	26,964
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Total General Fund

	\$ 74,424,296	\$ (5,535,100)	\$ 68,889,196	\$ 61,422,540	\$ 1,697,537	\$ 63,120,077	\$ 5,769,120
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TULSA COUNTY , OKLAHOMA
VISUAL INSPECTION FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Budgetary Basis)
For the Year ended June 30, 2016

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Beginning fund balance (as of July 1, 2015)	\$ 41,536	\$ 1,328	\$ 8,454	\$ 7,126
Revenue:				
Visual Inspection fees	2,614,744	2,614,744	2,612,386	(2,358)
Refunds	-	-	28	28
Estopped warrants	-	-	-	-
Total revenue:	2,614,744	2,614,744	2,612,414	(2,330)
Expenditures:				
Salaries	1,596,239	1,598,899	1,597,906	993
Employee benefits	667,063	683,083	681,409	1,674
Travel	95,570	80,597	74,639	5,958
Operating expenditures	245,200	280,684	272,087	8,597
Capital outlay	12,000	32,756	21,009	11,747
Contingency	-	9	-	9
Total expenditures:	2,616,072	2,676,028	2,647,050	28,978
Excess revenues and beginning fund balance over (under) expenditures, budgetary basis	\$ 40,208	\$ (59,956)	(26,182)	\$ 33,774
Other financing sources (uses):				
Transfers in:	-	1,000,000	1,000,000	-
Transfers out:	-	(1,000,000)	(1,000,000)	-
Total other financing sources (uses):	-	-	-	-
Excess revenues, beginning fund balance, and other financing sources over (under) expenditures, and other financing uses, budgetary basis			(26,182)	
Adjustments to conform with GAAP:				
Operating expenditures			30,454	
Capital outlay			(2,897)	
Ending fund balance, GAAP basis			\$ 1,375	

TULSA COUNTY , OKLAHOMA
JUVENILE DETENTION FUND
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Budgetary Basis)
For the Year ended June 30, 2016

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Beginning fund balance (as of July 1, 2015)	\$ 958,228	\$ 742,461	\$ 1,098,485	\$ 356,024
Revenue:				
State grants	2,246,942	2,252,506	1,978,511	(273,995)
Federal grants	81,600	89,717	93,453	3,736
City and County grants	428,980	428,980	378,588	(50,392)
Other grant revenue	-	-	-	-
Miscellaneous reimbursements	-	-	11	11
Estopped warrants	-	-	-	-
Miscellaneous revenue	500	500	847	347
Employee insurance	-	-	1,161	1,161
Juvenile probation fees	-	-	-	-
Interdepartmental	-	-	-	-
Total revenue	2,758,022	2,771,703	2,452,571	(319,132)
Expenditures:				
Salaries	2,470,124	2,676,005	2,376,357	299,648
Employee benefits	1,133,164	1,134,495	1,010,702	123,793
Travel	5,627	8,769	4,685	4,084
Operating expenditures	321,214	391,279	280,870	110,409
Interdepartmental	3,739	8,689	6,854	1,835
Capital outlay	17,500	15,000	3,178	11,822
Contingency	-	456,614	-	456,614
Other services	-	-	-	-
Total expenditures	3,951,368	4,690,851	3,682,646	1,008,205
Excess revenues and beginning fund balance over (under) expenditures, budgetary basis	\$ (235,118)	\$ (1,176,687)	(131,590)	\$ 1,045,097
Other financing sources (uses):				
Transfers in:	600,000	1,143,000	543,000	(600,000)
Transfers out:	-	-	-	-
Total other financing sources (uses):	600,000	1,143,000	543,000	(600,000)
Adjustments to conform with GAAP:				
Intergovernmental revenues			212,600	
Operating expenditures			(7,815)	
Capital outlay			-	
Ending fund balance, GAAP basis			\$ 616,195	

TULSA COUNTY, OKLAHOMA
PARK FUND
**Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual (Budgetary Basis)
For the Year ended June 30, 2016**

	Original Budgeted Amounts	Final Budgeted Amounts	Actual Amounts	Variance with Final Budget
Beginning fund balance (as of July 1, 2015)	\$ 2,513,585	\$ 2,552,099	\$ 3,072,674	\$ 520,575
Revenue:				
State and federal grants	-	-	74,696	74,696
Golf green fees	1,900,000	1,900,000	1,595,745	(304,255)
Golf surcharge	-	-	4,944	4,944
Court fees	80,000	80,000	155,593	75,593
Golf cart rentals	132,500	132,500	177,919	45,419
Restaurant receipts	367,500	367,500	479,287	111,787
Swimming receipts	20,000	20,000	80,501	60,501
Softball fees	15,000	15,000	15,644	644
Facility rental	85,000	85,000	79,612	(5,388)
Interdepartmental	-	-	1,233	1,233
Miscellaneous revenue	300,000	355,510	491,573	136,063
Total revenue:	2,900,000	2,955,510	3,156,747	201,237
Expenditures:				
Salaries	229,720	212,377	212,377	-
Employee benefits	40,709	28,504	28,504	-
Travel	-	-	-	-
Interdepartmental	32,000	35,500	34,638	862
Operating expenditures	1,770,972	1,977,988	1,690,977	287,011
Other charges	290,050	330,681	244,307	86,374
Capital outlay	500	2,629,185	1,199,256	1,429,929
Debt service	536,049	564,345	562,845	1,500
Contingency	-	1,732,125	-	1,732,125
Total expenditures:	2,900,000	7,510,705	3,972,904	3,537,801
Excess revenues and beginning fund balance over (under) expenditures, budgetary basis	\$ 2,513,585	\$ (2,003,096)	2,256,517	\$ 4,259,613
Other financing sources (uses):				
Transfers in:		1,776,405	1,776,405	-
Transfers out:		(1,174,889)	(1,174,889)	-
Total other financing sources (uses):		601,516	601,516	-
Excess revenues, beginning fund balance, and other financing sources over (under) expenditures, and other financing uses, budgetary basis			2,858,033	
Adjustments to conform with GAAP:				
Charges for services			13,432	
Intergovernmental			-	
Operating expenditures			237,920	
Capital outlay			242,428	
Capital outlay - 4-To-Fix			(88,081)	
Ending fund balance, GAAP basis			\$ 3,263,732	

Tulsa County, Oklahoma

DEBT SERVICE FUND

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (Budgetary Basis)
For the year ended June 30, 2016

	<u>Original Budgeted Amounts</u>	<u>Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
Beginning fund balance, budgetary basis	\$ 24,269	\$ -	\$ 32,804	\$ 32,804
Revenues:				
Ad valorem taxes	148,462	148,462	110,567	(37,895)
Miscellaneous revenue	-	-	124	124
Total revenues	<u>148,462</u>	<u>148,462</u>	<u>110,691</u>	<u>(37,771)</u>
Expenditures:				
Debt service				
Judgment principal	156,202	187,466	100,702	86,764
Judgment interest	14,943	14,943	6,768	8,175
Contingency funds	-	-	-	-
Total expenditures	<u>171,145</u>	<u>202,409</u>	<u>107,470</u>	<u>94,939</u>
Excess revenues and beginning fund balance over (under) expenditures, budgetary basis	<u>\$ 1,586</u>	<u>\$ (53,947)</u>	36,025	<u>\$ 89,972</u>
Adjustments to conform with GAAP:				
Ad valorem taxes			(687)	
Ending fund balance, GAAP basis			<u>\$ 35,338</u>	

Fiduciary Funds

<p>TULSA COUNTY, OKLAHOMA FIDUCIARY FUNDS JUNE 30, 2016</p>
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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 County's own programs.

Pension Trust Fund – Accounts for the accumulation of resources for pension benefit payments to qualified participants of the Employees' Retirement System of Tulsa County, Oklahoma and the payment of expenses associated therewith.

Agency Funds – Accounts for assets held by Tulsa County in a purely custodial capacity. These include ad valorem taxes and other revenues collected by the Tulsa County Treasurer for various cities and towns, school districts, and other agencies within Tulsa County.

All Agency Funds
Combining Statement of Changes In Assets and Liabilities
For the year ended June 30, 2016

page 1 of 2

	Balance 07/01/15	Additions	Deductions	Balance 06/30/16
Schools				
Assets:				
Cash and cash equivalents	\$ 2,310,634	\$ 519,935,689	\$ 519,752,936	\$ 2,493,387
Ad valorem receivable	22,021,042	22,223,383	22,021,042	22,223,383
Total assets	<u>\$ 24,331,676</u>	<u>\$ 542,159,072</u>	<u>\$ 541,773,978</u>	<u>\$ 24,716,770</u>
Liabilities:				
Due to other taxing units	\$ 24,331,676	\$ 542,159,072	\$ 541,773,978	\$ 24,716,770
Total liabilities	<u>\$ 24,331,676</u>	<u>\$ 542,159,072</u>	<u>\$ 541,773,978</u>	<u>\$ 24,716,770</u>
Cities and Towns				
Assets:				
Cash and cash equivalents	\$ 1,190,046	\$ 104,793,153	\$ 104,434,339	\$ 1,548,860
Ad valorem receivable	4,221,271	4,399,094	4,221,271	4,399,094
OTC receipts	512,398	459,366	512,398	459,366
Total assets	<u>\$ 5,923,715</u>	<u>\$ 109,651,613</u>	<u>\$ 109,168,008</u>	<u>\$ 6,407,320</u>
Liabilities:				
Due to other taxing units	\$ 5,923,715	\$ 109,651,613	\$ 109,168,008	\$ 6,407,320
Total liabilities	<u>\$ 5,923,715</u>	<u>\$ 109,651,613</u>	<u>\$ 109,168,008</u>	<u>\$ 6,407,320</u>
Official Depository				
Assets:				
Cash and cash equivalents	\$ 16,086,933	\$ 119,406,849	\$ 119,722,175	\$ 15,771,607
DA revenue fund	35,277	26,145	35,277	26,145
Total assets	<u>\$ 16,122,210</u>	<u>\$ 119,432,994</u>	<u>\$ 119,757,452</u>	<u>\$ 15,797,752</u>
Liabilities:				
Due to others	\$ 16,010,538	\$ 119,245,073	\$ 119,645,780	\$ 15,609,831
DC-Crim / Civil payables	-	174,802	-	174,802
DA payables	111,672	13,119	111,672	13,119
Total liabilities	<u>\$ 16,122,210</u>	<u>\$ 119,432,994</u>	<u>\$ 119,757,452</u>	<u>\$ 15,797,752</u>
City-County Library				
Assets:				
Cash and cash equivalents	\$ 22,440,994	\$ 45,822,696	\$ 48,334,715	\$ 19,928,975
Ad valorem receivable	1,416,764	1,539,115	1,416,764	1,539,115
Total assets	<u>\$ 23,857,758</u>	<u>\$ 47,361,811</u>	<u>\$ 49,751,479</u>	<u>\$ 21,468,090</u>
Liabilities:				
Due to other taxing units	\$ 23,857,758	\$ 47,361,811	\$ 49,751,479	\$ 21,468,090
Total liabilities	<u>\$ 23,857,758</u>	<u>\$ 47,361,811</u>	<u>\$ 49,751,479</u>	<u>\$ 21,468,090</u>

All Agency Funds
Combining Statement of Changes In Assets and Liabilities
For the year ended June 30, 2016

page 2 of 2

	Balance 07/01/15	Additions	Deductions	Balance 06/30/16
Unapportioned Receipts				
Assets:				
Cash and cash equivalents	\$ 2,597,850	\$ 7,706,410	\$ 9,635,588	\$ 668,672
Total assets	<u>\$ 2,597,850</u>	<u>\$ 7,706,410</u>	<u>\$ 9,635,588</u>	<u>\$ 668,672</u>
Liabilities:				
Due to other taxing units	\$ 2,597,850	\$ 7,706,410	\$ 9,635,588	\$ 668,672
Total liabilities	<u>\$ 2,597,850</u>	<u>\$ 7,706,410</u>	<u>\$ 9,635,588</u>	<u>\$ 668,672</u>
Other Agencies				
Assets:				
Cash and cash equivalents	\$ 2,404,455	\$ 234,155,029	\$ 234,066,123	\$ 2,493,361
Law Library receivables	30,145	56,863	30,145	56,863
TAEMA receivables	19,750	53,456	19,750	53,456
Total assets	<u>\$ 2,454,350</u>	<u>\$ 234,265,348</u>	<u>\$ 234,116,018</u>	<u>\$ 2,603,680</u>
Liabilities:				
Due to others	\$ 2,454,149	\$ 234,180,616	\$ 234,115,817	\$ 2,518,948
Law Library payables	-	2,223	-	2,223
TAEMA payables	201	82,509	201	82,509
Total liabilities	<u>\$ 2,454,350</u>	<u>\$ 234,265,348</u>	<u>\$ 234,116,018</u>	<u>\$ 2,603,680</u>
Inmate Trust Account				
Assets:				
Cash and cash equivalents	\$ 242,657	\$ 2,496,367	\$ 2,474,688	\$ 264,336
Total assets	<u>\$ 242,657</u>	<u>\$ 2,496,367</u>	<u>\$ 2,474,688</u>	<u>\$ 264,336</u>
Liabilities:				
Due to others	\$ 242,657	\$ 2,397,938	\$ 2,474,688	\$ 165,907
Inmate Trust payables	-	98,429	-	98,429
Total liabilities	<u>\$ 242,657</u>	<u>\$ 2,496,367</u>	<u>\$ 2,474,688</u>	<u>\$ 264,336</u>
Total All Agencies				
Assets:				
Cash and cash equivalents	\$ 47,273,569	\$ 1,034,316,193	\$ 1,038,420,564	\$ 43,169,198
Ad valorem receivable	27,659,077	28,161,592	27,659,077	28,161,592
Other receivables	85,172	136,464	85,172	136,464
OTC receipts	512,398	459,366	512,398	459,366
Total assets	<u>\$ 75,530,216</u>	<u>\$ 1,063,073,615</u>	<u>\$ 1,066,677,211</u>	<u>\$ 71,926,620</u>
Liabilities:				
Due to other taxing units	\$ 56,710,999	\$ 706,878,906	\$ 710,329,053	\$ 53,260,852
Due to others	18,707,344	355,823,627	356,236,285	18,294,686
Accounts payable	111,873	371,082	111,873	371,082
Total liabilities	<u>\$ 75,530,216</u>	<u>\$ 1,063,073,615</u>	<u>\$ 1,066,677,211</u>	<u>\$ 71,926,620</u>

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STATISTICAL SECTION



Statistical Section

This part of Tulsa County's Comprehensive Annual Financial Report presents detailed information as a way to help understand the information in the financial statements, note disclosures, and required supplementary information and what it says about the County's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the government's financial performance and financial position have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the County's most significant revenues sources, ad valorem and sales tax.

Debt Capacity

These schedules help the reader evaluate the affordability of the County's current level of outstanding debt and the County'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 County's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the County's financial report relates to the services the County provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports for the relevant year.

Tulsa County, Oklahoma Net Assets/Net Position by Component*** Last Ten Years (accrual basis of accounting)										
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Governmental Activities										
Net investment in capital assets	\$ 114,221,112	\$ 114,015,184	\$ 103,442,617	\$ 97,080,878	\$ 94,005,428	\$ 89,722,627	\$ 81,934,632	** \$ 117,666,141	\$ 110,679,261	\$ 109,530,943
Restricted	100,479,154	93,981,180	86,867,547	74,350,786	69,890,470	68,477,016	72,873,047	82,872,803	* 78,503,176	347,793,577
Unrestricted	(11,529,374)	(48,334,051)	(71,260,675)	(113,552,798)	(147,018,735)	(185,227,739)	(217,140,728)	** (296,323,247)	* (281,183,499)	(460,148,344)
Total net position	\$ 203,170,892	\$ 159,662,313	\$ 119,049,489	\$ 57,878,866	\$ 16,877,163	\$ (27,028,096)	\$ (62,333,049)	\$ (95,784,303)	\$ (92,001,062)	\$ (2,823,824)
Business-Type Activities										
Net investment in capital assets	\$ 72,693,866	\$ 75,435,579	\$ 77,841,635	\$ 80,711,643	\$ 84,484,337	\$ 87,214,579	\$ 89,628,012	\$ 90,811,539	\$ 70,025,328	\$ 58,033,171
Restricted	8,511,418	6,164,705	3,968,996	2,688,885	3,758,059	2,161,438	3,653,202	6,570,834	18,045,091	12,318,640
Unrestricted	5,614,327	4,472,774	5,402,557	4,737,796	4,672,231	6,083,413	5,081,337	3,830,178	3,276,954	3,820,109
Total net position	\$ 86,819,611	\$ 86,073,058	\$ 87,213,188	\$ 88,138,324	\$ 92,914,627	\$ 95,459,430	\$ 98,362,551	\$ 101,212,551	\$ 91,347,373	\$ 74,171,920
Primary Government										
Net investment in capital assets	\$ 186,914,978	\$ 189,450,763	\$ 181,284,252	\$ 177,792,521	\$ 178,489,765	\$ 176,937,206	\$ 171,562,644	\$ 208,477,680	\$ 180,704,589	\$ 167,564,114
Restricted	108,990,572	100,145,885	90,836,543	77,039,671	73,648,529	70,638,454	76,526,249	89,443,637	96,548,267	360,112,217
Unrestricted	(5,915,047)	(43,861,277)	(65,858,118)	(108,815,002)	(142,346,504)	(179,144,326)	(212,059,391)	(292,493,069)	(277,906,545)	(456,328,235)
Total net position	\$ 289,990,503	\$ 245,735,371	\$ 206,262,677	\$ 146,017,190	\$ 109,791,790	\$ 68,431,334	\$ 36,029,502	\$ 5,428,248	\$ (653,689)	\$ 71,348,096

* Restated due to reclassification of restricted net assets after implementation of GASB #54.

** Restated due to reclassification of capital assets funded with debt. Years prior to 2010 have not been restated.

***Prior to fiscal year 2013, equity presented is "Net Assets". Fiscal years after 2012 equity presented is "Net Position". Years prior to 2013 have not been restated.

Tulsa County, Oklahoma
Changes in Net Assets/Net Position**
Last Ten Years
(accrual basis of accounting)

	2016	2015	2014	2013 ***	2012	2011	2010	2009	2008	2007
Expenses										
Governmental Activities										
General government	\$ 59,960,087	\$ 60,177,748	\$ 58,865,247	\$ 58,454,606	\$ 60,656,292	\$ 64,820,981	\$ 59,265,108	\$ 54,352,902	\$ 59,685,376	\$ 45,539,665
Public safety	67,461,008	77,776,341	69,346,897	65,490,679	62,995,055	64,706,810	61,762,840	59,711,174	57,682,353	51,221,094
Health and welfare	11,648,310	10,518,338	10,991,070	10,943,894	11,066,398	11,541,522	11,406,739	10,675,450	9,380,734	8,818,206
Culture and recreation	8,449,350	8,167,804	8,151,072	7,832,875	8,667,734	10,332,908	8,324,957	8,351,508	7,917,001	7,609,600
Education	452,047	431,535	447,288	473,629	426,745	366,024	411,706	416,083	438,805	431,669
Roads and highways	13,841,693	12,571,842	13,019,833	16,496,277	17,797,744	15,183,343	12,652,253	13,044,989	9,630,520	11,899,832
Vision 2025 expenses	11,644,233	6,420,648	1,087,182	1,361,406	7,143,476	11,597,367	12,257,448	52,086,703	129,807,186	131,286,608
4 to Fix expenses	126,679	-	-	11,135	-	5,778,070	2,480,363	11,280,796	23,476,708	10,935,912
Interest on long-term debt	3,190,961	5,266,516	7,293,713	7,665,201	9,743,772	10,849,849	12,708,096	12,795,446	16,848,522	18,450,011
Total governmental activities	176,774,368	181,330,772	169,802,302	168,729,702	178,537,216	195,176,074	181,269,412	222,695,051	314,867,205	286,192,597
Business-type activities										
Public Facilities Authority	30,815,387	30,235,003	29,484,089	29,690,075	30,790,504	29,942,478	29,893,910	20,699,923	28,667,479	24,463,254
Total business-type activities	30,815,387	30,235,003	29,484,089	29,690,075	30,790,504	29,942,478	29,893,910	20,699,923	28,667,479	24,463,254
Total primary government	\$ 207,589,755	\$ 211,565,775	\$ 199,286,391	\$ 198,419,777	\$ 209,327,720	\$ 225,118,552	\$ 211,163,322	\$ 243,394,974	\$ 343,534,684	\$ 310,655,851
Program revenues										
Governmental Activities										
Charge for services										\$ 10,200,877
General government	5,313,286	5,294,481	5,514,397	5,635,906	5,886,261	5,600,286	6,289,218	6,291,986	7,980,239	17,886
Public safety	6,186,238	36,980,796	33,475,206	29,765,216	28,093,308	28,109,175	27,306,624	27,085,012	24,086,464	20,481,737
Health and welfare	143,663	223,839	238,827	223,879	112,731	88,475	111,934	94,339	3,230	-
Culture and recreation	2,602,677	2,472,839	2,479,077	2,569,689	2,704,183	2,603,275	2,318,631	2,711,185	2,545,798	-
Roads and highways	-	-	-	-	2,827,458	2,736,701	2,707,624	2,714,237	2,698,726	-
Interest on long-term debt	468,187	478,303	487,916	-	-	-	-	-	-	-
Operating grants and contributions	26,223,494	20,825,322	21,226,685	12,913,456	17,317,730	19,694,297	15,131,874	13,599,723	20,755,128	21,373,195
General government-capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Public safety-capital grants and contributions	-	19,404	803,685	-	-	-	-	-	-	-
Culture and recreation-capital grants and contributions	535,854	1,795,074	2,602,732	-	-	-	-	-	-	-
Roads and highways-capital grants and contributions	-	68,090,051	68,386,094	50,908,146	56,941,671	62,098,109	53,865,905	52,496,482	58,069,585	52,073,695
Total governmental activities	41,473,399	90,603,807	90,080,291	72,377,114	78,475,835	83,535,977	74,788,589	78,510,617	99,655,296	19,854,313
Business-type activities										
Charge for services - Public Facilities Authority	23,879,123	22,513,756	21,694,197	21,468,968	21,534,164	21,437,868	20,758,790	14,698,417	21,253,195	19,854,313
Capital grants and contributions	-	-	-	-	-	-	163,894	11,315,718	20,332,516	-
Total business-type activities	23,879,123	22,513,756	21,694,197	21,468,968	21,534,164	21,437,868	20,922,684	26,014,135	41,585,711	19,854,313
Total primary government	\$ 65,352,522	\$ 90,603,807	\$ 90,080,291	\$ 72,377,114	\$ 78,475,835	\$ 83,535,977	\$ 74,788,589	\$ 78,510,617	\$ 99,655,296	\$ 71,928,008
Net (expense) revenue										
Governmental activities	\$ (135,300,969)	\$ (113,240,721)	\$ (101,416,208)	\$ (117,821,556)	\$ (121,595,545)	\$ (133,077,965)	\$ (127,403,507)	\$ (170,198,569)	\$ (256,797,620)	\$ (234,118,902)
Business-type activities	(6,936,264)	(7,721,247)	(7,789,892)	(8,221,107)	(9,256,340)	(8,504,610)	(8,971,260)	5,314,212	12,918,232	(4,608,941)
Total primary government net expense	\$ (142,237,233)	\$ (120,961,968)	\$ (109,206,100)	\$ (126,042,663)	\$ (130,851,885)	\$ (141,582,575)	\$ (136,374,733)	\$ (164,884,357)	\$ (243,879,388)	\$ (238,727,843)

Continued on next page

Tulsa County, Oklahoma
Changes in Net Assets/Net Position**
Last Ten Years
(acrual basis of accounting)

Continued from previous page

	2016	2015	2014	2013 ***	2012	2011	2010	2009	2008	2007
General Revenues and Other Changes in Net Assets/Net Position										
Sales tax	\$ 98,835,747	\$ 97,715,736	\$ 87,685,315	\$ 80,985,048	\$ 86,523,528	\$ 93,056,039	\$ 91,019,909	\$ 96,792,270	\$ 96,112,765	\$ 90,933,560
Use tax	8,296,250	8,346,825	7,333,923	6,082,752	6,369,469	6,571,750	5,647,314	6,841,153	6,624,221	6,626,032
Ad valorem and other taxes	70,117,307	67,082,786	65,432,070	65,242,112	59,179,658	57,193,772	55,296,047	53,725,400	53,007,378	49,620,062
Interest and investment earnings	1,109,492	959,188	898,458	1,000,231	1,577,056	2,213,904	2,367,522	3,501,859	12,607,373	18,169,832
Salaries reimbursement	-	-	-	4,778,612	5,171,781	5,231,599	5,925,605	5,615,282	-	-
Miscellaneous	8,140,841	9,091,802	7,702,716	9,390,107	11,866,474	10,687,604	6,245,679	7,211,474	9,097,878	12,111,116
Property transferred through annexation	-	-	-	-	-	-	-	-	(3,205,012)	-
Transfers	(7,690,089)	(7,759,881)	(7,333,923)	(6,082,751)	(4,397,866)	(6,571,750)	(5,647,314)	(6,846,094)	(6,624,221)	(6,626,031)
Total governmental activities	178,809,548	175,436,456	161,718,559	161,396,111	166,290,100	168,382,918	160,854,762	166,841,344	167,620,382	170,834,571
Business-Type Activities										
Interest and investment earnings	265	187,238	2,265	349	16,514	37,383	45,070	-	-	-
Gain from insurance proceeds over impairment	-	-	-	-	-	-	-	-	-	-
Purchase of capital asset	-	-	-	-	-	-	-	-	(2,367,000)	-
Contribution of capital assets	-	-	-	-	-	-	-	-	-	-
Transfers	7,682,552	7,636,361	6,862,491	4,442,168	6,695,023	5,564,106	6,076,156	3,552,167	6,624,221	6,793,402
Total business-type activities	7,682,817	7,823,599	6,864,756	4,442,517	6,711,537	5,601,489	6,121,226	3,552,167	4,257,221	6,626,031
Total primary government	\$ 186,492,365	\$ 183,260,055	\$ 168,583,315	\$ 165,843,628	\$ 173,001,637	\$ 173,984,407	\$ 166,975,988	\$ 170,393,511	\$ 171,877,603	\$ 177,460,602
Changes in Net Assets/Net Position										
Governmental activities	\$ 43,508,579	\$ 62,195,735	\$ 60,302,351	\$ 43,574,555	\$ 44,694,555	\$ 35,304,953	\$ 33,451,255	\$ (3,357,225)	\$ (89,177,238)	\$ (63,284,331)
Business-type activities	746,553	102,352	(925,136)	(3,773,590)	(2,544,803)	(2,903,121)	(2,850,000)	8,866,379	17,175,453	8,810,492
Total primary government	\$ 44,255,132	\$ 62,298,087	\$ 59,377,215	\$ 39,800,965	\$ 42,149,752	\$ 32,401,832	\$ 30,601,255	\$ 5,509,154	\$ (72,001,785)	\$ (54,473,839)

***NOTE: Prior to fiscal year 2013, equity presented is "Net Assets". Fiscal year 2013 equity presented is "Net Position". Prior years have not been restated.
*** NOTE: Fiscal year 2013 has not been restated for the effect of reclassifying conduit debt issued for Tulsa County and its discretely presented component unit.

Tulsa County, Oklahoma
Governmental Activities - Tax Revenues by Source
Last Ten Years
(accrual basis of accounting)

<u>Year</u>	<u>Property Tax</u>	<u>Sales Tax</u>	<u>Use Tax</u>	<u>Total</u>
2016	\$ 61,779,123	\$ 98,835,747	\$ 8,296,250	\$ 168,911,120
2015	58,625,827	97,715,736	8,346,825	164,688,388
2014	57,569,249	87,685,315	7,333,923	152,588,487
2013	56,999,005	80,985,048	6,082,752	144,066,805
2012	56,101,552	86,523,528	6,369,469	148,994,549
2011	54,367,715	93,056,039	6,571,750	153,995,504
2010	52,339,372	91,019,909	5,647,314	149,006,595
2009	50,562,025	96,792,270	6,841,153	154,195,448
2008	49,482,719	96,112,765	6,624,221	152,219,705
2007	45,864,389	90,933,560	6,626,032	143,423,981

Tulsa County, Oklahoma
Program Revenue by Function/Program
Last Ten Years
(accural basis of accounting)

Function/Program	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Governmental Activities										
General government	\$ 14,965,544	\$ 15,727,734	\$ 15,164,277	\$ 9,770,993	\$ 12,726,589	\$ 12,550,473	\$ 10,783,663	\$ 10,379,545	\$ 17,675,478	\$ 31,591,958
Public safety	12,837,845	37,840,147	33,913,726	30,193,442	28,830,630	28,917,572	27,866,862	27,724,096	25,300,125	20,481,737
Health and welfare	3,558,315	3,306,767	3,404,020	3,601,980	3,292,079	3,488,945	3,568,679	3,497,370	3,071,058	-
Culture and recreation	2,677,373	2,475,739	2,540,108	2,371,162	2,706,997	2,603,857	2,328,067	2,804,224	2,851,973	-
Roads and highways	6,966,135	8,261,361	7,912,061	4,970,569	9,385,376	14,537,262	9,318,634	8,091,247	9,170,951	-
Total governmental activities	41,005,212	67,611,748	62,934,192	50,908,146	56,941,671	62,098,109	53,865,905	52,496,482	58,069,585	52,073,695
Business-type Activities										
Public Facilities Authority	23,879,123	22,513,756	21,694,197	21,468,968	21,534,164	21,437,868	20,922,684	26,014,135	41,585,711	19,854,313
Total business-type activities	23,879,123	22,513,756	21,694,197	21,468,968	21,534,164	21,437,868	20,922,684	26,014,135	41,585,711	19,854,313
Total primary government	\$ 64,884,335	\$ 90,125,504	\$ 84,628,389	\$ 72,377,114	\$ 78,475,835	\$ 83,535,977	\$ 74,788,589	\$ 78,510,617	\$ 99,655,296	\$ 71,928,008

Tulsa County, Oklahoma
Fund Balances of Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Fund										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,058,080	\$ 1,036,113	\$ 938,917
Unreserved	-	-	-	-	-	-	-	6,878,799	10,552,125	11,018,450
Assigned	9,079,797	11,371,761	9,989,173	9,224,006	8,643,457	6,525,947	5,331,207	-	-	-
Unassigned	3,563,168	4,157,896	5,548,530	4,354,920	1,455,794	2,122,980	3,457,307	-	-	-
Total General Fund	\$ 12,642,965	\$ 15,529,657	\$ 15,537,703	\$ 13,578,926	\$ 10,099,251	\$ 8,648,927	\$ 8,788,514	\$ 7,936,879	\$ 11,588,238	\$ 11,957,367
Other Governmental Funds										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140,780,243	\$ 191,971,062	\$ 328,596,423
Unreserved	-	-	-	-	-	-	-	30,344,512	31,449,041	29,727,191
Special Revenue Funds	-	-	-	-	-	-	-	20,743	57,767	86,448
Debt Service Funds	-	-	-	-	-	-	-	-	-	-
Nonspendable	300,676	307,422	285,114	376,014	-	-	-	-	-	-
Restricted	186,505,407	148,046,456	136,177,052	125,718,526	127,327,507	136,008,308	151,189,178	-	-	-
Committed	8,342,485	6,327,087	5,606,304	4,962,052	4,318,955	3,693,236	4,361,581	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-
Unassigned	-	(303,617)	(837,813)	-	-	-	-	-	-	-
Total all Other Governmental Funds	\$ 195,148,568	\$ 154,377,348	\$ 141,230,657	\$ 131,056,592	\$ 131,646,462	\$ 139,701,544	\$ 155,550,759	\$ 171,145,498	\$ 223,477,870	\$ 358,410,062

NOTE: The County implemented GASB Statement No. 54 in fiscal year 2010 which caused the categories of fund balance to change. Prior years were not restated.

Tulsa County, Oklahoma
Changes in Fund Balances of Governmental Funds
Last Ten Years
(modified accrual basis of accounting)

	2016	2015	2014**	2013*	2012	2011	2010	2009	2008	2007
REVENUES										
Ad valorem taxes	\$ 61,430,610	\$ 58,806,055	\$ 57,655,269	\$ 56,558,294	\$ 55,977,581	\$ 54,205,714	\$ 52,097,020	\$ 49,102,036	\$ 47,896,494	\$ 44,273,087
Other taxes	8,338,184	8,456,959	7,862,821	8,243,107	3,078,106	2,820,057	2,956,675	3,163,375	3,524,659	3,755,673
Charge for services	14,373,777	44,841,755	41,705,396	37,994,690	39,623,941	39,075,449	38,734,457	38,896,759	37,314,457	30,700,500
Sales taxes	98,835,747	97,715,736	87,683,315	80,985,061	86,523,258	93,056,039	91,019,909	96,792,270	96,112,765	90,933,560
Use tax	8,296,250	8,346,825	7,333,923	6,082,752	6,369,469	6,571,750	5,647,314	6,841,153	6,624,221	6,626,032
Tobacco tax	-	-	-	-	-	-	-	-	-	-
Capital lease revenue	682,818	684,082	686,770	-	-	-	-	-	-	-
Intergovernmental revenue	26,821,472	22,466,223	21,009,795	12,913,456	17,317,730	19,694,297	15,131,874	13,599,721	20,755,128	21,373,195
Interdepartmental revenue	-	-	-	-	4,344	62,463	-	-	-	-
Investment income	1,101,991	959,142	889,435	1,000,231	1,717,255	2,213,903	2,367,521	3,501,860	12,607,373	18,169,832
Miscellaneous revenue	81,403,841	9,106,659	11,736,507	9,299,584	11,965,386	10,584,348	6,208,783	6,127,845	6,529,490	11,044,117
Salaries reimbursement	-	-	-	4,778,612	5,171,781	5,231,599	5,925,605	5,615,282	-	-
Payment from Law Library	-	-	-	-	-	-	-	-	-	-
Payment from depository accounts	-	-	-	66,067	-	-	-	-	-	-
Total revenues	228,023,690	251,383,436	236,565,631	217,927,391	227,749,521	233,521,619	220,088,732	223,563,301	231,364,587	226,875,996
EXPENDITURES										
Current:										
General government	56,136,874	57,866,646	54,598,795	53,174,398	55,682,324	58,409,769	55,381,090	54,237,385	52,473,453	51,492,178
Public safety	38,504,545	46,589,823	41,985,223	40,299,655	38,255,825	39,213,522	37,055,062	35,815,456	33,994,432	28,810,681
Health and welfare	11,915,211	10,837,695	10,811,445	10,837,913	10,853,533	11,180,360	10,729,469	10,587,910	10,464,073	8,749,931
Culture and recreation	7,602,430	7,477,217	7,142,203	7,315,351	8,013,349	8,346,972	7,950,331	7,873,544	7,461,204	7,009,522
Education	441,920	430,236	438,538	472,526	423,369	362,788	408,470	412,577	436,759	429,731
Roads and highways	10,235,625	10,082,657	9,623,365	10,451,721	9,960,717	11,259,414	10,351,250	9,624,759	9,252,254	8,619,767
Payment to TAEMA Agency	-	-	26,355	-	-	-	-	-	-	-
Payment to District Attorney	-	-	-	-	-	90,780	102,500	-	-	-
Payment to Criminal Justice Authority	27,237,743	30,802,306	27,116,245	23,843,132	24,284,849	24,134,508	22,962,258	23,816,350	23,633,512	22,359,978
Payment to City/County Health	-	-	40,000	-	-	7,000	300,000	-	-	-
Payment to Law Library	-	-	-	-	-	-	40	-	-	-
Payment to other governments (See Note 1.F.)	-	-	-	-	-	-	-	-	-	-
Capital outlay	1,800,000	1,900,000	2,000,000	2,000,000	1,200,000	-	-	-	-	-
Capital outlay-Vision 2025	8,835,233	10,277,714	3,984,299	4,592,825	6,429,180	4,195,307	3,204,397	5,146,190	4,967,675	2,820,044
Capital outlay-4 to Fix I	11,644,233	6,425,061	2,035,051	1,382,675	7,213,886	11,699,289	13,338,534	52,086,703	129,807,186	118,087,415
Capital outlay-4 to Fix II	606,492	1,101,861	1,029,455	3,407,472	3,281,744	9,321,257	7,684,941	267,817	1,334,470	7,317,978
Debt service:										
Principal retirement	47,305,418	49,918,760	48,161,202	40,918,333	51,858,333	50,496,667	48,815,000	45,075,000	43,560,000	44,520,000
Interest and fiscal agent charges	4,832,687	6,923,742	8,912,311	10,380,776	12,512,295	14,923,678	16,596,018	16,256,996	20,153,240	21,994,766
Bond issuance costs	-	-	-	-	-	-	-	-	-	1,854,206
Other bond costs	-	-	-	-	-	-	1,427,130	-	-	1,268,924
Principal and interest on judgments	-	-	-	-	-	-	53,267	83,383	90,124	115,111
Total expenditures	227,098,411	240,633,698	217,904,931	209,076,577	229,971,344	244,392,005	236,524,663	272,277,049	360,043,620	329,068,166
Excess (deficiency) of revenues over (under) expenditures	925,279	10,749,738	18,660,700	8,850,814	(2,221,823)	(10,870,386)	(16,435,931)	(48,713,748)	(128,679,033)	(102,192,170)
Other financing sources (uses):										
Bond premium	648,000	-	-	-	-	-	-	-	-	-
Long-term debt proceeds	44,001,338	10,147,834	-	-	-	-	-	-	-	51
Sale of real property	-	-	-	102,837	14,930	2,233	36,896	2,125	1,932	81,024,758
Issuance of revenue bonds	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	18,919	-	-	-	-	-	-
Transfer to from beneficiary	-	-	-	(13)	-	-	-	-	-	-
Proceeds from remarketing revenue bonds	-	-	-	-	-	-	-	-	-	-
Transfers in (primary government)	126,822,398	46,590,378	26,039,029	27,255,157	39,124,895	30,504,857	34,202,005	68,991,885	35,541,076	55,516,579
Transfers out (primary government)	(134,512,487)	(53,350,259)	(33,372,923)	(33,372,908)	(43,522,761)	(37,076,607)	(39,849,319)	(75,837,979)	(42,165,298)	(62,142,610)
Total other financing sources (uses)	36,959,249	2,388,905	(7,333,923)	(5,961,008)	(4,382,536)	(6,569,517)	1,692,826	(6,843,969)	(6,622,290)	74,398,778
Net change in fund balances	37,884,528	13,138,643	11,326,777	2,889,806	(6,604,759)	(17,439,903)	(14,743,105)	(65,557,717)	(135,301,323)	(27,793,392)
Fund balance, beginning	169,907,005	156,768,562	145,441,583	141,745,713	148,350,472	164,339,273	179,082,375	235,066,106	370,367,429	396,160,821
Cumulative effect of change	-	-	-	(1)	-	1,451,102	3	(426,014)	-	-
Fund balance, ending	\$ 207,791,533	\$ 156,768,560	\$ 144,635,518	\$ 141,745,713	\$ 141,745,713	\$ 148,350,472	\$ 164,339,273	\$ 179,082,375	\$ 235,066,106	\$ 370,367,429
Debt Service as a percentage of noncapital expenditures	23.65%	24.79%	26.88%	25.70%	29.44%	27.82%	29.66%	30.14%	31.62%	35.37%

*2013 has not been restated for the effect of reclassifying conduit debt issued for Tulsa County and its discretely presented component unit. See Note III. N. in the Notes to Financial Statements section.

** 2014 beginning fund balances was restated due to 2013 TCIA debt service being restated.

Tulsa County, Oklahoma
General Governmental Tax Revenues by Source
Last Ten Years
(modified accrual basis of accounting)

<u>Year</u>	<u>Property Tax</u>	<u>Sales Tax</u>	<u>Use Tax</u>	<u>Total</u>
2016	\$ 61,430,610	\$ 98,835,747	\$ 8,296,250	\$ 168,562,607
2015	58,806,055	97,715,736	8,346,825	164,868,616
2014	57,655,269	87,685,315	7,333,923	152,674,507
2013	56,558,294	80,985,061	6,082,752	143,626,107
2012	55,977,981	86,523,528	6,369,469	148,870,978
2011	54,205,714	93,056,039	6,571,750	153,833,503
2010	52,097,020	91,019,909	5,647,314	148,764,243
2009	49,025,036	96,792,270	6,841,153	152,658,459
2008	47,896,494	96,112,765	6,624,221	150,633,480
2007	44,273,087	90,933,560	6,626,032	141,832,679

Tulsa County, Oklahoma
Assessed and Estimated Actual Value of Taxable Property
Last Ten Years

Fiscal Year	Residential Property	Commercial Property	Agriculture Property	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Taxable Value	Assessed Value as a Percentage of Actual Value
2016	\$ 3,275,340,366	\$ 1,484,708,543	\$ 5,752,561	\$ 144,116,724	\$ 4,621,684,746	10.34	\$ 43,325,467,909	11.000%
2015	3,171,866,055	1,410,234,465	6,255,471	143,769,160	4,444,586,831	10.32	41,712,327,191	11.000%
2014	3,075,788,376	1,347,175,509	5,707,903	142,286,789	4,286,384,999	10.33	40,260,652,618	11.000%
2013	2,992,195,513	1,278,901,509	5,687,140	140,542,429	4,136,241,733	10.33	38,879,856,018	11.000%
2012	2,936,923,205	1,242,309,197	5,664,542	138,866,293	4,046,030,651	10.34	38,044,517,673	11.000%
2011	2,892,631,756	1,214,735,550	5,919,781	138,552,123	3,974,734,964	10.34	37,393,518,973	11.000%
2010	2,827,812,803	1,206,333,146	5,626,639	137,752,384	3,902,020,204	10.31	36,725,205,345	11.000%
2009	2,749,635,688	1,167,250,487	5,632,791	136,560,076	3,785,958,890	10.31	35,659,263,327	11.000%
2008	2,611,212,036	1,124,169,849	5,319,826	121,894,120	3,618,807,591	10.31	34,006,379,191	11.000%
2007	2,486,797,270	1,060,375,595	5,207,922	122,639,200	3,429,741,587	10.31	32,294,370,791	11.000%

Source: Tulsa County Assessor's Office

Tulsa County, Oklahoma
Direct and Overlapping Ad Valorem Tax Rates
Last Ten Years
(rate per \$1,000 of net assessed value)

County Direct Rates	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Fund	10.30	10.30	10.30	10.30	10.30	10.30	10.30	10.30	10.30	10.30
Sinking Fund	0.04	0.02	0.03	0.03	0.04	0.04	0.01	0.01	0.01	0.01
Total Direct Rates	10.34	10.32	10.33	10.33	10.34	10.34	10.31	10.31	10.31	10.31
Overlapping Rates - County Wide										
Library	5.32	5.32	5.32	5.32	5.32	5.32	5.32	5.32	5.32	5.32
Health	2.58	2.58	2.58	2.58	2.58	2.58	2.58	2.58	2.58	2.58
4-Mill Schools	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Tulsa Community College	7.21	7.21	7.21	7.21	7.21	7.21	7.21	7.21	7.21	7.21
Tulsa Technology Center	13.33	13.33	13.33	13.33	13.33	13.33	13.33	13.33	13.33	13.33
Total County Wide Overlapping Rates	32.44	32.44	32.44	32.44	32.44	32.44	32.44	32.44	32.44	32.44
Overlapping Rates - Cities*										
City of Bixby	11.11	12.30	12.66	13.50	13.50	13.50	13.50	13.50	14.31	12.84
City of Broken Arrow	16.92	17.10	17.14	17.32	16.50	17.13	16.44	15.98	15.72	15.30
City of Glenpool	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.43	3.91	4.75
City of Jenks	13.29	14.76	16.80	10.79	11.49	11.99	13.69	10.81	8.25	14.56
City of Owasso	0.36	0.51	0.62	0.56	0.68	0.53	0.23	0.00	0.00	0.00
City of Sand Springs	8.70	9.70	10.50	3.23	9.52	9.55	10.08	10.06	10.74	11.25
City of Sapulpa	14.89	13.11	15.23	10.24	13.44	14.19	14.54	12.81	14.01	14.22
City of Tulsa	21.20	22.79	21.46	20.24	20.16	20.01	16.98	14.15	14.08	13.48
Overlapping Rates - Emergency Medical Service*										
City of Glenpool	3.09	3.09	3.09	3.09	3.09	3.09	3.09	3.09	3.09	3.09
Overlapping Rates - School Districts*										
Tulsa	70.27	68.96	68.99	64.91	64.65	64.79	63.90	64.95	65.30	63.77
Sand Springs	71.51	72.31	72.61	73.27	72.83	73.42	73.92	69.71	68.35	71.81
Broken Arrow	71.00	69.73	71.10	70.51	70.22	70.60	69.25	69.72	71.16	68.00
Bixby	75.12	68.32	67.76	66.49	68.08	68.88	67.31	68.16	64.65	62.96
Jenks	74.03	75.06	76.01	75.33	73.34	73.36	72.00	74.17	73.84	73.41
Collinsville	67.78	68.92	66.01	65.76	64.55	64.36	64.22	63.74	63.73	64.43
Skiatook	74.05	72.24	73.25	68.23	67.44	66.46	65.06	64.72	64.19	63.05
Sperry	65.57	64.91	63.73	64.24	64.35	64.62	64.05	64.25	65.70	65.05
Union	71.11	71.01	70.19	71.06	71.90	71.65	70.28	68.52	68.66	67.36
Berryhill	70.61	70.56	68.03	65.03	66.32	70.57	72.28	72.63	62.65	63.32
Owasso	66.13	66.81	67.70	65.66	68.26	69.13	67.99	70.51	69.63	67.06
Glenpool	70.95	70.36	70.89	65.00	65.76	65.22	65.00	63.72	64.34	62.14
Liberty	67.33	64.39	64.66	64.41	63.71	65.65	65.52	67.65	67.36	59.38
Keystone	48.40	48.37	41.20	43.42	43.43	46.25	46.89	47.25	46.17	46.29
Leonard	Closed	Closed	Closed	Closed	Closed	Closed	Closed	Closed	42.00	42.00

Source: Tulsa County Excise Board

*Overlapping rates are those of local and county governments that apply to property owners within Tulsa County. Not all overlapping rates apply to all Tulsa County property owners; for example, although the County Ad Valorem tax rates apply to all county property owners, the City of Tulsa rates apply only to the property owners whose property is located within that City's geographic boundaries.

Tulsa County, Oklahoma
Principal Property Taxpayers
Current Year and Nine Years Ago
June 30, 2016

Taxpayer	2016			2007		
	Taxable Assessed Valuation	Rank	% of Total Assessed Valuation	Taxable Assessed Valuation	Rank	% of Total Assessed Valuation
Public Service Company of Oklahoma	\$ 108,280,136	1	1.91%	\$ 118,449,637	1	2.72%
Holly Refining & Marketing	68,789,218	2	1.22%			
Walmart Stores	40,536,582	3	0.72%	25,167,787	5	0.58%
AHS Hillcrest/Tulsa Holdings	36,566,606	4	0.65%	27,489,222	4	0.63%
Oklahoma Natural Gas Company	34,287,874	5	0.61%	37,863,896	3	0.87%
A T & T Companies/Services	30,406,003	6	0.54%	54,624,169	2	1.25%
Helmerich & Payne	25,325,331	7	0.45%			
Kimberly Clark	24,276,687	8	0.43%	22,947,798	7	0.53%
HP Enterprise Services LLC	24,009,989	9	0.42%			
Quik Trip Corp	22,051,683	10	0.39%			
H P Financial Services	19,886,968	11	0.35%			
Magellan Pipeline	19,507,873	12	0.34%	8,715,428	19	0.20%
Warren Foundation	16,070,872	13	0.28%	12,863,340	14	0.29%
Williams Companies	15,382,768	14	0.27%	12,111,784	16	0.28%
Weidner Apartment Homes	15,050,313	15	0.27%			
Nordam Group/East Plan	14,936,615	16	0.26%	11,136,988	17	0.26%
Cox Communications	14,507,356	17	0.26%	14,925,229	12	0.34%
Woodland Hills Mall	14,478,026	18	0.26%	12,402,281	15	0.28%
Greens at Battlecreek/Broken Arrow/Owasso	12,778,694	19	0.23%			
Baker Hughes	12,472,790	20	0.22%			
Green County Energy LLC				19,480,769	9	0.45%
M C I (Verizon WorldCom)				18,209,888	10	0.42%
Sinclair Oil Co				24,995,346	6	0.57%
Automotive Components Holding LLC				9,752,821	18	0.22%
Sun Oil Co/Ninth & Detroit/Sunray dx				14,020,500	13	0.32%
EDS Information				19,582,712	8	0.45%
AT&T Mobility LLC				15,908,417	11	0.36%
Valor Comm of OK LLC (General Telephone)				8,517,197	20	0.20%
	\$ 569,602,384		10.07%	\$ 489,165,209		11.21%

Source: Tulsa County Assessor

Tulsa County, Oklahoma
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2016	\$ 70,062,708	\$ 67,335,538	96.11%	\$ -	\$ 67,335,538	96.11%
2015	67,716,251	64,580,318	95.37%	1,137,833	65,718,151	97.05%
2014	65,878,128	63,065,115	95.73%	1,855,621	64,920,736	98.55%
2013	64,885,368	62,231,514	95.91%	1,997,337	64,228,851	98.99%
2012	63,445,368	60,830,716	95.88%	2,138,502	62,969,218	99.25%
2011	63,033,389	60,041,097	95.25%	2,672,350	62,713,447	99.49%
2010	61,752,129	58,986,809	95.52%	2,402,020	61,388,829	99.41%
2009	58,971,704	56,517,924	95.84%	2,207,472	58,725,396	99.58%
2008	56,063,597	53,731,697	95.84%	2,023,948	55,755,645	99.45%
2007	53,066,779	49,974,723	94.17%	2,480,206	52,454,929	98.85%

Source: Tulsa County Treasurer's Records

Tulsa County, Oklahoma
Direct and Overlapping Sales Tax Rates
Last Ten Years

<u>Year</u>	<u>Tulsa County</u>	<u>City of Tulsa</u>	<u>State of Oklahoma</u>
2016	0.917%	3.100%	4.50%
2015	0.917%	3.100%	4.50%
2014	0.850%	3.167%	4.50%
2013	0.850%	3.167%	4.50%
2012	0.850%	3.167%	4.50%
2011	1.017%	3.000%	4.50%
2010	1.017%	3.000%	4.50%
2009	1.017%	3.000%	4.50%
2008	1.017%	3.000%	4.50%
2007	1.017%	3.000%	4.50%

Source: Oklahoma Tax Commission

Tulsa County, Oklahoma
Ratio of Net General Obligation Bonded Debt
To Assessed Value and Net General Obligation Bonded Debt Per Capita
Last Ten Fiscal Years

Fiscal Year	Population	Net Assessed Value (1)	Gross Bonded Debt	Less: Debt Service Fund	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Value	Net Bonded Debt Per Capita
2016	636,807	\$ 5,656,886,491	\$ -	\$ -	\$ -	0.00%	0.00
2015	633,152	5,430,169,676	-	-	-	0.00%	0.00
2014	622,600	5,257,013,073	-	-	-	0.00%	0.00
2013	618,948	5,111,717,143	-	-	-	0.00%	0.00
2012	617,796	5,027,965,502	-	-	-	0.00%	0.00
2011	612,937	4,925,268,041	-	-	-	0.00%	0.00
2010	603,403	4,896,856,452	-	-	-	0.00%	0.00
2009	579,202	4,803,764,022	-	-	-	0.00%	0.00
2008	577,727	4,588,773,538	-	-	-	0.00%	0.00
2007	576,972	4,362,430,707	-	-	-	0.00%	0.00

(1) Net Assessed Value per Tax Roll Report from Tulsa County Assessor's Office (Increment district totals added back into assessment).

Tulsa County, Oklahoma
Ratio of Annual Debt Service Expenditures for General Bonded Debt and
Judgments to Total General Governmental Expenditures (excludes Industrial Authority)
Last Ten Fiscal Years

Fiscal Year	Principal	Interest	Judgments and Interest	Total Debt Service	Total General Governmental Expenditures	Ratio of Debt Service to Total General Governmental Expenditures
2016	\$ -	\$ -	\$ 107,470	\$ 107,470	\$ 148,667,993	0.07%
2015	-	-	169,879	169,879	173,248,203	0.10%
2014	-	-	160,794	160,794	155,755,834	0.10%
2013	-	-	183,827	183,827	150,651,404	0.12%
2012	-	-	184,323	184,323	152,678,997	0.12%
2011	-	-	32,553	32,553	154,152,988	0.02%
2010	-	-	53,267	53,267	143,259,281	0.04%
2009	-	-	83,383	83,383	144,094,462	0.06%
2008	-	-	90,124	90,124	138,414,439	0.07%
2007	-	-	115,111	115,111	127,573,059	0.09%

Note: Restated fiscal year 2015 to exclude TCIA Special Revenue fund

Source: Audited financial statements of Tulsa County

Tulsa County, Oklahoma
Computation of Direct and Overlapping Governmental Activities Debt
June 30, 2016

	<u>Net Indebtedness</u>	<u>Percentage Applicable To Tulsa County (1)</u>	<u>Amount Applicable To Tulsa County</u>
Direct Debt:			
Tulsa County - Capital leases	\$ 2,394,426	100.00%	\$ 2,394,426
Tulsa County - Bonds payable	<u>115,312,034</u>	100.00%	<u>115,312,034</u>
Total Direct Debt	<u>117,706,460</u>		<u>117,706,460</u>
Overlapping Debt:			
School Districts:			
#1 - Tulsa	238,750,000	97.76%	233,391,972
#2 - Sand Springs	17,265,000	94.96%	16,394,088
#3 - Broken Arrow	88,840,000	67.05%	59,569,734
#4 - Bixby	37,300,000	99.78%	37,219,012
#5 - Jenks	84,900,000	98.79%	83,876,166
#6 - Collinsville	4,050,000	83.61%	3,386,044
#7 - Skiatook	4,080,000	15.67%	639,531
#8 - Sperry	1,730,000	41.33%	715,061
#9 - Union	84,700,000	100.00%	84,700,000
#10 - Berryhill	2,560,000	100.00%	2,560,000
#11 - Owasso	35,225,000	70.57%	24,857,757
#13 - Glenpool	6,920,000	100.00%	6,920,000
#14 - Liberty	935,000	66.50%	621,738
#15 - Keystone	475,000	73.13%	347,362
Total School Districts	<u>607,730,000</u>		<u>555,198,465</u>
Cities:			
Bixby	16,660,000	99.49%	16,575,866
Broken Arrow	104,405,000	84.44%	88,163,621
Jenks	27,890,000	100.00%	27,890,000
Sand Springs	5,245,000	98.15%	5,147,706
Sapulpa	16,365,000	3.24%	530,558
Tulsa	<u>489,940,000</u>	99.07%	<u>485,359,134</u>
Total Cities	<u>660,505,000</u>		<u>623,666,885</u>
Total Overlapping Debt	<u>1,268,235,000</u>		<u>1,178,865,350</u>
Total Direct and Overlapping Governmental Activities Debt	<u>\$ 1,385,941,460</u>		<u>\$ 1,296,571,810</u>

Source: Estimates of Needs and Financial Statements filed in County Clerk's office

- (1) Percentage based on portion of applicable government's assessed valuation which lies in Tulsa County to total valuation of Tulsa County.

Tulsa County, Oklahoma
Ratio of Outstanding Debt by Type
Last Ten Years

Fiscal Year	General Bonded Debt				Other Governmental Activities Capital Leases Outstanding d	Other Governmental Activities Debt Revenue Bonds, Net	Business Type		Total Primary Government c	Percentage of Nominal Personal Income b	Per Capita b
	General Obligation Bonds, Net a	Percentage of Net Assessed Value a		Activities Debt Revenue			Bonds				
2016	\$ -	-	-	\$ 2,394,426	\$ 115,312,034	\$ 18,785,000	\$ 136,491,460	0.27%	217		
2015	-	-	-	305,917	121,474,950	22,966,189	144,747,056	0.29%	231		
2014	-	-	-	194,080	162,653,054	26,544,628	189,391,762	0.39%	304		
2013	-	-	-	302,176	194,768,590	30,106,440	225,177,206	0.50%	364		
2012	-	-	-	5,609,756	238,128,497	31,620,509	275,358,762	0.62%	449		
2011	-	-	-	6,173,605	302,150,000	34,940,746	343,264,351	0.84%	562		
2010	-	-	-	6,390,562	332,615,000	38,264,187	377,269,749	0.93%	625		
2009	-	-	-	7,103,542	381,430,000	41,434,123	429,967,665	1.09%	742		
2008	-	-	-	7,920,356	426,505,000	44,517,202	478,942,558	1.26%	829		
2007	-	-	-	8,716,153	470,065,000	30,445,158	509,226,311	1.40%	883		

Note: Details regarding the county's outstanding debt can be found in the notes to the financial statements.

a) See Schedule of Ratios of Net General Bonded Debt To Assessed Values and Net Bonded Debt Per Capita for net assessed value data.

b) Population and nominal personal income data can be found on Schedule of Demographics and Economic Statistics.

c) Includes general bonded debt, other governmental activities debt, and business-type activities debt.

d) Capital leases for the Sheriff's department and Parks department have been reclassified. FY2013 has been restated. See Note III. I. for additional information.

**Tulsa County, Oklahoma
Revenue Bond Coverage
Last Ten Years**

Tulsa County Industrial Authority									
Year	Gross Revenue	Direct Operating Expenses	Net Revenue		Debt Service Requirements				Coverage
			Available For Debt Service	Principal	Interest		Total		
2016	\$ 78,364,741	\$ 3,057,619	\$ 75,307,122	\$ 47,155,541	\$ 4,824,968	\$ 51,980,509		1.45	
2015	68,927,492	2,479,018	66,448,474	49,760,000	6,912,623	56,672,623		1.17	
2014	64,030,178	2,271,113	61,759,065	48,020,000	8,892,719	56,912,719		1.09	
2013	59,206,310	2,501,279	56,705,031	41,335,000	10,920,265	52,255,265		1.09	
2012	63,629,897	2,950,909	60,678,988	51,675,000	12,404,400	64,079,400		0.95	
2011	72,218,839	4,523,041	67,695,798	50,465,000	14,834,681	65,299,681		1.04	
2010	70,858,586	4,890,499	65,968,087	48,815,000	17,872,978	66,687,978		0.99	
2009	76,049,570	4,423,038	71,626,532	45,075,000	16,106,608	61,181,608		1.17	
2008	82,752,323	6,863,056	75,889,267	43,560,000	20,153,240	63,713,240		1.19	
2007	87,218,170	6,549,736	80,668,434	44,520,000	21,994,766	66,514,766		1.21	

Source: Audited financial statements of the Tulsa County Industrial Authority

Tulsa County, Oklahoma
Computation of Legal Debt Margin
Last Ten Years

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Debt limit 1-2	\$288,592,397	\$277,332,435	\$268,748,499	\$261,553,755	\$257,386,479	\$252,334,490	\$250,913,910	\$246,259,289	\$235,533,383	\$224,253,495
Total net debt to limit: 3	-	-	-	-	-	-	-	-	-	-
Legal debt margin	<u>\$288,592,397</u>	<u>\$277,332,435</u>	<u>\$268,748,499</u>	<u>\$261,553,755</u>	<u>\$257,386,479</u>	<u>\$252,334,490</u>	<u>\$250,913,910</u>	<u>\$246,259,289</u>	<u>\$235,533,383</u>	<u>\$224,253,495</u>
Total net debt applicable to the limit	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
as a percentage of debt limit										

Sources:

- 1 Tulsa County Assessor - Net Assessed Valuation
- 2 Article 10, Section 26, Oklahoma Constitution - 5% of Net Assessed Valuation
- 3 Article 10, Section 27, Oklahoma Constitution - debt subject to limit

County of Tulsa
Principal Employers
Current and 2007

Employer	2016			2007		
	Employees	Rank	Percentage of Total MSA Employment	Employees	Rank	Percentage of Total MSA Employment
Saint Francis Healthcare System	8,750	1	1.84%	4,500	3	1.03%
Wal-Mart/Sam's Club	7,250	2	1.53%			
Tulsa Public Schools	7,250	3	1.53%	6,500	2	1.48%
American Airlines	5,750	4	1.21%	8,000	1	1.82%
St Johns Health System	5,750	5	1.21%	4,250	5	0.97%
Hillcrest Healthcare System	5,750	6	1.21%			
Tulsa, City of	3,000	7	0.63%	4,258	4	0.97%
Reasor's (all Tulsa area locations)	3,000	8	0.63%			0.00%
Cherokee Hard Rock Hotel and Casino	3,000	9	0.63%			0.00%
QuikTrip	3,000	10	0.63%			0.00%
Broken Arrow Public Schools				1,900	10	0.43%
Tulsa Community College				2,200	8	0.50%
Oneok				3,000	6	0.68%
Bank Of Oklahoma, NA				2,750	7	0.63%
Tulsa, County of				2,000	9	0.46%
	52,500		11.06%	39,358		8.97%

Sources: Tulsa Metro Chamber

Note: The number of employees is an estimate based on data from the Tulsa Metro Chamber

Tulsa County, Oklahoma
Demographic and Economic Statistics
Last Ten Years
(some amounts expressed in thousands)

Year	Population	Nominal Personal Income (in \$millions) (MSA)	Real Per Capita Personal Income (MSA)	Median Age	Percent of High School Graduates	Unemployment Rate (MSA)
2016	629,749	\$50,669	\$51,786	35.8	88.26%	4.30%
2015	626,094	\$49,496	\$51,500	35.6	88.22%	4.00%
2014	622,600	\$48,041	\$49,242	35.5	88.18%	4.80%
2013	618,948	\$45,479	\$47,297	35.4	88.10%	5.70%
2012	613,630	\$44,512	\$46,750	35.0	88.20%	5.70%
2011	611,266	\$41,077	\$43,223	37.8	90.43%	6.60%
2010	603,403	\$40,642	\$39,398	35.2	88.10%	7.70%
2009	579,202	\$39,313	\$38,360	37.0	N/A	7.20%
2008	577,727	\$38,115	\$43,220	36.6	90.30%	3.70%
2007	576,972	\$36,304	\$39,201	36.2	90.40%	4.00%

Sources: Population - City of Tulsa Chamber Economic Development web site. 2016 Tulsa Demographics.
Nominal Personal Income Current Dollars (Seasonally Adjusted) - Dan Rickman with the Center for Applied Economic Research, Oklahoma State University.
Real Per Capita Personal Income - City of Tulsa Economic Development. 2016 Economic Profile
Median age - City of Tulsa Chamber Economic Development web site. 2016 Tulsa Demographics.
Percent of High School Graduates - City of Tulsa Chamber Economic Development web site. 2016 Tulsa Demographics.
Unemployment Rate - City of Tulsa Chamber Economic Development web site. 2016 Economic Profile

Tulsa County Employees' Retirement System
Change in Fiduciary Net Assets/Net Position*
Last Ten Years

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Additions										
Member contributions	\$ 968,954	\$ 743,760	\$ 687,550	\$ 1,69,520	\$ 34,073	\$ 34,390	\$ 2,267	\$ 8,057	\$ 2,102	\$ 2,107
Employer contributions	10,892,672	10,459,118	9,678,256	9,540,702	9,594,837	9,691,440	8,519,675	8,383,248	8,010,788	6,245,263
Net investment income	221,600	523,062	41,471,287	28,333,222	2,224,020	34,633,250	29,035,839	(20,856,346)	(12,248,802)	28,688,462
Total additions to fiduciary net assets/net position	12,083,226	11,725,940	51,837,093	38,043,444	11,852,930	44,359,080	37,557,781	(12,465,041)	(4,235,912)	34,935,832
Deductions										
Benefit payments	18,158,915	17,200,098	16,250,014	14,975,183	13,631,005	12,506,353	11,450,062	10,523,626	9,923,232	9,210,483
Refunds	6,280	8,339	2,296	8,976	9,636	139	12	2,198	4,930	6,824
Administrative expenses	120,026	128,153	128,012	129,909	123,351	112,376	93,224	46,247	49,593	50,743
Total deductions to fiduciary net assets/net position	18,285,221	17,336,590	16,380,322	15,114,068	13,763,992	12,618,868	11,543,298	10,572,071	9,977,755	9,268,050
Change in fiduciary net assets/net position	\$ (6,201,995)	\$ (5,610,650)	\$ 35,456,771	\$ 22,929,376	\$ (1,911,062)	\$ 31,740,212	\$ 26,014,483	\$ (23,037,112)	\$ (14,213,667)	\$ 25,667,782

*NOTE: Prior to fiscal year 2013, equity presented is "Net Assets". Fiscal year 2013 and after equity presented is "Net Position". Prior years have not been restated.

Departments	Tulsa County, Oklahoma Number of County Employees (Full time) Last Ten Years									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Sheriff	588	672	512	539	499	527	514	527	495	485
Highways	98	96	90	93	100	113	109	114	113	114
Parks	103	100	98	100	107	114	106	100	97	94
Health Department	306	305	294	289	280	271	271	264	261	265
Public Facilities Authority	48	53	55	50	65	67	78	91	108	89
Court Fund	59	55	60	55	55	58	56	62	58	53
All Others	658	657	651	674	676	725	710	711	697	686
	<u>1,860</u>	<u>1,938</u>	<u>1,760</u>	<u>1,800</u>	<u>1,782</u>	<u>1,875</u>	<u>1,844</u>	<u>1,869</u>	<u>1,829</u>	<u>1,786</u>

Sources: Tulsa County Clerk and Tulsa Public Facilities Authority

Tulsa County, Oklahoma
Capital Asset Statistics by Function/Program
Last Ten Years

Function/Program	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Roads and Highways										
Bridges	181	182	183	183	185	184	185	185	185	185
Signal lights	16	14	14	14	16	15	14	16	15	15
Roadways (lane miles)	1471.94	1,464.00	1,229.69	1,231.86	1,228.60	1,227.34	1,227.74	1,227.74	1,227.74	1,219.20
Public Safety										
Deputies working patrols	57	57	59	59	59	59	59	60	60	40
Parks and Recreation										
Acreage	1,160	1,160	1,160	1,160	1,120	1,160	1,160	1,160	1,160	1,160
Golf courses-18 hole	2	2	2	2	1	2	2	2	2	2
Golf courses-18 hole (Par 3)	1	1	1	1	1	1	1	1	1	1
Golf - 3 hole training center	1	1	1	1	1	1	1	1	1	1
Lighted tennis courts	28	28	25	25	25	27	27	27	27	27
Baseball fields (Youth & Adult)	24	24	24	24	24	24	24	24	21	21
Soccer fields	4	4	4	4	4	16	16	16	16	16
Outdoor swimming pools	4	4	4	4	4	4	4	4	4	4
General Government										
Courthouse	1	1	1	1	1	1	1	1	1	1
Health and Welfare										
Pharmacy	1	1	1	1	1	1	1	1	1	1
Emergency shelter	1	1	1	1	1	1	1	1	1	1

Sources: Information provided from various departments within Tulsa County

Tulsa County, Oklahoma
Operating Indicators by Function/Program
Last Ten Years

Function/Program	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Roads and Highways										
Lane miles resurfaced	49.6	53.25	31.4	23.6	17.92	18.90	23.98	8.00	25.56	34.47
Parks and Recreation										
Number of rounds played - 18 hole	81,367	75,185	74,124	79,425	88,834	85,315	81,980	109,095	120,199	117,445
Number of rounds played - Par 3	18,597	19,753	18,668	19,451	22,706	20,711	14,632	N/A	N/A	N/A
Number of rounds played - 3 hole*	1,000	1,200	770	2,355	2,940	2,927	3,171	N/A	N/A	N/A
Health and Welfare										
Prescriptions filled	34,494	34,975	35,657	34,938	31,444	27,126	24,393	25,076	20,999	21,892
Filled with recycled medications	19,531	19,961	21,151	22,159	19,692	19,126	18,140	16,911	13,819	11,524
Meals served to residents in shelter	45,363	38,290	38,278	30,802	40,313	N/A	N/A	N/A	N/A	N/A
Public Safety										
Offense Crime Types										
Assault	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	413	383
Domestic Violence	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	496	548
Drugs	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	317	298
Vandalism	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	252	291
Auto Thefts	163	190	184	139	144	157	157	114	N/A	N/A
Burglary	370	363	375	339	398	422	422	372	N/A	N/A
Felonious Assault	165	153	154	175	218	263	263	194	N/A	N/A
Homicide	2	3	1	1	3	3	3	0	N/A	N/A
Larceny	465	499	431	396	433	372	372	408	402	407
Other Assault	878	807	653	504	439	424	424	461	N/A	N/A
Rape	53	40	35	32	40	48	48	14	N/A	N/A
Robbery	14	21	15	15	22	18	18	15	14	15

* We no longer charge for play; this is an estimated number.

Sources: Information provided from various departments within Tulsa County.

The Offense Crime Types numbers are based on a calendar year, therefore the December 31, 2015 figures are reported for 2016.

Appendix of Abbreviations

County.....Tulsa County, Oklahoma

FY.....Fiscal year (July 1 through June 30)

GAAP.....Generally Accepted Accounting Principles

GASB.....Governmental Accounting Standards Board

GFOA.....The Government Finance Officers Association of the United States and Canada

MD&A.....Management's Discussion and Analysis

SA&I.....State Auditor and Inspector

TCCJA.....Tulsa County Criminal Justice Authority

TCERS.....Tulsa County Employees' Retirement System

TCHFA....Tulsa County Home Finance Authority

TCIA.....Tulsa County Industrial Authority

TCJJTA....Tulsa County Juvenile Justice Trust Authority

TCPFA.....Tulsa County Public Facilities Authority