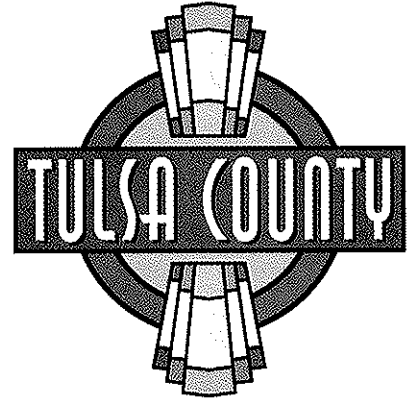


# Comprehensive Annual Financial Report



**Tulsa County Oklahoma  
For the Year Ended June 30, 2008**

**Tulsa County, Oklahoma  
Comprehensive Annual Financial Report  
For the Year Ended June 30, 2008**



Tulsa County Administration Building  
500 South Denver  
Tulsa, Oklahoma 74103-3832  
Phone: (918) 596-5800  
Fax: (918) 596-5819

**Prepared by:**  
Earlene Wilson  
Tulsa County Clerk



**TULSA COUNTY, OKLAHOMA  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 For the Year Ended June 30, 2008**

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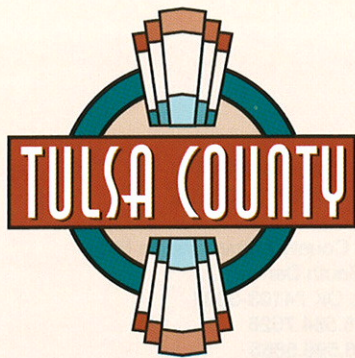
**TULSA COUNTY, OKLAHOMA  
 COMPREHENSIVE ANNUAL FINANCIAL REPORT  
 For the Year Ended June 30, 2008**

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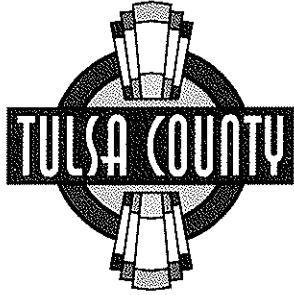
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## **Introductory Section**



**Tulsa County Oklahoma  
For the Year Ended June 30, 2008**



**EARLENE WILSON**  
TULSA COUNTY CLERK

Tulsa County Administration Bldg.  
500 South Denver  
Tulsa, OK 74103-3832  
P: 918.584.7526  
F: 918.596.5865  
E: ewilson@tulsacounty.org

**Tulsa County Budget Board and Citizens of Tulsa County**

**May 20, 2009**

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 of Tulsa County for the fiscal year ended June 30, 2008 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 the 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 or not 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, was established under Article 17 of the Oklahoma Constitution, which was ratified on July 16, 1907. The county is located in the northeast portion of Oklahoma. The City of Tulsa serves as the county seat. In 2008, the population of Tulsa County is estimated to be 577,727, with a total area covering about 587 square miles. The Board of County Commissioners (BOCC), a three-member board, governs the county.

The BOCC meets once weekly on the first floor of the Court House Administration Building and is responsible for the general governmental and administrative affairs of the county. The county is divided into three highway districts, and one commissioner is elected to represent each district. All other county officials are elected on a county-wide basis. The other elected officials are the County Treasurer, the County Clerk, the County Sheriff, the County Assessor, and the County Court Clerk.

According to State Statutes, the County Assessor is responsible for the valuation of all 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 allow 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 resulting taxes are collected by the County Treasurer, who also acts as a collecting agent for much of the revenue for schools and cities located within the county. The Treasurer also maintains all county funds as well as manages the funds belonging to the Tulsa County Employees' Retirement System.

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 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 Sheriff provides law enforcement protection to rural areas of Tulsa County, as well as assisting local police forces when needed. The County Sheriff is responsible for operating the David L. Moss Correctional Center (jail). The Sheriff's Office also provides courthouse and courtroom security including court guards while court is in session and inmate transport to and from district courts. 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 Court Clerk acts as the custodian of all files and records of the District Court of the State of Oklahoma. The Court Clerk maintains the law library. Many licenses, including marriage licenses and passports, are issued from the Court Clerk's Office.

In addition to their management responsibilities, the County Commissioners maintain rural roads and bridges within the County. They also operate an emergency management agency (civil defense).

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 all eight elected county officials. The Budget Board meets monthly on the first floor of the Court House Administration Building. A more detailed explanation of the budget process and the funds affected is included in the notes to the financial statements.

The Tulsa County elected officials believe in the concept that the more local the level of government, the more responsive it is 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 rural 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:



<b>Entity</b>	<b>Service</b>	<b>How presented</b>
Tulsa County Employees' Retirement System	Retirement benefits	Blended Fiduciary Fund
Drainage District #12	Public safety	Nonmajor Governmental Fund
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.

### **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 the U.S. Office of Management and Budget (OMB) revision of Circular A-133, retitled "Audits of States, Local Governments and Non-Profit Organizations." The findings and recommendations as a result of the audit, according to OMB Circular A-133, 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 Control**

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. The General Fund and the County Highway Fund are reported as Required Supplementary Information; the other budgets versus actual comparisons are presented as 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 copies are available to the general public at the Tulsa County Courthouse during normal business hours.

## **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 Government 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. No new financial policies were implemented by Tulsa County in this past fiscal year.

## **Debt Administration**

Tulsa County is prohibited by law to incur any indebtedness that cannot be paid within the fiscal year without a vote of the people. Such indebtedness may not exceed 5% of the total assessed valuation of real property within the county. The county had only one bond issue outstanding, the Library Bonds of 2001; the last of four principal payments of \$1,575,000 was due and was paid on June 1, 2006. The county levies ad valorem taxes each year in an amount equal to the minimum legal requirements for servicing the claims and judgments against the county over a three-year period.

## **Cash Management**

The county's cash management program involves such factors as legal authorizations, liquidity requirements, and interest rate trends. The county is required to invest all available monies in interest bearing accounts/vehicles that are authorized under State Statutes. These accounts are to be fully protected through FDIC insurance and/or pledged collateral from the participating institution. The county uses a "pooled resources" concept, pooling together all the separate funds, for purchasing investments to take advantage of the higher interest rates available when investing larger amounts of money. Interest is periodically apportioned to the appropriate investing fund. Pension funds are not pooled with county funds for investment purposes.

## **Risk Management**

The county currently insures its employees through an HMO network. Both the county and its employees contribute to the cost of the coverage. The county maintains a Workers Compensation Fund (non-major Special Revenue Fund) through an independent third party insurer. Contributions to this fund are made primarily from other departments within the County's General Fund and from the Highway Fund. Workers' compensation cases are processed through the County's personnel department.

Oklahoma law requires the employees of the County Treasurer's Office be covered by a liability bond in the amount of \$50,000 each, with the Treasurer carrying a rider policy of \$250,000. Except for the County Clerk who 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. During the year, no claims have been filed against these bonds.

## **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.

### Condition and Outlook

Tulsa County is located in the center of the United States. The County has excellent access to other cities by water, air, or land. The Tulsa Port of Catoosa connects Tulsa to the Gulf of Mexico by the 445 mile McClellan-Kerr Arkansas River Navigation System. Tulsa International Airport is serviced by most of the major airlines. Tulsa is also served equally well by railroad, motor freight and bus. The Tulsa area has an excellent quality of life with an abundance of affordable housing and apartments. This area also has many colleges, hospitals, parks, and other recreation areas. Tulsa's cost of living is approximately eight percent below the national average.

In 2008, Tulsa County's economy experienced signs of the economic downturn that affected the entire country but not locally as severe as the country as a whole experienced. The metropolitan statistical area as of June 30, 2008 had 440,380 non-farm employment in the labor force, 422,040 were employed, and 18,340 were unemployed according to the Oklahoma Employment Security Commission, indicating a 4.2% unemployment rate, which is lower than the national average. Overall total employment for the Tulsa County area in 2008 was forecast to be 437,220 up from 430,930 in 2007 according to the Center for Applied Economic Research, Oklahoma State University. Professional & Business Services were expected to gain 1,430 jobs, Education & Health Services were forecast to gain 1,440 jobs, and state, local, and federal government were expected to gain 1,000 jobs. Construction was expected to lose 250 jobs, manufacturing was forecast to lose 90 jobs, and other services were expected to lose 740 jobs.

The Tulsa MSA comprises seven counties: Creek, Okmulgee, Osage, Pawnee, Rogers, Tulsa, and Wagoner, whose aggregate population in 2008 is estimated to be 922,049 is expected to grow by 1.1% during the year, versus an expected growth rate for the state of Oklahoma of 0.9%. The gross product or value of all goods and services produced in the seven-county MSA in 2008 is \$37.2 billion (constant dollars), or 29.0% of the Oklahoma economy. Also, according to the Tulsa Chamber of Commerce economic profile, the real per capita income for Tulsa County was \$39,423, up from \$38,677 the previous year. New residential building permits for Tulsa MSA are projected to increase by 62 permits in 2008, or a total of 4,880 building permits.

Forbes Magazine in 2007 ranked Tulsa as the sixth best city for jobs among the 100 largest metropolitan areas in the country. The ranking takes into account median household income, unemployment, income growth, cost of living, and job growth.

Property values continue to increase in the Tulsa market leading to increased ad valorem tax assessments. During fiscal year 2008, the levy on property taxes increased by over \$3.0 million or a 5.6% increase. Collections of ad valorem taxes levied during fiscal year 2008 increased by nearly \$1.4 million or 2.6%. Much of the fees collected from real estate activity are related to increases in the valuation of residential and commercial properties.

Tulsa, formerly known as the Oil Capital of the World, is still considered a major player in the oil industry. According to a recent survey, Tulsa ranked third in the U.S. in number of oil-related jobs, behind number one Houston and number two Dallas. More than 10,000 jobs are still related to the oil industry in Tulsa. Tulsa is also the eighth largest employer in the aerospace industry and seventeenth largest employer in technology.

**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, 2007. The Certificate of Achievement is a prestigious national award, recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized comprehensive annual financial report whose contents conform to program standards. Such comprehensive annual financial reporting must satisfy both generally accepted accounting principals and applicable legal requirements.

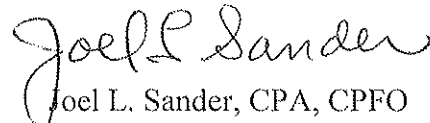
A Certificate of Achievement is only valid for a one-year period. Tulsa County has received a Certificate of Achievement for the past 11 (eleven) consecutive years. We believe that our current Comprehensive Annual Financial Report continues to conform to the Certificate of Achievement program requirements.

I would like to extend my appreciation to the employees of the Tulsa County Clerk's Office and the County Treasurer's Office for their support in preparing this report. I would like to offer a special thanks to Jim Smith, Fiscal Officer, and Steve Blue, Deputy Treasurer, for their cooperation and assistance. In addition, I would like to thank Ray Jordan, County Engineer, and the Engineering Department and Richard Bales, Director of Parks, and the Parks Department for their help in monitoring and evaluating Tulsa County's infrastructure. Last, but certainly not least, I would like to thank Jennelle Enevoldsen, Tulsa District Office Manager, and the auditors in the Oklahoma State Auditor and Inspector's Tulsa office for their assistance in auditing this report.

Respectfully Submitted,



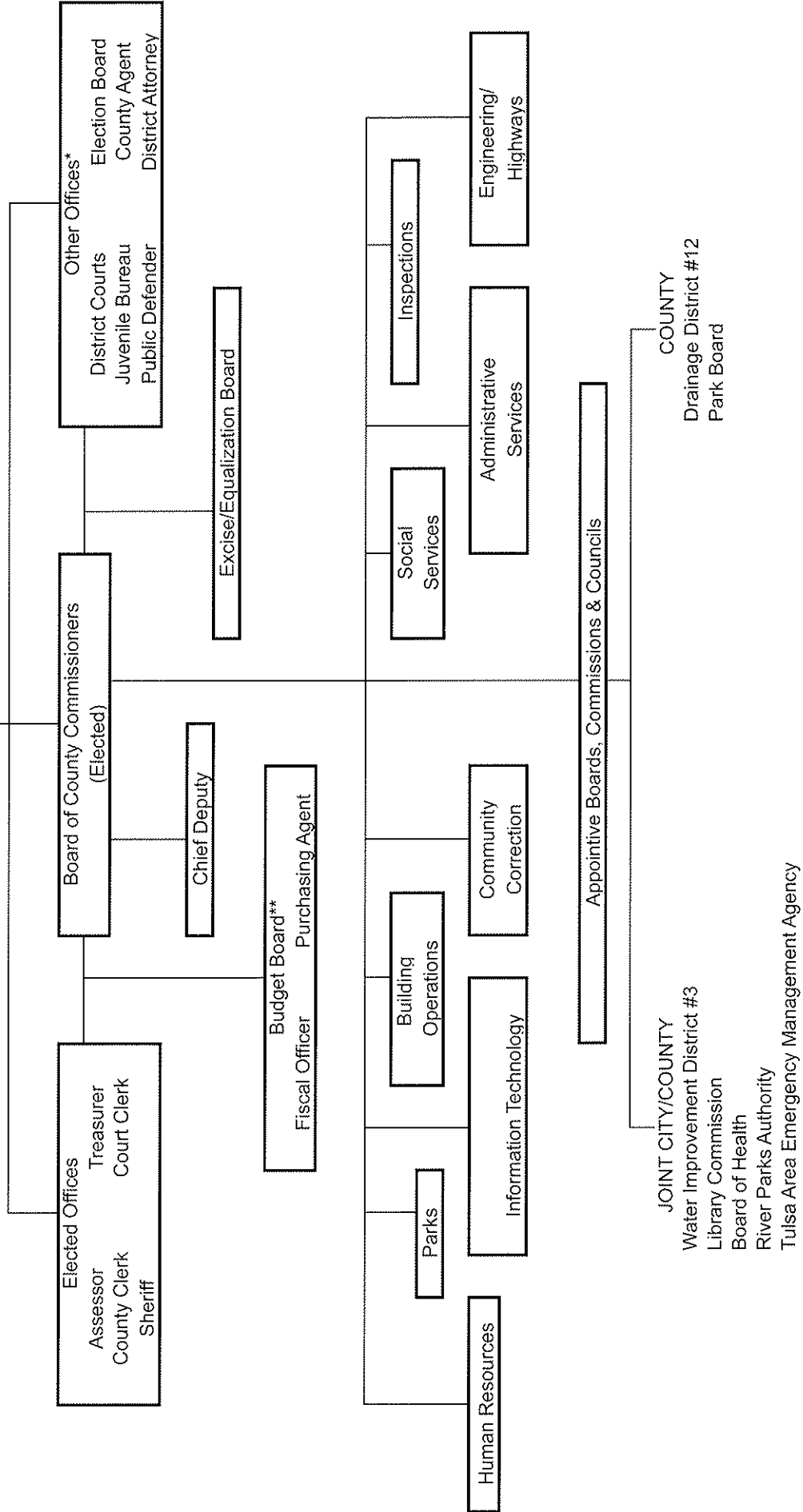
Earlene Wilson, Tulsa County Clerk  
Secretary, Tulsa County Budget Board



Joel L. Sander, CPA, CPFO  
Finance Officer  
Tulsa County Clerk's Office

ORGANIZATIONAL CHART FOR TULSA COUNTY, OKLAHOMA

**CITIZENS OF TULSA COUNTY**



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

\*\* Membership includes all elected County Officials.

# Tulsa County, Oklahoma

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## ELECTED OFFICIALS

Commissioner District 1



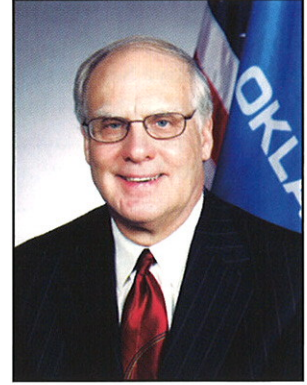
John Smaligo

Commissioner District 2



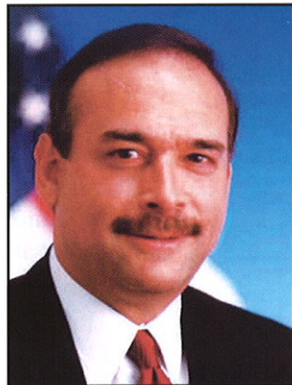
Randi Miller

Commissioner District 3



Fred Perry

Treasurer



Dennis Semler

County Clerk



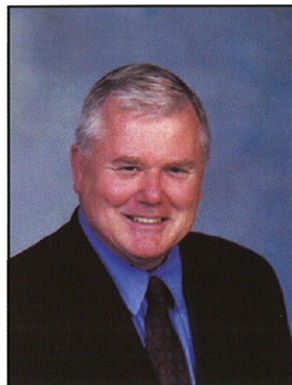
Earlene Wilson

District Attorney



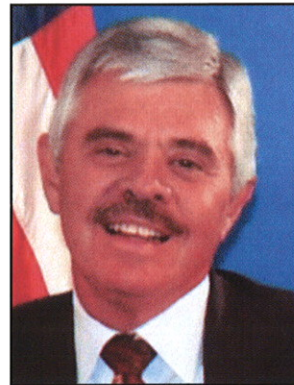
Tim Harris

Assessor



Ken Yazel

Sheriff



Stanley Glanz

Court Clerk



Sally Howe Smith

# Tulsa County Departments

---

## County Commissioners

Human Resources .....	Terry Tallent
Administrative Services .....	Chad Higgins
Engineering/Highways/Inspections .....	Ray Jordan
Building Operations .....	Jim Fissel
Information Technology .....	Tom Trimble
Parks .....	Richard Bales
Social Services .....	Linda Johnston
Community Correction .....	Sherri Carrier

## Budget Board

Fiscal Officer .....	Jim Smith
Purchasing Agent .....	Linda Dorrell

## Other Departments

County Election Board .....	Patty Bryant
Drainage District #12 .....	Frank Keith
Juvenile Bureau .....	Brent Wolfe
County Extension Agent .....	Phil Pratt

# 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, 2007

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



A handwritten signature in black ink, appearing to read "M. L. Post".

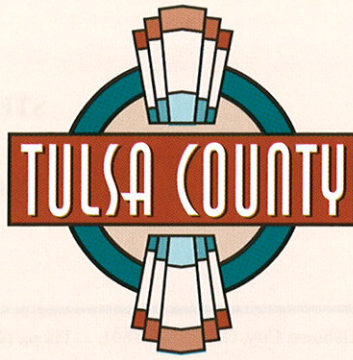
President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

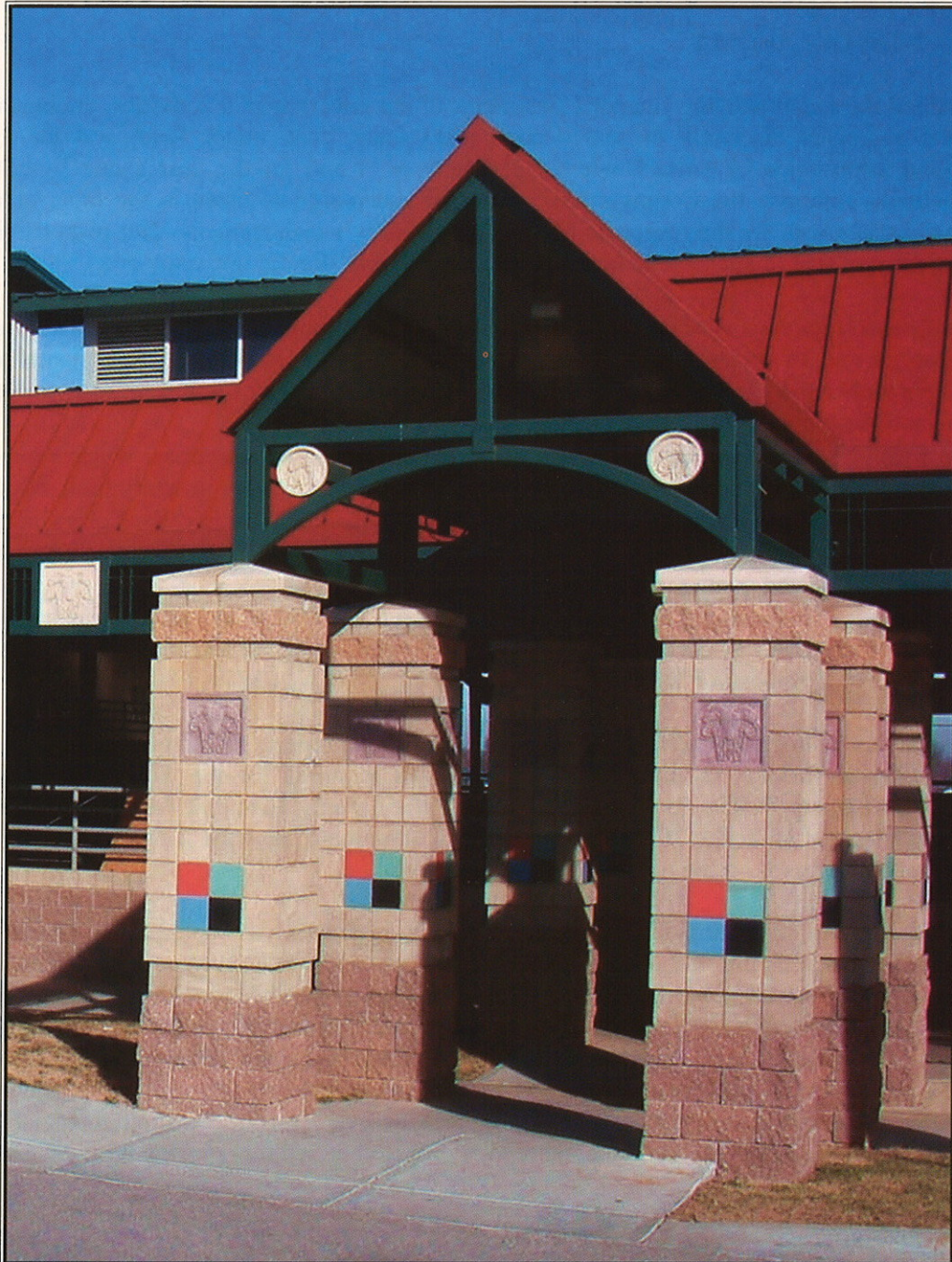
Executive Director



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## Financial Section



**Tulsa County Oklahoma  
For the Year Ended June 30, 2008**

# STATE AUDITOR AND INSPECTOR

STEVE BURRAGE, CPA  
State Auditor

MICHELLE R. DAY, ESQ.  
Chief Deputy



2300 N. Lincoln Boulevard State Capitol, Room 100 Oklahoma City, OK 73105-4801 Phone (405) 521-3495 Fax (405) 521-3426 www.sai.ok.gov

## 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, 2008, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Tulsa County's management. 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 57 percent and 35 percent, respectively, of the assets and revenues of the governmental activities; 100 percent of the assets and revenues of the Industrial Authority Capital Projects governmental fund and the Industrial Authority Debt Service governmental fund;
- 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 County Home Finance Authority, and the Tulsa City/County Health Board, which represent 100 percent of the discretely presented component units;
- The financial statements of the Tulsa County Employees' Retirement System, which represent 72 percent of the assets in the fiduciary funds and 100 percent of the total additions reported in the Statement of Changes in Fiduciary Net Assets.

Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the Tulsa County Industrial Authority, Tulsa County Public Facilities Authority, Tulsa County Criminal Justice Authority, Tulsa County Home Finance Authority, Tulsa City/County Health Board, and the Tulsa County Employees' Retirement System, is based on the reports of the other auditors.

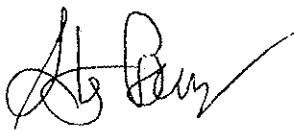
We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, 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, 2008, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 20, 2009, 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* and should be considered in assessing the results of our audit. That report is issued under separate cover with the Tulsa County Single Audit Reports.

The Management's Discussion and Analysis, Schedule of Funding Progress – Pension Trust Fund, Schedule of Employer Contributions – Pension Trust Fund, Schedule of Funding Progress – Other Post Employment Benefits, Schedule of Employer Contributions – Other Post Employment Benefits, and Budgetary Comparison Schedules are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We and the other auditors have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Tulsa County's basic financial statements. The introductory section, combining and individual fund financial statements and schedules, supplemental schedules, and statistical section information are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund financial statements and schedules have been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of the other auditors are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section, supplemental schedules, and the statistical section information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.



STEVE BURRAGE, CPA  
STATE AUDITOR & INSPECTOR

May 20, 2009

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**Management 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 on June 30, 2008 and 2007. Please read the Management 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 assets at the end of fiscal year 2008 and 2007 for governmental activities were \$(92.0) million and \$(2.8) million, respectively. No Capital Improvement Revenue Bonds were used during fiscal year 2008. Over \$129.8 and \$23.5 million was spent during fiscal year 2008 on Vision 2025 and "4 to Fix the County" capital improvements, respectively.
- The total net assets for business-type activities were \$91.3 million and \$74.2 million, at the fiscal year ending June 30, 2008 and 2007, respectively. Net assets increased during fiscal year 2008 because of the \$20.3 million contribution of capital assets and the \$6.6 million transfer from Governmental Activities.
- The total net assets for component units were \$80.1 million and \$81.0 million, at the fiscal year ending June 30, 2008 and 2007, respectively. The component unit's Change in Net Assets overall decreased by \$.9 million, as the Criminal Justice Authority had a \$1.0 million decrease in net assets, the City County Health Department had a \$.4 million increase in net assets, and the Home Finance Authority has a \$.3 million decrease in net assets.
- Ad valorem taxes were levied at a slightly higher level during fiscal years 2007 – 2008 and sales tax collections were moderately higher during fiscal year 2008 because of improved local economic activity.
- After the voters of Tulsa County passed a capital improvement initiative titled "4 to Fix the County", the Tulsa County Industrial Authority issued during fiscal year 2001, \$59 million of revenue bonds. The proceeds were used for flood mitigation, road expansion, park, and Expo Square capital improvements. The Authority began receiving the sales tax in November 2001 and made the fifth and final debt service payment of \$12.9 million during fiscal year 2007.
- The amount of the outstanding debt conduit debt obligations of the Tulsa County Industrial Authority as of June 30, 2008 and 2007 was \$413.4 million and \$493.6 million, respectively.
- Phase three of the Public Facilities Authority's Master Plan began in 2004. This phase cost approximately \$40 million. Two livestock barns, the central plant and the expo building improvements, including a new roof, were completed in May 2006. The exhibit hall was completed in March 2008.

- Planning for phase four of the Public Facilities Authority's Master Plan began during 2006. This phase will cost approximately \$34.2 million and include an exchange center, armory kitchen, improvements to the expo building, pavilion extension, and parking lot repavement. These projects were completed by in October 2008. The Authority issued \$15.3 million in Capital Improvement Revenue Bonds at the beginning of fiscal year 2008 to finance the cost of phase four projects.

## 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 in question 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 nonmajor governmental funds and the capital assets used in governmental operations.



## 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 assets includes all of the government's assets 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 assets and how they have changed. Net assets, 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 assets are 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 three other entities in its report: the Tulsa County Criminal Justice Authority, the Tulsa City/County Health Department, 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 source (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 government-wide statement, 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 assets and a statement of changes in fiduciary net assets. 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 benefits to its employees and comparing actual with budgeted amounts for the General Fund. RSI information follows the notes to the financial statements. The combining statements, which include nonmajor 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, 2008 and 2007.

## **Statement of Net Assets**

Net assets are an important indicator of an organization's ability to improve or maintain their financial position. Tulsa County's total assets as of June 30, 2008 amounted to \$549.6 million, \$88.3 million less than the fiscal year ended June 30, 2007 mainly because the decrease in the Governmental Activities restricted cash was slightly offset by the increases in the restricted cash and cash equivalents and capital assets of Business-type Activities. More specifically, the only current asset account with a significant change from the prior year was restricted cash and cash equivalents because the sales tax transfers of \$72.5 million was more than offset by the \$153.3 million spent for Vision 2025 and 4 to Fix capital initiatives and \$43.6 spent on reducing the principal portion of outstanding debt. The amount of interest receivable for the fiscal year ended June 30, 2008 was \$.9 million lower as a result of lower interest rates on a declining amount of restricted cash and cash equivalents. The amount of sales tax receivable for the year ended June 30, 2008 was \$1.5 million higher as a result of increased sales tax collections. Of the percentage of total assets, capital assets represent 42.7% and 32.4% for the fiscal years ended June 30, 2008 and 2007, respectively. The percentage increases in capital assets over the past several years corresponds with the heightened construction activity of the Vision 2025 and 4 to Fix II capital projects. These capital initiatives are reflected in the capital asset totals for both the Governmental Activities and Business-type Activities. With the adoption of GASB No. 34, Tulsa County's infrastructure has been reported in the financial statements for the past seven fiscal years. The cost of infrastructure assets of roads and highways, bridges, and signal light installations totaled \$89.2 million in fiscal year ended June 30, 2008 and \$81.7 million in fiscal year ended June 30, 2007. \$85.3 million of the \$89.2 million of infrastructure assets as of June 30, 2008 was spent for capital improvements to the roads and highways; the remainder was spent for capital improvements to parks.

Total liabilities as of June 30, 2008 were \$550.2 million or \$15.8 million lower than the balance at June 30, 2007, mainly due to the \$43.6 million debt service payments made during fiscal year ended June 30, 2008 offset by the issuance of the Series 2007 revenue bonds of \$15.3 million and the \$15.8 million increase in accounts payable due to nearly completion of the BOK Center (Arena). The implementation of GASB #45 during the fiscal year ended June 30, 2008 increased the liabilities of Governmental Activities by \$.6 million. Net assets totaled (\$653,689) for the fiscal year ended June 30, 2008, a reduction of \$72.0 million from the previous year, mainly a result of the restricted cash and cash equivalents utilized for capital projects and the increase in the negative amount of the reported unrestricted net assets of the Industrial Authority. The net assets of the Business-type Activities were slightly lower than the net assets of the Governmental Activities as of June 30, 2008.

The Tulsa County Industrial Authority is reporting in their Statement of Net Assets a deficit balance of \$324.3 million as of June 30, 2008 in unrestricted net assets. The result of adding the current and non-current portion of revenue bonds payable to the positive amount of reserved fund balance on the Balance Sheet-Governmental Funds results in a negative balance in net assets restricted for debt service on the Statement of Net Assets. Based on a GASB interpretation, the standard provides that “no category of restricted net assets can be negative - that is, if liabilities that relate to restricted assets exceed those assets, no balance should be reported; the negative amount should be reported as a reduction of unrestricted net assets”. We believe that this guidance does not consider the substance of the transactions that has affected and will affect the Authority’s operations in the current and future fiscal years. The deficit will be absorbed in the “future” by “future sales tax collections”. The unrestricted net assets of the Industrial Authority, and the County, cannot absorb this deficit. In addition, we considered netting the deficit with the net assets restricted for capital projects, but this would still not eliminate the deficit in total net assets.

**Tulsa County’s Net Assets  
(In thousands of dollars)  
June 30, 2008 and 2007**

	Governmental Activities		Business-Type Activities		Total	
	2008	2007	2008	2007	2008	2007
Current assets	\$ 282,515	401,492	\$ 4,834	6,394	\$ 287,349	407,886
Capital assets	120,340	118,247	114,573	88,148	234,913	206,395
Other non-current assets	5,541	6,708	21,748	16,407	27,289	23,115
Total assets	408,396	526,447	141,155	110,950	549,551	637,396
Current liabilities	92,421	73,401	6,222	4,688	98,642	78,090
Long-term liabilities	407,977	455,869	43,585	32,089	451,563	487,959
Total liabilities	500,398	529,271	49,807	36,778	550,205	566,048
Net assets						
Invested in capital asset, net of related debt	110,679	109,531	70,025	58,033	180,704	167,564
Restricted	78,503	347,794	18,045	12,319	96,548	360,112
Unrestricted	(281,183)	(460,148)	3,277	3,820	(277,906)	(456,328)
Total net assets:	\$ (92,001)	(2,824)	\$ 91,347	74,172	\$ (654)	71,348

## Statement of Activities

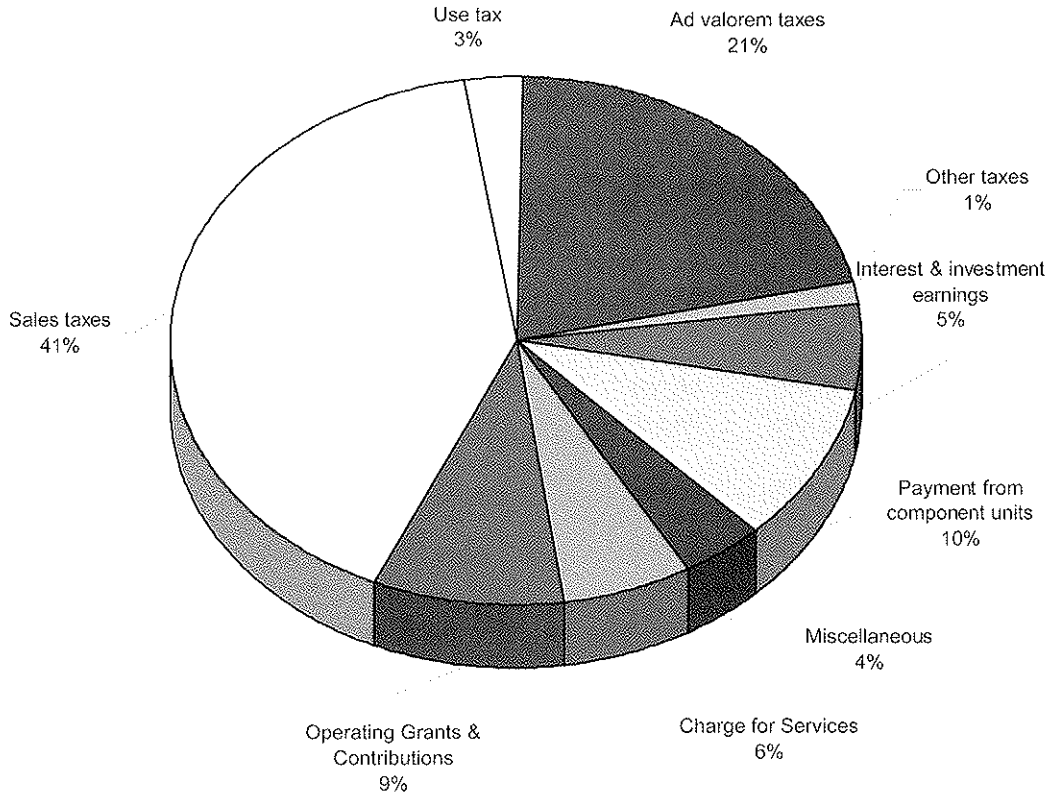
Tulsa County's total revenues amounted to nearly \$274.7 and \$256.2 million during the fiscal year ended June 30, 2008 and 2007, respectively. Of that total for June 30, 2008, ad valorem and other taxes make up nearly \$53.0 million or 19.3%, charge for services approximately \$35.7 million or 13.0%, and sales tax \$96.1 million or 35.0%. Of that total for June 30, 2007, ad valorem and other taxes make up nearly \$49.6 million or 19.4%, charge for services approximately \$30.1 million or 11.7%, and sales tax \$90.9 million or 35.5%. The assessment of ad valorem taxes was slightly higher for the fiscal year ending June 30, 2008 as compared to the previous fiscal year because of a slight increase in the valuation of local properties. Charge for services was 18.9% higher during the most recent fiscal year because of the higher collections (\$2.7 million) in the County Highway Fund, while the charge for services at Expo Square increased slightly (\$1.4 million) when comparing the two most recent fiscal years. Sales tax collections were \$5.2 million higher or 5.7% higher for the fiscal year ended June 30, 2008. Sales tax collections were approximately \$6.8 million or 7.8% higher during the fiscal year ended June 30, 2007. The increase in sales tax collections over the past two fiscal years indicates that the local economy is slightly improving because consumers are purchasing more goods and services or buying the goods and services at a higher price.

The County's total expenses amounted to \$343.5 million and \$310.7 million during the fiscal year ended June 30, 2008 and 2007, respectively. Of the total expenses for the fiscal year ending June 30, 2008, general government makes up nearly \$59.7 million or 17.4%, Vision 2025 expenses (prior to sorting by function) makes up nearly \$129.8 million or 37.8%, Public Facilities Authority makes up \$28.7 million or 8.3%, and public safety expenses including the expenses to operate the jail totaled \$57.7 million or 16.8%. Of the total expenses for the fiscal year ending June 30, 2007, general government makes up nearly \$45.5 million or 14.7%, Vision 2025 expenses (prior to sorting by function) makes up nearly \$131.3 million or 42.3%, Public Facilities Authority makes up \$24.4 million or 7.9%, and public safety expenses including the expenses to operate the jail totaled \$51.2 million or 16.5%. The increase in general government expenses (\$14.1 million) and the increase in 4 to Fix capital initiatives (\$12.5 million) are the major reasons expenses increased during the fiscal year ended June 30, 2008. Net assets decreased entity-wide by \$72.0 million and \$55.3 million for the fiscal years ending June 30, 2008 and 2007 respectively, largely because of the capital asset expenses of the Industrial Authority offset by the contribution of capital assets to the Public Facilities Authority.

**Tulsa County's Statement of Activities**  
**(In thousands of dollars)**  
**June 30, 2008 and 2007**

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
<b>Revenues:</b>						
Program revenues:						
Charge for services	\$ 14,496	10,201	\$ 21,253	19,854	\$ 35,749	30,055
Operating grants and contributions	20,755	21,373	0	0	20,755	21,373
Capital grants and contributions	0	0	20,333	0	20,333	0
General revenues:						
Sales tax	96,113	90,934	0	0	96,113	90,934
Ad valorem and other taxes	53,006	49,619	0	0	53,006	49,619
Use tax	6,624	6,626	0	0	6,624	6,626
Interest	12,607	18,170	0	0	12,607	18,170
Payment from Component Unit	22,819	20,500			22,819	20,500
Miscellaneous	9,098	12,112	(2,367)	6,793	6,731	18,905
<b>Total Revenues</b>	<b>\$ 235,518</b>	<b>229,535</b>	<b>\$ 39,219</b>	<b>26,647</b>	<b>\$ 274,737</b>	<b>256,182</b>
<b>Expenses:</b>						
General government	\$ 59,685	45,540	\$ 0	0	\$ 59,685	45,540
Public safety	57,682	51,220	0	0	57,682	51,220
Health and welfare	9,380	8,818	0	0	9,380	8,818
Culture and recreation	7,917	7,610	0	0	7,917	7,610
Education	439	432	0	0	439	432
Roads and highways	9,630	11,900	0	0	9,630	11,900
4 to Fix expenses	23,477	10,936	0	0	23,477	10,936
Vision 2025 expenses	129,807	131,287	0	0	129,807	131,287
Interest on long-term debt	16,849	18,450	0	0	16,849	18,450
Public Facilities Authority	0	0	28,668	24,463	28,668	24,463
<b>Total Expenses</b>	<b>314,866</b>	<b>286,193</b>	<b>28,668</b>	<b>24,463</b>	<b>343,534</b>	<b>310,656</b>
<b>Increase (decrease) in net assets before transfers</b>	<b>(79,348)</b>	<b>(56,658)</b>	<b>10,551</b>	<b>2,184</b>	<b>(68,797)</b>	<b>(54,474)</b>
Special item	(3,205)	0	0	0	(3,205)	0
Transfers	(6,624)	(6,626)	6,624	6,626	0	0
Net assets, beginning	(2,824)	60,460	74,172	65,362	71,348	125,822
<b>Net assets, ending</b>	<b>\$ (92,001)</b>	<b>(2,824)</b>	<b>\$ 91,347</b>	<b>74,172</b>	<b>\$ (654)</b>	<b>71,348</b>

## Revenues - Governmental Activities

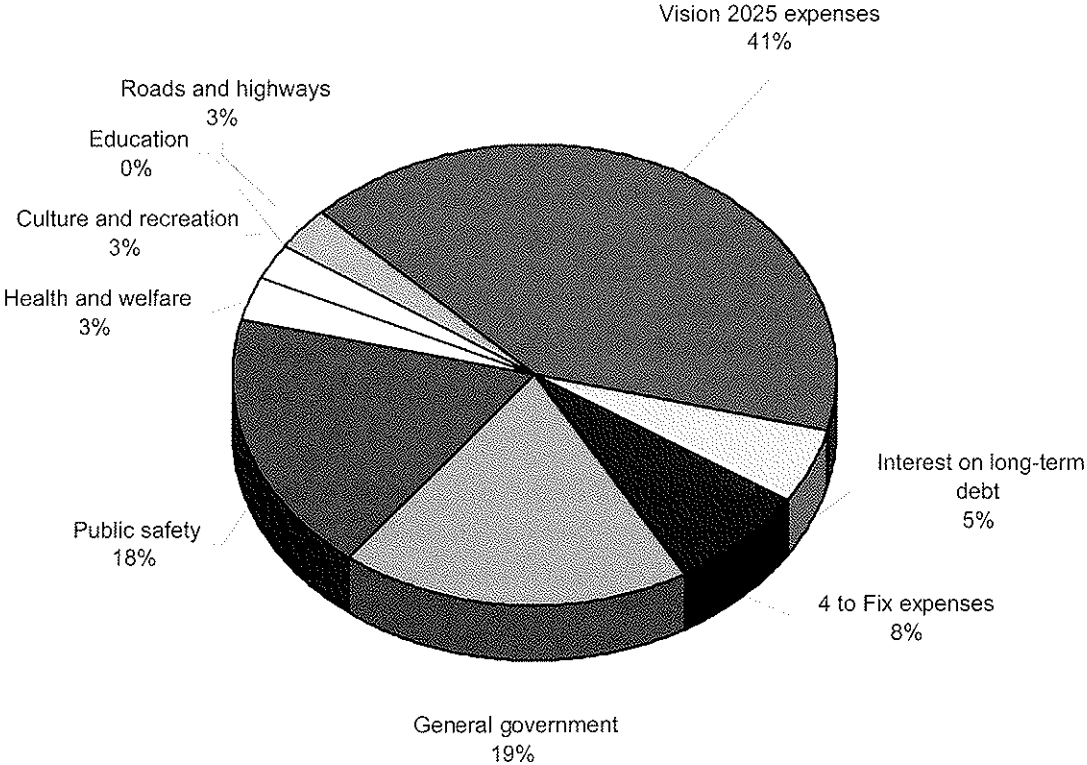


### Governmental Activities

Of the total revenues of \$235.5 million and \$229.5 million for governmental activities during the fiscal year ended June 30, 2008 and 2007, respectively, ad valorem taxes make up 22.5% and 21.6% and sales taxes make up 40.8% and 39.6%, respectively. During fiscal year 2008, the levy on property taxes was \$56.1 million, a \$3.0 million increase over the previous year. During fiscal year 2007, the levy on property taxes was \$53.1 million, a \$1.3 million increase over the previous year. Ad valorem tax collections during fiscal year 2008 increased by \$3.8 million or 7.5%. Ad valorem tax collections during fiscal year 2007 decreased by \$.6 million or 1.2%. Property tax collections during the most recent fiscal year were at 95% of the amount levied for the period. Historical patterns indicate that between 1 to 2 % 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 2002-2007 was 98.67 percent 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 nearly \$5.1 million higher for the fiscal year ended June 30, 2008, resulting from a slightly improving local economy. Payments from component units (Criminal Justice Authority) to the Sheriff Jail Fund of \$22.8 million represent sales tax collections forwarded during the fiscal year ended June 30, 2008 to the Sheriff to operate the jail. The Sheriff has been operating the jail since July 1, 2005.

Of the total expenses of \$314.9 million and \$286.2 million for governmental activities during fiscal year ended June 30, 2008 and 2007, respectively, general government makes up 19.0% and 15.9%, followed by 41.2% and 45.9% for Vision 2025 expenses, respectively. Expenses for public safety including the amount transferred to operate the jail were \$57.7 million and \$51.2 million during fiscal year ended June 30, 2008 and 2007, respectively or 18.3% and 17.9% of total expenses in Governmental Activities. Other Tulsa County’s expenses cover a range of services, including roads and highways, public safety, health and welfare, culture and recreation, and social and economic programs and they were fairly constant over the past two fiscal years.

**Expenses - Governmental Activities**





## **Business-Type Activities**

The Public Facilities Authority's net assets increased \$17.2 million and \$8.8 million for the year ended June 30, 2008 and 2007, respectively. The Authority's net assets as a percentage of total assets were 64.7% at the end of June 30, 2008, and 66.9% at the end of June 30, 2007. Capital assets net increased by \$26.2 million but the long term portion of revenue bonds also increased by \$12.2 during the fiscal year ended June 30, 2008. Total assets increased \$30.2 million and \$8.3 million for the fiscal year ending June 30, 2008 and 2007, respectively, resulting primarily from Phase IV construction, which the County is funding through the improvements with a five-year, two-twelfths of a percent county sales tax and an increase in restricted cash. Phase III consists of the construction of a central plant, Barn D, barn E, and central park hauling (building). Phase IV include an exchange center, armory kitchen, improvements to the expo building and parking lot repavement. The Phase III and IV projects are expected to be completed by the fall of 2008. Net assets were reduced by \$2.4 million during the fiscal year ended June 30, 2008 due to the purchase of a simulcast facility.

Total liabilities during the fiscal year 2008 increased by \$13.0 million, resulting from \$1.2 million payments for the 2003 and 2005 revenue bonds, more than offset by the \$15.3 million issuance of the Series 2007 revenue bonds. Total liabilities during the fiscal year 2007 decreased by \$.5 million, resulting from payments of the 2003 and 2005 revenue bonds, partially offset by an increase in accounts payable. Total liabilities during the fiscal year 2006 increased by \$4.6 million, resulting from the refinancing of the Series 1999 revenue bonds with the Series 2005 revenue bonds at a higher \$7.7 million present value less the \$2.5 principal payment.

Total revenues increased by \$1.4 million or 7.0% during the fiscal year ended June 30, 2008, because of increased collections of \$1.3 million in food and beverage. Total revenues increased by \$1.1 million or 5.6% during the fiscal year ending June 30, 2007, because fair revenues were higher because of favorable weather for the duration of the fair. Also, several new horse shows were added due to the improvements made to the facilities. Total revenues increased by \$1.4 million or 8.3% during the fiscal year ending June 30, 2006, as a result of a \$1.4 increase in other non-racing revenue. Live racing commissions increased by nearly \$.3 million during the current fiscal year.

Operating expenses increased by nearly \$3.3 million during the fiscal year ended June 30, 2008, because of a \$1.3 million increase in personnel costs, a \$.6 million increase in food and beverage expense, and a \$.5 million increase in advertising, promotion, and entertainment expenses. Operating expenses increased by \$1.1 million during the fiscal year ended June 30, 2007, because of increased personnel expenses, including health insurance and overtime, higher utility costs, and an overall increase in general operating expense because of the increased number of events held during the year. Operating expenses increased by \$1.3 million during the fiscal year ended June 30, 2006 because of the \$.9 million increase in advertising, promotion, and entertainment and the \$.3 million increase in the cost of utilities.

## **Financial Analysis of the County's Funds**

### **Major Funds**

As Tulsa County completed fiscal year 2008, its governmental funds reported a combined fund balance of \$235.1 million, or \$135.3 lower than the previous year. The Tulsa County Industrial Authority Special Revenue Fund's fund balance decreased by \$149.5 million while the Industrial Authority's Debt Service Fund's fund balance increased by \$11.2 million. The Special Revenue's fund balance decreased because of the amount expended on 4 to Fix and Vision 2025 capital initiative. The Industrial Authority did not issue any revenue bonds during the fiscal year ended June 30, 2008. The Debt Service's fund balance and restricted cash increased because the sales tax collections exceeded the debt service payments. The Other Governmental Funds fund balances increased by \$2.7 million during the year ended June 30, 2008 because of the \$1.1 million increase in the fund balance of the Special Projects Funds and the \$.5 million increase in the fund balance of the Parks Fund. The General Fund's fund balance decreased by \$.4 million, the County Highway's fund balance increased by \$1.2 million, the Sheriff's Jail Fund's fund balance declined by \$.5 million fund balance in its third year of operation, and the Sales Tax fund balance remained the same. Management made a concerted effort this past fiscal year to maintain the fund balance particularly of the General Fund. The ad valorem tax revenues increased by \$3.5 million, charge for services remained the same, and transfers in exceeded transfers out by \$2.2 million. The increase in the ad valorem tax collections correspond with the increase in property values for both residential and commercial properties. The County Highway Fund spent \$.8 million more on capital road and highway construction and maintenance this year as compared to the previous year. The Sheriff's Jail Fund spent \$.6 million more to operate the jail this past fiscal year than what the Sheriff's Jail Fund received in sales tax collections. The Sales Tax Fund holds a small balance in the fund but serves as the collector and disbursing officer of sales and use tax to the various authorities.

The two major initiatives of the Tulsa County Industrial Authority are "4 to Fix the County" and Vision 2025.

### **4 to Fix the County I**

Capital expenses of \$1,334,470 were spent during the fiscal year ending June 30, 2008 for three separate "4 to Fix the County" I projects. The allocation of funds to the individual projects during the fiscal year ending June 30, 2008 was as follows:

\*27.7% was spent on developing individual plans for flood control.

\*1.7% was spent on paving a parking lot at a local golf course.

\*54.0 % was spent on selecting engineers, identifying additional right-of-way for street widening, designing and implementing the road improvements.

\*The remainder was spent on constructing a livestock barn and expo-building improvements at Expo Square, the host of the Tulsa State Fair and other year round exhibits.

The total capital outlay for the “4 to Fix the County” I initiatives project to date has been \$59,745,409; 11.1% of the total of \$59,745,409 has been spent on flood mitigation, 5.0% on parks, 44.0% on roads, and 39.2% on Expo Square, and .7% on Administration.

As of June 30, 2008, the “4 to Fix the County” I projects are at the following stages of completion (as compared to the original budget plus funds received in excess of bond proceeds and including reimbursements or a total of \$61,542,214):

Flood Mitigation is approximately 86.8% complete.

Parks are approximately 99.9% complete.

Roads are approximately 96.7% complete.

Expo Square is approximately 100% complete.

The original budget for all of the 4 to Fix the County initiatives was \$59 million; funds in excess of bonds and reimbursements total \$2,452,214. The percentage distribution of budgeted funds per governing body resolutions were 13% for flood mitigation, 5% for parks, 42% for roads, and 40 % for Expo Square.

\$12.9 million (the remaining balance) of outstanding 2001 Capital Improvement Bonds was paid during the fiscal year ended June 30, 2007.

## 4 to Fix the County II

The following schedule depicts the status on a cash basis of the major capital projects as of June 30, 2008 with the amount expended this fiscal year and the total expended project to date, as well as the percentage of completion as of June 30, 2008 as compared to budget.

Capital Project	Expended this fiscal year	Total Expended project to Date	Percentage Completed
Criminal Justice Construction	\$1,675,709	\$2,619,617	33.6%
Parks Construction	1,085,183	1,712,940	13.3%
Streets Construction	643,747	931,229	4.2%
Expo Square	18,870,526	18,870,526	96.8%

The 4 to Fix II money spent at Expo Square was for the renovations at the expo building (Quik Trip Center), building the exchange building and the armory kitchen, paving lot 12, and relocating utilities in the midway.

The initial financial activity for 4 to Fix the County II capital initiatives occurred during May 2006 with the issuance of the Capital Improvement Revenue Bonds Series A 2006. The amount

outstanding on the Capital Improvement Revenue Bonds Series A 2006 as of June 30, 2008 is \$12,910,000. The amount outstanding on the Capital Improvement Revenue Bonds Series D 2006 as of June 30, 2008 is \$36,020,000.

## 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, 2008 with the amount expended this fiscal year, the total expended project to date, as well as the percentage of completion as of June 30, 2008 as compared to the budget.

Voter Proposition	Capital Project	Expended this fiscal year	Total Expended Project to Date	Percentage Completed
American Airlines	American Airlines	\$ 0	\$ 21,184,000	95.0%
Economic Development	OU-Tulsa	468,011	30,000,000	100.0%
Economic Development	OSU-Tulsa	9,719,275	24,120,656	80.4%
Economic Development	NSU-Broken Arrow	0	26,000,000	100.0%
Economic Development	Tulsa Regional Convention	80,281,823	165,450,749	72.4%
Economic Development	Expo Square	0	33,019,384	82.5%
Community Enrichment	Tulsa County Parks	2,007,417	9,537,991	74.8%
Community Enrichment	Route 66	2,657,289	5,309,018	35.4%
Community Enrichment	Downtown Tulsa	4,034,103	6,946,444	32.2%
Community Enrichment	Owasso Medical	444,501	4,285,973	95.2%
Community Enrichment	61st Street City	0	2,730,359	100.0%

The amount outstanding on the Capital Improvement Revenue Bonds Series 2003 as of June 30, 2008 is \$178,500,000. The amount outstanding on the Capital Improvement Revenue Bonds Series A & B 2005 as of June 30, 2008 is \$116,625,000. The amount outstanding on the Capital Improvement Revenue Bonds Series C 2005 as of June 30, 2008 is \$50,800,000. The amount outstanding on the Capital Improvement Revenue Bonds series B and C 2006 as of June 30, 2008 is \$31,650,000.

## **General Fund Budgetary Highlights**

The final budgeted amounts for the General Fund beginning fund balance, budgetary basis was \$1.1 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 amount for revenues was \$4.4 million higher because of the increased amount of other taxes and miscellaneous revenues that were collected. The final budgeted amounts for general government expenditures was \$1.5 million higher than originally budgeted because a \$2.2 million appropriation was added was added to General Government Accounts. Overall actual revenues collected were \$.7 million or 1.2 % higher than budgeted revenue amounts. The actual collections of ad valorem taxes were higher than the final budgeted amount by nearly \$1.5 million because of the higher than expected collection of current year ad valorem taxes. Actual charge for services was \$.3 million higher than budgeted. Realized investment income was nearly \$.2 million higher than budget because of higher than expected interest earnings.

Actual expenditures were \$6.6 million, or 10.4% lower than the final budgeted amount for expenditures. General Government actual expenditures were \$6.7 lower than the final budgeted amounts. The major reason for this is the General Fund appropriations for the Cash Management Accounts and the General Government Accounts were not spent.

Since the actual revenues and expenditures for the General Fund compare favorably with the General Fund budget for revenues and expenditures, there is a positive ending fund balance. The positive fund balance coupled with the expectation of increased local economic development as reflected in the increasing property values and higher sales tax collections; these positive trends indicate that it is not anticipated that future delivery of services to the Citizens of Tulsa County will be interrupted. There does not appear to be a liquidity problem with the funds currently available for appropriation in the General Fund.

## **County Highway Fund Budgetary Highlights**

For the County Highway Fund, there was no difference between the original and the final budgeted amounts. The budgeted amounts do not include any amount for beginning fund balance, budgetary basis. The actual amount of beginning fund balance was \$8.4 million. The actual amount of intergovernmental revenue is based on a 20 % revenue grant obtained from the State. Other revenues collected in the County Highway Fund are fees charged by the State of Oklahoma and distributed to Tulsa County. The actual amount of miscellaneous revenue consists of a \$.9 million miscellaneous reimbursement and gross production tax of nearly \$.3 million.

Actual expenditures were \$2.0 million higher than the budgeted amounts for expenditures. Operating expenditures were \$1.8 million higher than the budgeted amounts because of higher paving material costs and the higher cost for operating supplies.

## Capital Asset and Debt Administration

### Capital Assets

At the end of 2008, the County had invested \$234.9 million in a broad range of capital assets, including police equipment, buildings, roads, and bridges. This amount represents a net increase of \$28.5 million, or 13.8% over last year (note III. D. to the financial statements provides additional detail on capital assets).

#### Tulsa County's Capital Assets (Net of depreciation, in thousands of dollars) June 30, 2008 and 2007

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Land	\$ 21,738	21,620	\$ 96	96	\$ 21,834	21,716
Construction in progress	18,164	21,380	19,727	6,348	37,891	27,728
Buildings	10,242	10,625	90,035	77,185	100,277	87,810
Machinery and equipment	13,408	13,199	4,714	4,519	18,122	17,718
Infrastructure	56,787	51,423	0	0	56,787	51,423
<b>Total</b>	<b>\$ 120,339</b>	<b>118,247</b>	<b>\$ 114,572</b>	<b>88,148</b>	<b>\$ 234,911</b>	<b>206,395</b>

### Long-term debt

Tulsa County had a total of \$482.4 million and \$512.1 million in outstanding debt at the end of fiscal years 2008 and 2007, respectively. Governmental Activities decreased by \$43.7 million while Business-type Activities increased by \$14.0 million. The \$43.7 million decrease in Governmental Activities debt is a result of the payment of \$16.3 million on the Capital Improvement Revenue Bonds Series 2003, the payment of \$11.5 million on the Capital Improvement Revenue Bonds Series 2005, the payment of \$4.7 million on the Capital Improvement Revenue Bonds Series 2005 and the payment of \$11.1 million on the Capital Improvement Revenue Bonds Series 2006. During fiscal year 2007, the Tulsa County Industrial Authority issued a total of \$78.7 million in Capital Improvement Revenue Bonds Series 2006 B, C & D. Funds to pay the revenue bonds outstanding will come from the sales tax that was approved by voters in September 2003, 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 capital improvements for community enrichment. After the voters of Tulsa County approved the initiative "4 to Fix the County" I in fiscal year 2002, debt of \$59 million resulted from the issuance of 2001 Capital Improvements Revenue Bonds by the Tulsa County Industrial Authority. The remaining payment of \$12.9 million on the Capital Improvement Revenue Bonds Series 2001 was made during fiscal year ending June 30, 2007. These revenue bonds were issued to make improvements for Expo Square, flood mitigation, parks, and roads. The Public Facilities Authority issued Capital Improvement Revenue Bonds, Series 2007 for \$15.3 million during the fiscal year ended June 30, 2008.

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 \$235.5 million at the end of fiscal year 2008. 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 \$235.5 million.

Standard and Poor's rates the County's general obligation bonds at AA- /A-1+ while Moody's Investor's Services rates the County AA2. The County's other debt, principally, revenue bonds, carries the same rating.

Ad valorem tax collections have remained relatively stable at 98.3% over the past five fiscal years. Between the Vision 2025 and "4 to Fix the 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, 2008 and 2007**

	Governmental Activities		Business-type Activities		Total	
	2008	2007	2008	2007	2008	2007
Revenue bonds payable-2003	\$ 178,500	194,800	\$ 4,200	4,700	\$ 182,700	199,500
Revenue bonds payable-2005	116,625	128,115			116,625	128,115
Revenue bonds payable-2005	50,800	55,500	25,052	25,745	75,852	81,245
Revenue bonds payable-2006	12,910	12,910			12,910	12,910
Revenue bonds payable-2006	31,650	31,650			31,650	31,650
Revenue bonds payable-2006	36,020	47,090			36,020	47,090
Revenue bonds payable-2007			15,295		15,295	
Notes payable				77		77
Capital leases payable	7,920	8,716			7,920	8,716
Judgments payable	144	125			144	125
Compensated absences	3,261	2,667			3,261	2,667
<b>Total</b>	<b>\$ 437,830</b>	<b>481,573</b>	<b>\$ 44,547</b>	<b>30,522</b>	<b>\$ 482,377</b>	<b>512,095</b>

**Economic Factors and the Impact on Next Year's Budgets**

Sales tax receipts for the fiscal year ended June 30, 2008 were 4.3% higher than the previous year and 10.2% higher than the fiscal year ended June 30, 2006. Sales tax collections through August are 10.0% above last year's comparable number. The total assessed valuation of residential properties increased by 5% during the fiscal year ended June 30, 2008. The total assessed valuation of commercial properties increased by 6% during the fiscal year ended June 30, 2008. In summary, property values in Tulsa County have increased and collections of ad valorem taxes increased slightly in fiscal year 2008, while the general economy as evidenced by sales tax collections has improved during fiscal year 2008 and 2007. As local economic indicators remain positive and future growth appears likely, the primary threats to Tulsa's economy are macroeconomic and geopolitical factors affecting the national economy.

## **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 finances and to show accountability for money it receives. Complete financial statements of the individual blended and discretely presented component units can be requested from the Tulsa County Clerk's office at 500 South Denver, Tulsa, Oklahoma 74103. Questions concerning any data provided in this report or requests for additional information should be directed to Tulsa County Clerk, 500 South Denver, Tulsa, Oklahoma 74103.



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# Basic Financial Statements

Tulsa County, Oklahoma  
Statement of Net Assets  
June 30, 2008

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 45,603,765	\$ 456,599	\$ 46,060,364	\$ 12,124,044
Investments	0	1,374,712	1,374,712	0
Restricted cash and cash equivalents	211,680,091	0	211,680,091	0
Accounts receivable	0	761,449	761,449	117,401
Ad valorem taxes receivable, net of allowance for uncollectibles)	1,986,971	0	1,986,971	64,886
Sales tax receivable	16,676,295	0	16,676,295	0
Use tax receivable	1,145,215	0	1,145,215	0
Accrued interest receivable	676,466	0	676,466	6,234
Intergovernmental receivables-Due from Tulsa County	0	1,145,215	1,145,215	4,100,594
Intergovernmental receivables-From Others	2,180,141	0	2,180,141	2,492,562
Telephone receivable	0	0	0	51,805
Prepaid pension obligation	2,566,457	0	2,566,457	0
Inventory	0	51,717	51,717	1,408,085
Deferred and prepaid expenses	0	1,044,087	1,044,087	0
<b>Total current assets</b>	<b>282,515,401</b>	<b>4,833,779</b>	<b>287,349,180</b>	<b>20,365,611</b>
Non-current assets:				
Restricted cash and cash equivalents	0	16,868,590	16,868,590	991,924
Horseman's Trust Account	0	2,260,984	2,260,984	0
Restricted investments	0	1,176,500	1,176,500	0
Land	21,738,096	96,000	21,834,096	5,293,624
Construction in progress	18,163,975	19,726,865	37,890,840	0
Capital assets, net	80,437,922	94,749,665	175,187,587	63,501,442
Other assets-net	0	0	0	447,182
Deferred debt expense, net - restricted	5,541,112	0	5,541,112	0
Bond issuance costs, net	0	1,442,123	1,442,123	0
<b>Total non-current assets</b>	<b>125,881,105</b>	<b>136,320,727</b>	<b>262,201,832</b>	<b>70,234,172</b>
<b>Total assets</b>	<b>\$ 408,396,506</b>	<b>\$ 141,154,506</b>	<b>\$ 549,551,012</b>	<b>\$ 90,599,783</b>
<b>LIABILITIES AND NET ASSETS</b>				
Current liabilities:				
Accrued interest payable	\$ 2,886,120	\$ 354,475	\$ 3,240,595	\$ 0
Accounts payable	35,202,120	1,058,003	36,260,123	584,265
Accrued liabilities	52,060	0	52,060	106,209
Due to Public Facilities Authority	1,145,215	0	1,145,215	0
Due to Criminal Justice Authority	4,100,594	0	4,100,594	0
Due to Industrial Authority	0	0	0	0
Mortgage loans payable, current portion	0	0	0	24,583
Escrow deposits payable	0	0	0	4,175
Workers Compensation, current portion	86,000	0	86,000	0
Other accrued expenses	0	212,885	212,885	0
Deferred credits and event revenues	0	1,373,584	1,373,584	206,781
Judgments payable, current portion	62,167	0	62,167	0
Notes payable, current portion	0	0	0	0
Bonds payable, current portion	45,075,000	3,222,805	48,297,805	0
Compensated absences, current portion	2,688,688	0	2,688,688	0
OPEB liability, current portion	305,900	0	305,900	0
Obligations under capital leases, current portion	816,814	0	816,814	241,830
<b>Total current liabilities</b>	<b>92,420,678</b>	<b>6,221,752</b>	<b>98,642,430</b>	<b>1,169,843</b>
Non-current liabilities:				
Bonds payable	396,127,044	41,324,397	437,451,441	0
Liability to horsemen	0	2,260,984	2,260,984	0
Mortgage loans payable	0	0	0	598,657
Workers Compensation, long term portion	766,053	0	766,053	0
Judgments payable	82,166	0	82,166	0
Compensated absences, long term portion	572,533	0	572,533	863,991
Rebatable arbitrage	3,020,106	0	3,020,106	0
OPEB liability, long term portion	305,446	0	305,446	0
Obligations under capital leases	7,103,542	0	7,103,542	7,839,610
<b>Total non-current liabilities</b>	<b>407,976,890</b>	<b>43,585,381</b>	<b>451,562,271</b>	<b>9,302,258</b>
<b>Total liabilities</b>	<b>500,397,568</b>	<b>49,807,133</b>	<b>550,204,701</b>	<b>10,472,101</b>
Net assets:				
Invested in capital assets	110,679,261	70,025,328	180,704,589	61,863,540
Restricted for:				
Debt service	78,503,176	18,045,091	96,548,267	0
Criminal Justice Authority Operations	0	0	0	8,333,540
Unrestricted	(281,183,499)	3,276,954	(277,906,545)	9,930,602
<b>Total net assets</b>	<b>(92,001,062)</b>	<b>91,347,373</b>	<b>(653,689)</b>	<b>80,127,682</b>
<b>Total liabilities and net assets</b>	<b>\$ 408,396,506</b>	<b>\$ 141,154,506</b>	<b>\$ 549,551,012</b>	<b>\$ 90,599,783</b>

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, 2008

Functions/Programs Primary Government:	Program Revenues					Net (Expense) Revenue and Changes in Net Assets			Component Units
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Primary Government Business-Type Activities		Total	
						Governmental Activities	Business-Type Activities		
Governmental activities:									
General government	\$ 173,901,871	\$ 7,795,247	\$ 9,695,239	\$ 0	\$ -156,411,385	\$ 0	\$ -156,411,385	\$ 0	0
Public safety	59,481,110	1,452,714	1,213,661	0	-56,814,735	0	-56,814,735	0	0
Health and welfare	9,558,872	3,230	3,067,828	0	-6,487,814	0	-6,487,814	0	0
Culture and recreation	30,200,226	2,545,798	306,175	0	-27,348,253	0	-27,348,253	0	0
Education	14,181,996	0	0	0	-14,181,996	0	-14,181,996	0	0
Roads and highways	10,694,608	2,698,726	6,472,225	0	-1,523,657	0	-1,523,657	0	0
Interest on long-term debt	16,848,522	0	0	0	-16,848,522	0	-16,848,522	0	0
Total governmental activities	\$ 314,867,205	\$ 14,495,715	\$ 20,755,128	\$ 0	\$ -279,616,362	\$ 0	\$ -279,616,362	\$ 0	0
Business-type activities:									
Public Facilities Authority	28,667,479	21,253,195	0	20,332,516	0	12,918,232	12,918,232	12,918,232	0
Total business-type activities	\$ 28,667,479	\$ 21,253,195	\$ 0	\$ 20,332,516	\$ 0	\$ 12,918,232	\$ 12,918,232	\$ 12,918,232	0
Total primary government	\$ 343,534,684	\$ 35,748,910	\$ 20,755,128	\$ 20,332,516	\$ -279,616,362	\$ 12,918,232	\$ -266,698,130	\$ -266,698,130	0
Component units:									
Criminal Justice Authority	\$ 29,691,226	4,907,385	23,771,699	0					-1,012,142
City/County Health Department	22,776,862	2,381,296	8,284,524	0					-12,111,042
Tulsa County Home Finance Authority	701,633	331,168	0	0					-370,465
Total component units	\$ 53,169,721	\$ 7,619,849	\$ 32,056,223	\$ 0					\$ -13,493,649
General revenues:									
Taxes:									
Sales taxes					96,112,765	0	96,112,765	0	0
Use tax					6,624,221	0	6,624,221	0	0
Ad valorem taxes					49,482,719	0	49,482,719	0	11,279,216
Other taxes					3,524,659	0	3,524,659	0	0
Interest and investment earnings					12,607,373	0	12,607,373	0	280,565
Payment from component units					22,818,742	0	22,818,742	0	0
Miscellaneous					9,097,878	-2,367,000	6,730,878	0	1,042,419
Special item-Property transferred through annexation					-3,205,012	0	-3,205,012	0	0
Transfers					-6,624,221	6,624,221	0	0	0
Total general revenues, contributions, special items, and transfers					190,439,124	4,257,221	194,696,345	0	12,602,200
Change in net assets					-89,177,238	17,175,453	-72,001,785	-72,001,785	-891,449
Net assets-beginning					-2,823,824	74,171,920	71,348,096	71,348,096	81,019,131
Net assets-ending					\$ -92,001,062	\$ 91,347,373	\$ -653,689	\$ -653,689	\$ 80,127,682

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

Tulsa County, Oklahoma

Balance Sheet  
Governmental Funds  
June 30, 2008

	General Fund	County Highway Fund	Sales Tax Fund	Sheriff Jail Fund	Industrial Authority Special Revenue Fund	Industrial Authority Debt Service Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS</b>								
Cash and cash equivalents	\$ 11,912,330	\$ 8,442,190	\$ 898	\$ 839,721	\$ -	\$ -	\$ 24,408,626	\$ 45,603,765
Restricted cash, cash equivalents, and investments	1,951,998	-	-	-	84,603,710	127,076,381	24,973	211,660,091
Ad valorem taxes receivable (net of allowance for uncollectibles)	-	-	-	-	-	-	-	1,966,971
Use tax receivable	-	-	1,145,215	-	-	-	-	1,145,215
Sales tax receivable	-	-	16,676,295	-	-	-	-	16,676,295
Interest and dividends receivable	158,339	15,019	31,604	-	38,137	432,243	1,124	676,466
Due from Tulsa County	-	-	-	-	-	12,575,701	-	12,575,701
Due from other governments	395,227	1,225,640	-	-	-	-	559,273	2,180,140
Total assets	\$ 14,427,894	\$ 9,682,849	\$ 17,854,012	\$ 839,721	\$ 84,641,847	\$ 140,084,325	\$ 24,993,996	\$ 292,524,644
<b>LIABILITIES AND FUND BALANCES</b>								
<b>Liabilities:</b>								
Accounts payable	\$ 1,309,746	\$ 155,087	\$ -	\$ 486,674	\$ 31,963,352	\$ -	\$ 1,267,260	\$ 35,202,119
Payroll liability	52,061	-	-	-	-	-	-	52,061
Interest payable	-	-	-	-	-	2,866,120	-	2,866,120
Due to the Public Facilities Authority	-	-	1,145,215	-	-	-	-	1,145,215
Due to Criminal Justice Authority	-	-	4,100,594	-	-	-	-	4,100,594
Due to Industrial Authority-Sales Tax collections	-	-	12,575,701	-	-	-	-	12,575,701
Deferred revenue	1,477,850	-	-	-	-	-	18,877	1,496,727
Total liabilities	\$ 2,839,657	\$ 155,087	\$ 17,821,510	\$ 486,674	\$ 31,983,352	\$ 2,866,120	\$ 1,286,137	\$ 57,458,537
<b>Fund balances:</b>								
Reserved:								
Reserve for encumbrances	1,036,113	163,093	-	37,064	-	-	1,062,152	2,298,422
Reserve for future medical benefits	-	-	-	-	-	-	852,053	852,053
Reserve for capital projects	-	-	-	-	52,658,495	-	-	52,658,495
Reserve for debt service	-	-	-	-	-	137,198,205	-	137,198,205
Unreserved:								
Undesignated	10,552,124	9,364,669	32,502	315,983	-	-	-	20,265,278
Unreserved reported in non-major funds:								
Special revenue funds	-	-	-	-	-	-	21,735,887	21,735,887
Debt service fund	-	-	-	-	-	-	57,767	57,767
Total fund balances	\$ 11,568,237	\$ 9,527,762	\$ 32,502	\$ 353,047	\$ 52,658,495	\$ 137,198,205	\$ 23,707,869	\$ 235,086,107
Total liabilities and fund balances	\$ 14,427,894	\$ 9,682,849	\$ 17,854,012	\$ 839,721	\$ 84,641,847	\$ 140,084,325	\$ 24,993,996	\$ 292,524,644

Amounts reported for governmental activities in the statement of net assets 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	120,339,993
Ad valorem taxes receivable 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 uncollectibles.	1,496,727
The negative net pension obligation used in governmental activities are not considered a financial asset and thus not reported in the funds.	2,566,457
Proceeds from the 2003 revenue bonds are not financial resources, and therefore, are not reported in the funds.	-178,500,000
Principal payments of \$16,200,000 are not financial resources, and therefore, are not reported in the funds.	-167,425,000
Revenue bonds represent long-term liabilities.	-
Principal payments of \$16,190,000 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.	-80,560,000
Principal payments of \$11,070,000 are not financial uses but a reduction of the liability.	-
Revenue bonds represent long-term liabilities.	-
Loan issuance costs from the 2006, 2005, 2003 and 2001 revenue bonds are not financial uses and, therefore, are not reported as an expenditure.	5,541,112
The 2007 costs of \$1,854,206, 2006 costs of \$1,677,122, 2005 costs of \$2,582,134, and the 2003 costs of \$2,838,163 are amortized over the term of the related bond.	-
Current year amortization is \$1,166,811 and accumulated amortization is \$3,510,513.	-
Bond premiums from the 2003, 2005, and 2006 revenue bonds are not financial resources and, therefore, are not reported in the funds.	-14,697,044
Bond premiums, \$10,116,223 received in 2003, \$10,234,964 received in 2005, \$3,735,179 received in 2006, and \$2,284,758, received in 2007, represent deferred revenue which is amortized.	-
Current year amortization is \$3,319,342 and accumulated amortization is \$11,574,079. The revenue is recognized as a reduction of current year interest expense.	-
Accrual of estimated arbitrage liability, which is not reported in governmental fund statements.	-3,020,106
Accrual of OPEB liability, which is not reported in governmental fund statements.	-611,346
Accrual of Worker's Compensation liability, which is not reported in governmental fund statements.	-852,052
Long-term liabilities (Capital leases payable of \$144,333, judgments payable of \$144,333, and compensated absences of \$3,261,221) are not due and payable in the current period, and therefore, are not reported in the current period.	-11,325,910
Net assets of governmental activities	\$ 92,001,062

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, 2008

	General Fund	County Highway Fund	Sales Tax Fund	Sheriff Jail Fund	Industrial Authority Special Revenue Fund	Industrial Authority Debt Service Fund	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>								
Ad valorem taxes	\$ 45,147,899	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,748,595	\$ 47,896,494
Other taxes	3,128,304	-	-	-	-	-	396,355	3,524,659
Charge for services	4,354,643	2,698,726	-	24,145	-	-	7,418,201	14,495,715
Sales taxes	-	-	96,112,765	-	-	-	-	96,112,765
Use tax	-	-	6,624,221	-	-	-	-	6,624,221
Intergovernmental revenue	489,283	6,472,225	-	-	-	-	13,793,620	20,755,128
Investment income	2,218,532	292,817	198,818	-	5,269,564	4,592,115	35,526	12,607,372
Miscellaneous revenue	1,990,055	979,430	-	14,461	-	-	3,545,544	6,529,490
Payment from Criminal Justice Authority	228,740	-	-	22,355,307	-	-	49,703	22,633,750
Payment from Depository Accounts	15,926	-	-	-	-	-	54,531	70,457
Payment from City/County Health	36,000	-	-	-	-	-	78,535	114,535
<b>Total revenues</b>	<b>57,609,382</b>	<b>10,443,198</b>	<b>102,935,805</b>	<b>22,393,913</b>	<b>5,269,564</b>	<b>4,592,115</b>	<b>28,120,611</b>	<b>231,364,587</b>
<b>EXPENDITURES</b>								
Current:								
General government	33,024,647	-	-	-	1,868,141	1,763,906	16,981,552	53,638,246
Public safety	8,368,685	-	-	22,914,754	-	-	2,710,993	33,994,432
Health and welfare	6,588,615	-	-	-	-	-	2,710,665	9,299,280
Culture and recreation	4,749,348	-	-	-	-	-	2,711,856	7,461,204
Education	436,759	-	-	-	-	-	-	436,759
Roads and highways	674,429	8,850,825	-	-	-	-	-	9,525,254
Payment to Criminal Justice Authority	-	-	23,633,512	-	-	-	-	23,633,512
Expenditure for Vision 2025 projects	-	-	-	-	129,007,186	-	-	129,007,186
Expenditure for 4 to Fix I projects	-	-	-	-	1,334,470	-	-	1,334,470
Expenditure for 4 to Fix II projects	-	-	-	-	22,142,238	-	-	22,142,238
Capital outlay	1,939,524	205,924	-	15,236	-	-	2,806,991	4,967,675
Debt service:								
Principal retirement	-	-	-	-	-	43,560,000	-	43,560,000
Interest and fiscal agent charges	-	-	-	-	-	20,153,240	-	20,153,240
Principal on judgments	-	-	\$ -	\$ -	-	-	75,500	75,500
Interest on judgments	-	-	-	-	-	-	14,624	14,624
<b>Total expenditures</b>	<b>55,782,007</b>	<b>9,056,749</b>	<b>23,633,512</b>	<b>22,929,990</b>	<b>155,152,035</b>	<b>65,477,146</b>	<b>28,012,181</b>	<b>360,043,620</b>
Excess (deficiency) of revenues over (under) expenditures	1,827,375	1,386,449	79,302,293	(536,077)	(149,882,471)	(60,885,031)	108,430	(128,679,033)
Other financing sources (uses):								
Transfer to/from beneficiary	-	-	(72,479,254)	-	-	72,479,254	-	-
Sale of real property	-	-	-	-	-	-	1,932	1,932
Transfers in (primary government)	5,510,881	1,000,000	-	-	9,217,339	8,843,419	10,969,437	35,541,076
Transfers out (primary government)	(7,707,386)	(1,226,707)	(6,825,657)	(3,700)	(8,843,419)	(9,217,339)	(8,341,091)	(42,165,299)
<b>Total other financing sources (uses)</b>	<b>(2,196,505)</b>	<b>(226,707)</b>	<b>(79,304,911)</b>	<b>(3,700)</b>	<b>373,920</b>	<b>72,105,334</b>	<b>2,630,278</b>	<b>(6,622,291)</b>
Net change in fund balances	(369,130)	1,159,742	(2,619)	(539,777)	(149,508,551)	11,220,303	2,738,708	(135,301,324)
Fund balance, beginning	11,957,367	8,368,020	35,120	892,824	202,167,046	125,977,902	20,969,151	370,367,430
<b>Fund balance, ending</b>	<b>\$ 11,588,237</b>	<b>\$ 9,527,762</b>	<b>\$ 32,502</b>	<b>\$ 353,047</b>	<b>\$ 52,658,495</b>	<b>\$ 137,198,205</b>	<b>\$ 23,707,859</b>	<b>\$ 235,066,106</b>

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, 2008

Net change in fund balances--total governmental funds	\$ (135,301,324)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays (\$4,967,675) exceeded depreciation (\$4,885,839) in the current period.	81,836
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	43,560,000
Amortization of bond issuance costs over the term of the related debt.	(1,166,811)
Amortization of bond premium over the term of the related debt.	3,319,341
Estimated liabilities for rebatable arbitrage not recorded in governmental funds	(1,804,773)
Estimated liabilities for OPEB obligation not recorded in governmental funds	(611,346)
Capital outlay expenditures capitalized as construction in progress, infrastructure	2,092,897
Some expenses reported in the statement of activities do not require current financial resources, and therefore, are not reported as expenditures in governmental funds.	
Increase in compensated absences expense	(594,353)
Increase in liability for tort claims and judgments	(19,500)
Some revenues reported in the statement of activities do not provide current financial resources in the current year	
Decrease in ad valorem receivable	(232,664)
Increase in prepaid pension obligation	1,499,459
Change in net assets--statement of activities	\$ <u>(89,177,238)</u>

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

Tulsa County, Oklahoma

Proprietary Fund  
Statement of Net Assets  
June 30, 2008

<b>Tulsa County Public Facilities Authority</b>
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**ASSETS**

Current assets:

Cash and cash equivalents	\$ 456,599
Investments	1,374,712
Accounts receivable	1,906,664
Deferred and prepaid expenses	1,044,087
Inventories	<u>51,717</u>
Total current assets	<u>4,833,779</u>

Noncurrent assets:

Restricted cash and cash equivalents	16,868,590
Horsemen's Trust Account	2,260,984
Restricted investments	1,176,500
Land	96,000
Construction in progress	19,726,865
Capital assets, net of accumulated depreciation	94,749,665
Bond issuance costs, net	<u>1,442,123</u>
Total noncurrent assets	<u>136,320,727</u>

Total assets	<u>\$ 141,154,506</u>
--------------	-----------------------

**LIABILITIES AND NET ASSETS**

Current liabilities:

Accrued interest payable	\$ 354,475
Accounts payable	1,058,003
Other accrued expenses	212,885
Deferred credits and event revenues	1,373,584
Current portion of 2003, 2005, and 2007 revenue bonds	<u>3,222,805</u>
Total current liabilities	<u>6,221,752</u>

Noncurrent liabilities:

Liability to horsemen	2,260,984
Bonds payable	<u>41,324,397</u>
Total noncurrent liabilities	<u>43,585,381</u>

Total liabilities	<u>49,807,133</u>
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Net assets:

Invested in capital assets, net of related debt	70,025,328
Restricted for debt service	18,045,091
Unrestricted	<u>3,276,954</u>
Total net assets	<u>91,347,373</u>

Total liabilities and net assets	<u>\$ 141,154,506</u>
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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 Assets  
For the year ended June 30, 2008**

	<b>Tulsa County Public Facilities Authority</b>
<b>OPERATING REVENUES</b>	
Commissions	\$ 1,276,232
State fair revenue	2,700,794
Space rental (exhibits)	4,392,676
Racing revenue	2,895,845
Other income and fees	9,987,648
Total operating revenues	<u>21,253,195</u>
<b>OPERATING EXPENSES</b>	
Personnel	9,195,265
Maintenance and operation	9,715,792
Outside services	3,282,240
Total operating expenses	<u>22,193,297</u>
Operating income before depreciation and amortization	<u>(940,102)</u>
Depreciation and amortization	(5,391,642)
Amortization of deferred credits	133,823
Total depreciation and amortization	<u>(5,257,819)</u>
Operating income (loss)	(6,197,921)
Non-operating revenues (expenses)	
Interest income	853,821
Interest (expense)	<u>(2,070,184)</u>
Income (loss) before contributions and transfers	<u>(7,414,284)</u>
Contributions	
Contributions of capital assets	20,332,516
Transfers	
Transfers of sales tax collections	<u>6,624,221</u>
Total contributions and transfers	<u>26,956,737</u>
Purchase of simulcast facility	(2,367,000)
Change in net assets	17,175,453
Net assets at beginning of year	<u>74,171,920</u>
Net assets at end of year	<u>\$ 91,347,373</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, 2008

Tulsa County Public Facilities Authority
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<b>Cash flows from operating activities:</b>	
Cash received from customers	\$ 20,912,694
Cash payments to suppliers for goods and services	(14,060,173)
Cash payments to employees	<u>(9,195,265)</u>
Net cash provided by (used in) operating activities	<u>(2,342,744)</u>
<b>Cash flows from capital and related financing activities:</b>	
Capital expenditures	(11,245,154)
Proceeds from issuance of bonds payable	15,295,000
Principal payments on 2003, 2005, and 2007 revenue bonds	(1,370,000)
Principal payments on notes payable	(76,741)
Debt issue costs	(606,105)
Purchase of simulcast facility	(2,367,000)
Interest paid on revenue bonds and notes payable	(1,788,171)
Transfers in from County	<u>6,624,221</u>
Net cash provided by (used in) financing activities	<u>4,466,050</u>
<b>Cash flows from investing activities:</b>	
Interest received on restricted cash and investments	853,821
Payments for the purchase of investments	<u>(90,999)</u>
Net cash provided by (used in) investing activities	<u>762,822</u>
Net increase (decrease) in cash and cash equivalents	2,886,128
Cash and cash equivalents, beginning of year	<u>16,700,045</u>
<b>Cash and cash equivalents, end of year</b>	<b>\$ <u>19,586,173</u></b>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:	
Operating income (loss)	\$ (6,197,921)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:	
Depreciation and amortization	5,391,642
Amortization of deferred credits	(133,823)
Changes in operating assets and liabilities:	
Accounts receivable	(237,431)
Deferred expenses	(231,432)
Prepaid and other expenses	(53)
Inventories	33,194
Accounts payable	(83,074)
Liability to horsemen	(753,269)
Deferred credits and event revenues	(103,070)
Other accrued expenses	<u>(27,507)</u>
Net cash provided by (used in) operating activities	<u>\$ (2,342,744)</u>
Supplemental disclosure of non-cash investing, capital and financing activities:	
Contributions of capital assets	<u>\$ 20,332,516</u>
Donated capital improvements from tenant	<u>\$ 8,791</u>
Cash and cash equivalents consist of:	
Cash and cash equivalents	\$ 456,599
Restricted cash and cash equivalents	16,868,590
Horseman's Trust Account	<u>2,260,984</u>
Cash and cash equivalents	<u>\$ 19,586,173</u>

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

Tulsa County, Oklahoma

**Fiduciary Funds**  
**Statement of Fiduciary Net Assets**  
**June 30, 2008**

	<u>Pension Trust Fund</u>	<u>Agency Funds</u>
<b>ASSETS</b>		
Cash and cash equivalents	\$ 564,719	\$ 53,712,083
Money market mutual funds	6,722,237	0
U.S. Government and Agency obligations	40,686,250	0
Domestic corporate bonds	36,689,787	0
Domestic stocks	62,905,389	0
International stocks	37,721,283	0
Judgments	141,000	0
Ad valorem receivable	0	18,226,214
Interest and dividend receivable	812,416	0
Due from brokers for unsettled trades	478,403	0
Contributions receivable from employer	674,611	0
	<u>187,396,095</u>	<u>71,938,297</u>
Total assets	\$ <u>187,396,095</u>	\$ <u>71,938,297</u>
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 80,683	\$ 0
Payable to brokers for unsettled trades	67,186	0
Due to other taxing units	0	56,642,010
Due to others	0	15,296,287
	<u>147,869</u>	<u>71,938,297</u>
Total liabilities	<u>147,869</u>	<u>71,938,297</u>
<b>NET ASSETS</b>		
Net assets held in trust for pension benefits	<u>187,248,226</u>	<u>0</u>
Total net assets	<u>187,248,226</u>	<u>0</u>
Total liabilities and net assets	\$ <u>187,396,095</u>	\$ <u>71,938,297</u>

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

Tulsa County, Oklahoma

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**Fiduciary Fund**  
**Statements of Changes in Fiduciary Net Assets**  
**For the year ended June 30, 2008**

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	<u>Pension Trust Fund</u>
<b>Additions:</b>	
Contributions:	
Plan member	\$ 2,102
Employer	8,010,788
	<hr/>
Total contributions	8,012,890
	<hr/>
Investment Income:	
Net appreciation (depreciation) in fair value of investments	(16,148,002)
Interest	4,109,186
Dividends	595,693
	<hr/>
Total investment income	(11,443,123)
Less investment expense	805,679
	<hr/>
Net investment income	(12,248,802)
	<hr/>
Total additions	(4,235,912)
	<hr/>
<b>Deductions:</b>	
Benefits	9,923,232
Refunds of contributions	4,930
Administrative expense	49,593
	<hr/>
Total deductions	9,977,755
	<hr/>
Net increase (decrease)	(14,213,667)
	<hr/>
<b>Net assets held in trust for pension benefits</b>	
Beginning of Year	201,461,893
	<hr/>
End of Year	\$ 187,248,226
	<hr/> <hr/>

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

Tulsa County, Oklahoma

Discretely Presented Component Units  
Statement of Net Assets  
June 30, 2008

	Tulsa County Criminal Justice Authority	Tulsa City-County Health Department	Tulsa County Home Finance Authority	Total 2008
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 3,240,326	\$ 8,330,477	\$ 553,241	\$ 12,124,044
Ad valorem taxes receivable	0	64,886	0	64,886
Accrued interest receivable	6,234	0	0	6,234
Accounts receivable - net	0	112,723	4,678	117,401
Intergovernmental receivables-Due from Tulsa County	4,100,594	0	0	4,100,594
Intergovernmental receivables-Due from others	965,657	1,526,905	0	2,492,562
Telephone receivable	51,805	0	0	51,805
Inventory	0	723,823	684,262	1,408,085
Total current assets	<u>8,364,616</u>	<u>10,758,814</u>	<u>1,242,181</u>	<u>20,365,611</u>
Noncurrent assets:				
Restricted cash	0	991,924	0	991,924
Land non-depreciable capital assets	3,323,685	1,969,939	0	5,293,624
Capital assets, net of accumulated depreciation	56,225,807	7,275,635	0	63,501,442
Other assets - net	0	447,182	0	447,182
Total noncurrent assets	<u>59,549,492</u>	<u>10,684,680</u>	<u>0</u>	<u>70,234,172</u>
Total assets	<u>\$ 67,914,108</u>	<u>\$ 21,443,494</u>	<u>\$ 1,242,181</u>	<u>\$ 90,599,783</u>
<b>LIABILITIES AND NET ASSETS</b>				
Current liabilities:				
Accounts payable	\$ 31,076	\$ 552,669	\$ 520	\$ 584,265
Accrued liabilities	0	108,209	0	108,209
Deferred revenue	0	206,781	0	206,781
Capital lease - current portion	0	241,830	0	241,830
Mortgage loans payable	0	0	24,583	24,583
Escrow deposits payable	0	0	4,175	4,175
Total current liabilities	<u>31,076</u>	<u>1,109,489</u>	<u>29,278</u>	<u>1,169,843</u>
Noncurrent liabilities:				
Compensated absences, less current portion	0	863,991	0	863,991
Capital lease - long-term portion	0	7,839,610	0	7,839,610
Long term debt - mortgage loans payable	0	0	598,657	598,657
Total noncurrent liabilities	<u>0</u>	<u>8,703,601</u>	<u>598,657</u>	<u>9,302,258</u>
Total liabilities	<u>31,076</u>	<u>9,813,090</u>	<u>627,935</u>	<u>10,472,101</u>
Net assets:				
Invested in capital assets, net of related debt	59,549,492	2,314,048	0	61,863,540
Restricted for Criminal Justice Authority operations	8,333,540	0	0	8,333,540
Unrestricted	0	9,316,356	614,246	9,930,602
Total net assets	<u>67,883,032</u>	<u>11,630,404</u>	<u>614,246</u>	<u>80,127,682</u>
Total liabilities and net assets	<u>\$ 67,914,108</u>	<u>\$ 21,443,494</u>	<u>\$ 1,242,181</u>	<u>\$ 90,599,783</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, 2008**

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Criminal Justice Authority	City/County Health Department	Tulsa County Home Finance Authority	Totals
<b>Tulsa County Criminal Justice Authority</b>								
General government	\$27,491,038	\$4,907,385	\$138,187	\$0	-\$22,445,466	\$0	\$0	-\$22,445,466
Depreciation expense	2,200,188	0	0	0	-2,200,188	0	0	-2,200,188
Funding from Tulsa County	0	0	23,633,512	0	23,633,512	0	0	23,633,512
<b>Total Criminal Justice Authority</b>	<b>29,691,226</b>	<b>4,907,385</b>	<b>23,771,699</b>	<b>0</b>	<b>-1,012,142</b>	<b>0</b>	<b>0</b>	<b>-1,012,142</b>
<b>Tulsa City/County Health Department</b>								
General government	21,945,362	2,381,296	8,284,524	0	0	-11,279,542	0	-11,279,542
Depreciation expense	431,893	0	0	0	0	-431,893	0	-431,893
Interest on long-term debt	363,607	0	0	0	0	-363,607	0	-363,607
Payment to Tulsa County	36,000	0	0	0	0	-36,000	0	-36,000
<b>Total City/County Health Department</b>	<b>22,776,862</b>	<b>2,381,296</b>	<b>8,284,524</b>	<b>0</b>	<b>0</b>	<b>-12,111,042</b>	<b>0</b>	<b>-12,111,042</b>
<b>Tulsa County Home Finance Authority</b>								
General government	335,381	331,168	0	0	0	0	-4,213	-4,213
Conduit debt financing activities	318,140	0	0	0	0	0	-318,140	-318,140
Interest on long-term debt	48,112	0	0	0	0	0	-48,112	-48,112
<b>Total Tulsa County Home Finance Authority</b>	<b>701,633</b>	<b>331,168</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-370,465</b>	<b>-370,465</b>
<b>Total major component units</b>	<b>\$53,169,721</b>	<b>\$7,619,849</b>	<b>\$32,056,223</b>	<b>\$0</b>	<b>-\$1,012,142</b>	<b>-\$12,111,042</b>	<b>-\$370,465</b>	<b>-\$13,493,649</b>
		General revenues:						
		Ad valorem taxes	0	11,279,216	0	0	0	11,279,216
		Interest earnings	0	238,057	0	42,508	0	280,565
		Miscellaneous	0	1,042,419	0	0	0	1,042,419
		Change in net assets		448,650		-327,957		-891,449
		Net assets- beginning of year		11,181,754		942,203		81,019,131
		Net assets-end of year		\$11,630,404		\$614,246		\$80,127,682

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

## **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. With respect to proprietary activities, including component units, the County has adopted GASB Statement No. 20, "Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that use Proprietary Fund Accounting". Tulsa County has elected to apply all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) Opinions issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements. For fiscal year end of June 30, 2006, Tulsa County implemented GASB Statement No. 44, "Economic Condition Reporting: The Statistical Section". For fiscal year end of June 30, 2007, Tulsa County implemented GASB Statement No. 43, "Financial Reporting for Postemployment Benefit Plans other than Pension Plans". The implementation of GASB Statement No. 43, did not have a material impact on Tulsa County's financial statements. For the fiscal year ended June 30, 2008, Tulsa County implemented GASB Statement No. 50, "Pension Disclosures: An amendment of GASB statements 25 and 27.

### **Adoption of New Accounting Pronouncements:**

**Other Post-Employment Benefits (OPEB)** – In June 2004, GASB issued Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions." Statement No. 45 is effective for Tulsa County during the year ended June 30, 2008.

The Statement establishes standards for the measurement, recognition, and display of OPEB expense/expenditures and related liabilities, note disclosures, and required supplementary information (RSI) in the financial reports of state and local governments.

The approach followed in this Statement generally is consistent with the approach adopted in Statement No. 27, "Accounting for Pensions by State and Local Governmental Employers" with modifications to reflect differences between pension benefits and OPEB Statement No. 43, "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans, " addresses financial statement and disclosure requirements for reporting by administrators or trustees of OPEB plan assets or by employers or sponsors that include OPEB plan assets as trust or agency funds in their financial reports.

Postemployment benefits (OPEB as well as pensions) are part of an exchange of salaries and benefits for employee services rendered. Of the total benefits offered by employers to attract and retain qualified employees, some benefits, including salaries and active-employee healthcare, are taken while the employees are in active service, whereas other benefits, including post-employment healthcare and other OPEB, are taken after the employees' services have ended. Nevertheless, both types of benefits constitute compensation for employee services.

From an accrual accounting perspective, the cost of OPEB, like the cost of pension benefits, generally should be associated with the periods in which the exchange occurs, rather than the periods (often many years later) when benefits are paid or provided. However, in current practice, most OPEB plans are

financed on a pay as you go basis, and financial statements generally do not report the financial effects of OPEB until the promised benefits are paid.

This Statement improves the relevance and usefulness of financial reporting by a) requiring systematic, accrual-basis measurement and recognition of OPEB cost (expense) over a period that approximates employees' years of service and (b) providing information about actuarial accrued liabilities associated with OPEB and whether and to what extent progress is being made in funding the plan.

Significant Tulsa County accounting policies and practices are described below.

### **A. Financial Reporting Entity**

In accordance with the Governmental Accounting Standards Board Statement No. 14, "The Financial Reporting Entity", as amended by GASB Statements 34 and 39, Tulsa County has presented the entities that comprise the primary government including its blended component units and its 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 of its component units. Component units are legally separate entities that meet any one of the following three tests: test 1: The primary government appoints the voting majority of the board of the component unit and the governing body of the primary government is able to impose its will on the component unit and/or is in a relationship of financial benefit or burden with the potential component unit; test 2: the component unit is fiscally dependent upon the primary government; test 3: other organizations for which the nature and significance of their relationship with the primary government are such that exclusion could cause the County's basic financial statements to be misleading or incomplete.

#### **1. Blended Component Units**

The following component units have been presented as *blended* component units because the component unit's governing body is substantially the same as the governing body of the County, or the component unit provides services almost entirely to the County.

Tulsa County Employees' Retirement System - The Board of Trustees of the Tulsa County Employees' Retirement System (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.

Tulsa County Public Facilities Authority - The Public Facilities Authority is a public trust established under the provisions of the Oklahoma Trust Act on January 17, 1983. The Authority 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 Tulsa County Public Facilities Authority (TCPFA) board and they appoint the other two members.



Tulsa County Industrial Authority – The Industrial Authority is a public trust established under the provisions of the Oklahoma Trust Act on March 1, 1965. The Authority was created to promote the development of industry within territorial limits of Tulsa County and the State of Oklahoma. The three Tulsa County Commissioners serve as the Tulsa County Industrial Authority board. In accordance with Oklahoma Statutes, 68 O.S. 1994 Supplement # 1370.2A, the voters of Tulsa County passed three temporary sales taxes titled 4 to Fix, 4 to Fix II, and Vision 2025 to fund capital improvements projects to benefit the citizens of Tulsa County. The financial activity for 4 to Fix, 4 to Fix II, and Vision 2025 capital projects and related debt service activities are reported in the Tulsa County Industrial Authority.

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

## **2. Discretely Presented Component Units**

The component unit's column in the government-wide financial statements includes the financial data of the County's 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. The following discretely presented component units are included in the financial statements:

Tulsa County Criminal Justice Authority – The Criminal Justice Authority 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 Authority 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 trustees, including 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 of the County govern the Authority. The Chairman of the Board of County Commissioners also serves as Chairman of the Authority's Board of Trustees. In the event of a financial shortfall, Tulsa County along with the other beneficiaries of the public trust is responsible for any financial burden.

Tulsa City/County Health Board (Department) - The Tulsa City/County Health Board (Department) was created in 1950 by joint resolution of the City of Tulsa and the Board of County Commissioners. A nine (9) member board oversees the day-to-day operations of the Department. The City of Tulsa appoints five (5) members, all of which must be licensed physicians. The remaining four (4) members that are appointed by the Board of County Commissioners are only required to be registered voters. If the Health Department were 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. Tulsa City/County 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.

Tulsa County Home Finance Authority – The Tulsa County Home Finance Authority (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 Authority was created to provide housing for low to middle income residential use whether a single or multi-family dwelling. The Tulsa County Commissioners appoint four members of the TCHFA board; the fifth member is one of the Tulsa County Commissioners. If TCHFA were not included in the financial statements of Tulsa County, the accompanying financial statements would be misleading and incomplete. The Tulsa County Home Finance Authority has a December 31 fiscal year end.

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, Tulsa, Oklahoma 74103.

### 3. Jointly Governed Organizations

Tulsa City/County Library Board – The Tulsa City/County Library was created on July 1, 1962 by joint resolution of the City of Tulsa and the Board of County Commissioners. 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, Tulsa County appoints 3 members, one member is the Chairman of the Board of County Commissioners, and the other member is the Mayor, City of Tulsa. The City 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 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, Tulsa, Oklahoma 74103.

### 4. Joint Venture

The County is a participant in a joint venture in which it retains an ongoing financial interest or an ongoing financial responsibility.

River Parks Authority (RPA) - The County is a participant with the City of Tulsa in a joint venture to operate and maintain a park along the Arkansas River. The RPA, a public trust, was created on April 9, 1974 for that purpose. The County and the City of Tulsa contribute to the annual operating budget of the RPA. The Board of Trustees is comprised of seven members, three appointed by the City, three appointed by the County, and one by the Tulsa Metropolitan Area Planning Commission. The RPA receives grants from Tulsa County and from the City of Tulsa to finance operations. For the year ended June 30, 2008, Tulsa County's grants totaled \$656,210, the City of Tulsa's grants totaled \$824,144, and the City of Sand Springs's grants totaled \$19,920. Tulsa County does not have an equity interest in this organization. Complete audited financial statements for RPA can be obtained from the Executive Director at 707 S. Houston, Suite 510, Tulsa, Oklahoma, 74127.

The change in net assets for RPA for each of the last four years was as follows:

	2008	2007(Restated)	2006	2005
Change in net assets	\$ 3,646,591	\$ 1,173,220	\$ 203,835	\$ (233,648)

## **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 categorize as either governmental activities or business-type activities. In the government-wide Statement of Net Assets, 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.

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 maintain any Internal Service Funds.

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 (which have been redefined and narrowed in scope by the new financial reporting model) 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, liabilities, reserves, net assets, 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, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a single column in the fund financial statements. Tulsa County reports the following major funds.

#### Major Funds

- ◆ **General Fund** is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- ◆ **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 two separate sales tax levies. Part of the sales tax collections is transferred to the Tulsa County Criminal Justice Authority for the maintenance of the jail. The remainder of the sales tax collections is transferred to the Tulsa County Industrial Authority for servicing the debt and for various capital improvement projects.
- ◆ **Sheriff Jail Fund** accounts for the contract revenue received from the Tulsa County Criminal Justice Authority by the Tulsa County Sheriff's office to operate the jail.
- ◆ **Tulsa County Industrial Authority Special Revenue 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.
- ◆ **Tulsa County Industrial Authority Debt Service Fund** accounts for the accumulation of financial resources for the payment of interest and principal on revenue bonds.
- ◆ **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 assets and changes in net assets and employs accounting principles similar to proprietary funds.

**Pension Trust Fund** reports the resources held in trust for members and beneficiaries of a defined benefit plan (employee's retirement system).

**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 & 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 determined. "Available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

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 deferred revenue.

**Economic Resource Measurement Focus** – Measures both current and long-term assets and liabilities. A Statement of Net Assets 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 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 assets**

**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. 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 amount at which an investment could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The U.S. Treasury and agency obligations with maturities of less than one year are reported at cost, which approximates market value.

**Accounts receivable and taxes receivable**

Trade receivables and property tax receivables are shown net of an allowance for uncollectibles.

**Notes and mortgage loans receivable**

Notes receivable is restricted to the payment of the related long-term debt held as collateral. Mortgage loan receivables are written-off as an expense in the year in which they are deemed uncollectible.

**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 Assets, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

**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.

**Advances to Other Funds** – Amounts owed to one fund or component unit by another which are due within one year are reported as advances 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 financial statements and proprietary type fund financial statements balance sheets 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 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 assets, other than infrastructure assets, acquired with tax-exempt debt. The amount of interest capitalized is the net interest expense incurred (interest expense less interest income) from the date of borrowing until completion of the project.

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 years
Building improvements	30-40 years
Machinery & equipment	8-20 years
Signal light installations	20 years
Bridges	75-100 years
Roads and highways	15-40 years

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 expenditure.

In proprietary funds, both bond premiums and issuance costs 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 whereas issuance costs are recorded as other costs.

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

#### **Fund balance**

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for a specific purpose. Designations of fund balance, if any are appropriate, represent management plans that are subject to change.

### **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 assessed value as of January 1, 2008, was \$4,588,773,538 after excluding homestead exemptions of \$121,894,120.

Tulsa County will levy on October 1, 2008, 10.30 mills for General Fund operations, 2.58 mills for the County Health Department, 5.32 mills for the County Library and .01 mills for Debt Service.

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 revenues in connection with receivables for revenues that are 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, 2008 were 95.84% of the tax levy. Over the past ten fiscal years, the average percent outstanding collected is 95.69%.

#### **Drainage assessments**

Each year, property owners in two separate areas of Tulsa County are assessed a special tax in order to maintain levy systems 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 two separate drainage district funds to be expended for the maintenance of the levy systems. Each 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. Neither district has any outstanding debt. Due to the characteristics of the two funds, they are 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 are reported as deferred revenues.

#### **Sales tax revenue**

The County has a 5/12<sup>th</sup> % sales tax levy, which 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 annual leave at a rate of 10 days per year for the first 7 years of service and 15 days for 8 years of service through 15 years of service and 20 days per year thereafter. Annual leave must be used within the subsequent year. Unused annual leave may be carried forward under certain circumstances with written approval of the official and department manager. All accrued annual 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 1 day per month up to a maximum of 90 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 annual leave. The government-wide financial statements present the cost of accumulated vacation leaves as a liability.

## **G. Net assets**

The government-wide and business-type fund financial statements utilize a net asset presentation. Net assets are categorized as investment in capital assets (net of related debt), restricted net assets and unrestricted net assets.

**Investment in capital assets (net of related debt)** – This component of net assets 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 assets** – Net assets are reported as restricted when constraints placed on net assets 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 assets prior to the use of unrestricted net assets when both restricted and unrestricted net assets are available for an expense which has been incurred.

**Unrestricted net assets** – Unrestricted net assets represent net assets that are 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 assets consist of net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

## **H. Reclassifications in Current Year**

The Industrial Authority’s Capital Project Fund has been renamed Special Revenue Fund to more accurately reflect the function of this fund. The purpose of this fund is to account for capital projects bond proceeds, which are primarily expended for or transferred to other governmental units.

In addition, certain historical expenditure accounts and net asset groupings in the Industrial Authority’s Special Revenue Fund and Debt Service Fund have been reclassified in the current year presentation. These reclassifications do not affect reported excess of revenues over expenditures and other financing sources (uses), or changes in net assets, but do materially impact the presentation of net 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.

## **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 certificates of deposit, savings accounts and direct obligations of the U.S. Government and its Agencies. State Statutes also restrict the pension fund investments to the above investments but also include certain public and private debt securities. 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. Judgments against Tulsa County have typically been purchased by the County's retirement system as an investment. The amount reported in the financial statements as fair value represents the unpaid principal, which will be paid from future property tax receipts.

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 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. Collateral is identified and registered with the office of State Treasurer. 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.

The County's deposits and investments as of June 30, 2008 are categorized below after defining the different types of risk disclosures that the County's deposits and investments are subject to.

**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 (FDIC) insurance as detailed in the Investment Policy approved by the Board and authorized by the Oklahoma State Treasurer under the Unit Collateral System.

**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 (P-1) or Standard & Poor's (A-1+). 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 is 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 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.

**Foreign Currency Risk** is the risk that changes in exchange rates will adversely affect the fair value of an investment. The constraints on the international equity portfolio managers are to diversify internationally across the global equity markets. The international equity manager invests in only non-U.S. dollar denominated equity securities. The manager is required to invest in a prudent manner and to operate under the restrictions indicated in their prospectus. These include regional constraints, diversification requirements, and the type of securities held.

### **Governmental Activities-Without Industrial Authority, Pooled with Agency Funds**

#### Deposits

On June 30, 2008, the cash and cash equivalents balance for Governmental Activities is \$45,603,765 including cash and cash equivalents of \$1,194,598 relating to Tulsa County Industrial Authority's General Fund, which was reclassified as a non-major Special Revenue Fund. Agency Funds also have total deposits of \$53,712,083. 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, 2008, the cash balance includes \$205,351 and is maintained by three financial institutions in demand accounts in the Authority's name.

#### Investments

Investments of the Industrial Authority's funds are governed by Title 19OSA 953.IA, 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, etc.).

The composition of the Industrial Authority's reported cash and cash equivalents of \$1,194,598 and investments of \$211,680,091 is shown in the following table.

Tulsa County, Oklahoma  
Notes to the Financial Statements  
June 30, 2008

	Fair Value	Cost	Average Credit Quality/Rating (1)	Number of Years to Maturity (2)
Money Market (U.S. Treasuries)	\$ 106,558,504	\$106,558,504	AAA	.02
Guaranteed Investment Contract	44,454,348	44,454,348	AAA	7.98
BOK Investor Fund Corporate (3)	61,656,486	61,656,486	N/A	N/A
Cash	205,351	205,351	N/A	N/A
Total Investments	\$ 212,874,869	\$212,874,869		

- (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 Investor Fund does not have a weighted average to maturity. It is an internal money market fund whose rate is tied to the American Performance Cash Management Fund plus 5 basis points. It is not rated but collateralized.

As of June 30, 2008, the Industrial Authority had the following investments and maturities:

**Investment Maturities (In Years)**

	Fair Value	Less than 1	1-5	6-10	More than 10
Money Market (U.S. Treasuries)	\$106,558,504	70.56%	0.0%	0.0%	0.0%
Guaranteed Investment Contract	44,454,348	.00%	3.35%	26.09%	0.0%
BOK Investor Fund Corporate	61,656,486	N/A	N/A	N/A	N/A
Cash	205,351	N/A	N/A	N/A	N/A
Total Investments	\$212,874,869	70.56%	3.35%	26.09%	0.0%

**Proprietary Activities (Tulsa County Public Facilities Authority)**

Cash and Investments

Horsemen's Trust Account

Included in the Horseman's Trust Account is cash held in a custodial capacity, for the payment of purses during the live racing meet. A liability for these amounts has been recorded and is included in liability to Horsemen.

Restricted cash and investments

Restricted assets consist primarily of cash and investments 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

mutual funds. During fiscal year 2008, the Authority invested in money market mutual funds and investment contracts.

The Authority does not have formal policies covering credit, interest rate, or foreign currency risk.

The carrying amounts of the Authority's investments in money market mutual funds reported as cash equivalents at June 30, 2008 amounted to \$16,781,424. As of June 30, 2008 for the investments held in money market mutual funds were rated AAA by Standard and Poor's. The carrying amount of the Authority's investment in investment contracts at June 30, 2008 was \$1,176,500. There was no credit rating available for the investment contracts as of June 30, 2008. Carrying amounts approximate market value for the Authority's investments.

#### Custodial credit risk-Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Authority's deposits may not be returned to it. The Authority does not have a policy to limit custodial credit risk. As of June 30, 2008, \$2,364,483 of the Authority's bank balance of \$4,111,754 was uninsured and uncollateralized, resulting in exposure to custodial credit risk.

### **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.

The Department has designated cash of \$529,270 for self-insurance, and \$200,000 designated for equipment failure contingency. The Department has also designated \$1,504,576 for capital improvements.

#### **Tulsa County Criminal Justice Authority**

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, 2008.

At June 30, 2008, cash and cash equivalents and investments include money market accounts and Federal Home Bank guaranteed debt. All accounts are held through Tulsa County. The money market and sweep accounts are invested in U.S. government backed securities and, therefore, are not subject to the collateral depository risks. Money market and sweep accounts represented approximately \$1,240,326 at June 30, 2008. Funds pooled with Tulsa County funds were \$2,000,000 at June 30, 2008.

#### **Tulsa County Home Finance Authority**

Oklahoma state statutes govern the investment policies of all Tulsa County agencies, including the

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Authority. Allowable investments include certificates of deposits, savings accounts and direct obligations of the U.S. government and its agencies. The Authority's deposits of cash and cash equivalents at December 31, 2007 are categorized in the table below to give an indication of the level of risk assumed.

Bank deposits, consisting of cash and U.S treasury money market accounts, are carried at market value. Bank deposits are as follows:

Bank deposits	Carrying Amount	Financial Institution Balance
Insured deposits	\$ 12,526	\$12,526
Un-insured deposits	540,715	540,715
Total bank deposits	\$553,241	\$ 553,241

Insured deposits are fully insured by the Federal Deposit Insurance Corporation (FDIC). Un-insured deposits are deposits in excess of FDIC coverage, including any bank balance that is collateralized with securities held by the pledging financial institution's trust department or agent in the Authority's name. Any difference between the carrying amount and the financial institution balance would be due to outstanding checks. While the Authority has a large amount of cash and cash equivalents that are considered un-insured 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, 2008, the cash balance was \$564,719, and is maintained by the Bank of Oklahoma in a demand account in the County's name.

Custodial credit risk for deposits is the risk that in the event of bank failure, the retirement system's deposits may not be returned or the retirement system 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 the retirement system requires deposits to be 110 percent secured by collateral valued a 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 treasury 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's deposits are not exposed to custodial credit risk because the deposits are insured by FDIC insurance and are collateralized.

Investments

Investments of the TCERS's funds are governed by Title 19OSA 953.1A, as amended, of the Oklahoma

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Statutes. The Oklahoma Statutes places no limitations or restrictions on the choice of investment vehicles other than those a prudent investor would select. The Board of Trustees has retained five outside investment management firms to manage six different portfolios for the retirement system 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. All investment securities are not exposed to custodial credit risk because all securities are held by a third party custodian rather than a counterparty and are carried in street name.

The composition of the retirement system's investments as of June 30, 2008 is shown in the following table:

	Fair Value	Cost	Average Credit Quality/Rating (1)	Weighted Average Number of Years to Maturity (2)
Money Market Mutual Fund	\$ 6,722,237	\$6,722,237	AAA	-
U.S. Government	20,529,737	19,6963,353	N/A	8.7
U.S. Agency obligations	20,156,513	20,075,419	AGY	6.6
Corporate Bonds	36,689,787	37,194,286	A	5.4
Domestic stocks	62,905,389	58,408,855	N/A	N/A
International stocks	37,721,283	16,878,515	N/A	N/A
Judgments	141,000	141,000	N/A	N/A
Total Investments	\$184,865,946	\$159,113,665		

- (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.

As of June 30, 2008, the retirement system had the following investments and maturities:

**Investment Maturities (In Years)**

	Fair Value	Less than 1	1-5	6-10	More than 10
U.S. Government (1)	20,529,737	0.0%	13.4%	9.9%	3.2%
U.S. Agencies (2)	20,156,513	.9%	3.3%	4.0%	17.4%
Corporate Bonds	36,689,787	1.4%	23.1%	14.5%	8.9%
Total Investments	\$77,376,037	2.3%	39.8%	28.4%	29.5%

- (1) Includes Government National Mortgage Association (GNMA) investments, which are explicitly guaranteed by the U.S. government.  
(2) Investments in various agencies, which are not explicitly guaranteed by the U.S. Government.

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.



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	Minimum	Target	Maximum
Domestic equity	7.5%	37.5%	67.5%
Core Equity	0.0%	10.0%	20.0%
Mid Capitalization	7.5%	17.5%	27.5%
Small Capitalization	0%	10%	20%
International equity	12.5%	22.5%	32.5%
Bonds (maturity greater than 1 year)	30%	40%	50%
Cash (maturity less than 1 year)	0%	0%	5%

TCERS's international equity portfolio comprises 20.4 % of the total portfolio investments at fair value as of June 30, 2008. The manager of this pooled portfolio does not hedge the foreign currency risk and the Investment Policy does not require it.

**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 Assets are as follows:

	General Fund	County Highway	Sales Tax Fund	Industrial Authority Special Revenue	Industrial Authority Debt Service	Nonmajor Governmental Funds	Proprietary Funds	Total Primary Government
<b>Receivables:</b>								
Interest Receivable	\$158,339	\$15,019	\$31,603	\$38,137	\$432,243	\$1,124	\$0	\$676,466
Ad Valorem Taxes Receivable	2,050,371	0	0	0	0	26,098	0	2,076,469
Sales Tax Receivable	0	0	16,676,295	0	0	0	0	16,676,295
Use Tax Receivable	0	0	1,145,215	0	0	0	0	1,145,215
Accounts Receivable	0	0	0	0	0	0	761,449	761,449
Intergovernmental Receivables	395,227	1,225,640	0	0	0	559,273	1,145,215	3,325,355
<b>Gross Receivables</b>	<b>2,603,937</b>	<b>1,240,659</b>	<b>17,853,113</b>	<b>38,137</b>	<b>432,243</b>	<b>586,495</b>	<b>1,906,664</b>	<b>24,661,248</b>
Less: Allowance for Uncollectible Ad Valorem Taxes	88,373	0	0	0	0	1,125	0	89,498
<b>Net Receivables</b>	<b>\$2,515,564</b>	<b>\$1,240,659</b>	<b>\$17,853,113</b>	<b>\$38,137</b>	<b>\$432,243</b>	<b>\$585,370</b>	<b>\$1,906,664</b>	<b>\$24,571,751</b>

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**Transfers**

Purpose of Transfers

Transfers are used to (1) move sales tax revenues from the Special Revenue Fund established to collect the sales tax revenues to the funds established by the various Authorities that will expend the funds and (2) move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due.

Transfers for the year ended June 30, 2008, consist of the following amounts:

		<i>TRANSFERS FROM</i>						
<i>-----TRANSFERS IN-----</i>		<i>GENERAL FUND</i>	<i>COUNTY HIGHWAY FUND</i>	<i>SALES TAX FUND</i>	<i>SHERIFF JAIL FUND</i>	<i>INDUSTRIAL AUTHORITY SPECIAL REVENUE FUND</i>	<i>INDUSTRIAL AUTHORITY DEBT SERVICE FUND</i>	<i>OTHER GOVERNMENTAL FUNDS</i>
<i>Primary Government:</i>								
<i>Governmental Activities:</i>								
<i>Major Funds:</i>								
General Fund	5,510,882		64,763	-	3,700	-	-	5,442,419
County Highway Fund	1,000,000	-	-	-	-	-	-	1,000,000
Sales Tax Fund	-	-	-	-	-	-	-	-
Tulsa County Industrial Authority								
Special Revenue Fund	9,217,339	-	-	-	-	-	9,217,339	-
Debt Service Fund	8,843,419	-	-	-	-	8,843,419	-	-
Sub-total Major Funds	<u>24,571,640</u>	<u>-</u>	<u>64,763</u>	<u>-</u>	<u>3,700</u>	<u>8,843,419</u>	<u>9,217,339</u>	<u>6,442,419</u>
<i>Nonmajor Governmental Funds:</i>								
Other Nonmajor Funds	10,989,438	7,707,386	1,161,944	201,436	-	-	-	1,898,672
Sub-total Nonmajor Funds	<u>10,989,438</u>	<u>7,707,386</u>	<u>1,161,944</u>	<u>201,436</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,898,672</u>
Total Governmental Activities	<u>35,541,078</u>	<u>7,707,386</u>	<u>1,226,707</u>	<u>201,436</u>	<u>3,700</u>	<u>8,843,419</u>	<u>9,217,339</u>	<u>8,341,091</u>
<i>Business-Type Activities:</i>								
Public Facilities Authority	6,624,221	-	-	6,624,221	-	-	-	-
Total Business-type Activities	<u>6,624,221</u>	<u>-</u>	<u>-</u>	<u>6,624,221</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>42,165,299</u>	<u>7,707,386</u>	<u>1,226,707</u>	<u>6,825,657</u>	<u>3,700</u>	<u>8,843,419</u>	<u>9,217,339</u>	<u>8,341,091</u>
<i>The Statement of Activities reports:</i>								
	<u>Transfers-</u>	<u>Transfers</u>		<u>Net</u>				
	<u>In</u>	<u>Out</u>		<u>Transfers</u>				
<i>Primary Government</i>								
Governmental Activities	35,541,078	(42,165,299)		(6,624,221)				
Business-type Activities	6,624,221	0		6,624,221				
Total Primary Government	<u>42,165,299</u>	<u>(42,165,299)</u>		<u>-</u>				

The transfers between the Business-type Activities and the Government Activities net to zero for the fiscal year ended June 30, 2008.

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**C. Capital assets**

Capital assets activity for the year ended June 30, 2008 was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental activities:</b>				
<b>Non-depreciable assets:</b>				
Land	\$ 21,620,120	\$ 119,726	\$ 1,750	\$ 21,738,096
Construction in progress	21,379,709	7,658,632	10,874,366	18,163,975
Total non-depreciable	<u>42,999,829</u>	<u>7,778,358</u>	<u>10,876,116</u>	<u>39,902,071</u>
<b>Depreciable assets:</b>				
Buildings	30,040,560	20,585	-	30,061,145
Machinery and equipment	26,532,070	2,398,231	1,416,193	27,514,108
Infrastructure	<u>81,708,250</u>	<u>8,199,716</u>	<u>735,507</u>	<u>89,172,458</u>
Total capital assets being depreciated	<u>138,280,880</u>	<u>10,618,532</u>	<u>2,151,700</u>	<u>146,747,711</u>
<b>Capital Assets</b>	<u>181,280,709</u>	<u>18,396,890</u>	<u>13,027,816</u>	<u>186,649,782</u>
<b>Accumulated Depreciation:</b>				
Buildings	19,415,894	402,820	-	19,818,714
Machinery and equipment	13,332,960	1,828,689	1,056,030	14,105,619
Infrastructure	<u>30,284,759</u>	<u>2,654,330</u>	<u>553,633</u>	<u>32,385,456</u>
Total accumulated depreciation	<u>63,033,613</u>	<u>4,885,839</u>	<u>1,609,663</u>	<u>66,309,789</u>
<b>Depreciable assets, net</b>	<u>75,247,267</u>	<u>5,732,693</u>	<u>542,037</u>	<u>80,437,922</u>
<b>Governmental capital assets, net</b>	<u>\$ 118,247,096</u>	<u>\$ 13,511,051</u>	<u>\$ 11,418,151</u>	<u>\$ 120,339,993</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
<b>Industrial Authority:</b>				
<b>Non-depreciable assets:</b>				
Land	\$ 2,360,964	-	-	\$ 2,360,964
Total non-depreciable	<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 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 2007, and the land will remain on the books of the Industrial Authority.

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	Beginning Balance	Increases	Decreases	Ending Balance
<b>Business-type activities:</b>				
<b>Non-depreciable assets:</b>				
Land	\$ 96,000	\$ -	\$ -	\$ 96,000
Construction in progress	6,347,671	28,582,160	15,202,966	19,726,865
Total non-depreciable	<u>6,443,671</u>	<u>28,582,160</u>	<u>15,202,966</u>	<u>19,822,865</u>
<b>Depreciable assets:</b>				
Buildings and system	112,924,595	17,266,599	-	130,191,194
Equipment	10,332,629	931,876	-	11,264,505
Total capital assets being depreciated	<u>106,508,460</u>	<u>16,748,764</u>	<u>-</u>	<u>123,257,224</u>
<b>Capital Assets</b>	<u>123,257,224</u>	<u>18,198,475</u>	<u>-</u>	<u>141,455,699</u>
<b>Accumulated Depreciation:</b>				
Buildings	35,739,310	4,416,494	-	40,155,804
Equipment	5,813,535	736,695	-	6,550,230
Total accumulated depreciation	<u>41,552,845</u>	<u>5,153,189</u>	<u>-</u>	<u>46,706,034</u>
<b>Depreciable assets, net</b>	<u>81,704,379</u>	<u>13,045,286</u>	<u>-</u>	<u>94,749,665</u>
<b>Business-type capital assets, net</b>	<u>\$ 88,148,050</u>	<u>\$ 41,627,446</u>	<u>\$ 15,202,966</u>	<u>\$ 114,572,530</u>
	Beginning Balance	Increases	Decreases	Ending Balance
<b>Discretely Presented Component Units:</b>				
<b>Capital Assets Non-depreciable assets:</b>				
Land and improvements	\$ 5,293,624	\$ -	\$ -	\$ 5,293,624
Total non-depreciable	<u>5,293,624</u>	<u>-</u>	<u>-</u>	<u>5,293,624</u>
<b>Depreciable Capital Assets:</b>				
Buildings	84,873,030	-	8,093	84,864,937
Equipment	3,806,646	1,134,750	-	4,941,396
Infrastructure	131,148	-	-	131,148
Total depreciable capital assets:	<u>88,810,824</u>	<u>1,134,750</u>	<u>8,093</u>	<u>89,937,481</u>
<b>Total Capital Assets</b>	<u>94,104,448</u>	<u>1,134,750</u>	<u>8,093</u>	<u>95,231,105</u>
<b>Accumulated Depreciation:</b>				
Buildings	21,321,937	2,145,095	203	23,466,829
Equipment	2,477,037	484,362	-	2,961,399
Infrastructure	5,186	2,623	-	7,809
Total accumulated depreciation	<u>23,804,160</u>	<u>2,632,080</u>	<u>203</u>	<u>26,436,037</u>
<b>Depreciable Capital Assets, net</b>	<u>65,006,664</u>	<u>-1,497,330</u>	<u>7,890</u>	<u>63,501,444</u>
<b>Component Units capital assets, net</b>	<u>\$ 70,300,288</u>	<u>\$ -1,497,330</u>	<u>\$ 7,890</u>	<u>\$ 68,795,068</u>

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Depreciation expense is charged to function as follows:

Governmental Activities		Business-Type Activities		Component Units	
General Government	\$ 1,218,345	Public Facilities Authority	\$ 5,153,189	Criminal Justice Authority	\$ 2,220,188
Public Safety	54,409		\$ 5,153,189	City/County Health	431,893
Health & Welfare	81,454				\$ 2,652,081
Culture & Recreation	456,209				
Education	2,046				
Roads & Highways	3,073,376				
	<u>\$ 4,885,839</u>				

The total of governmental capital assets, net, as presented above as of June 30, 2008 is \$117,979,029 and the Industrial Authority had an additional \$2,360,964 reported as land, which together provides the individual components of the amount reported for capital assets used in governmental activities that is presented on the governmental activities Statement of Net Assets. The reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities reports that capital outlay exceeded depreciation expense during the current period by \$81,836. Depreciation expense during the current period for Governmental Activities is \$4,885,839 while capital outlays totaled \$4,967,675 resulting in the reconciling amount of \$81,836.

**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 paid \$75,500 in judgments principal and \$14,624 in related interest on these judgments. At June 30, 2008, the total amount of unpaid judgment principal of \$144,333 is reflected in the government wide Statement of Net Assets.

**F. Notes and Mortgage Loans Payable**

The Tulsa County Home Finance Authority has various notes and mortgage loans payable as follows:

Nonmajor Component Unit	Principal	Interest
Home Finance Authority	\$ 623,240	\$ 398,577
Total	\$ 623,240	\$398,577

The estimated aggregate future debt service requirements are as follows:

Year Ended	Principal	Interest
2008	\$ 24,583	\$ 46,099
2009	27,388	44,137
2010	29,501	42,024
2011	31,777	39,747
2012	34,229	37,295
2013 – 2017	215,086	142,537
2018 – 2022	260,676	46,738
Total	\$ 623,240	\$ 398,577

The Tulsa County Home Finance Authority has a mortgage loans payable of \$623,240 at fiscal year end. The mortgage loans payable is the outstanding obligations for homes purchased by the Tulsa County Home Finance Authority under the 203(k) Demonstration Housing Program. A total of twenty-five (25) homes remain as inventory and serve as collateral for the outstanding mortgage loans payable. The Authority must make monthly payments on the mortgages to cover principal reduction, interest, and escrow payments. The monthly payment required for the remaining twenty-five (25) rental properties are approximately \$6,000. The outstanding mortgage loans are thirty-year, 7.5% fixed rate, and FHA assumable. The majority of the mortgage loans were initiated in 1992.

### G. Compensated Absences

Employees earn annual vacation leave at a rate of 10 days per year for the first 7 years of service and 15 days per year for years 8 through 15 and 20 days per year thereafter. Vacation leave must be used within the subsequent year. Unused vacation time may be carried forward under special circumstances with written permission of the official or department manager. All accrued vacation time 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 1 day per month up to a maximum of 90 days. This accrued time is not payable to the employee upon termination of employment. The amount of accumulated unpaid vacation benefits including the employer FICA portion is \$3,261,221 for the fiscal year ended June 30, 2008. \$2,688,688 is reported as a current liability for compensated absences, and the remainder of \$572,533 is shown as a non-current liability in the government wide Statement of Net Assets.

**H. Capital Leases**

**Governmental Activities**

The County acquires machinery and equipment, finances the acquisition of buildings, and makes improvements to golf courses 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 Assets at an amount equal to the present value of all remaining payments to maturity. 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, 2008 are as follows:

Year Ending June 30	Principal	Interest	Totals
2009	\$ 816,814	\$ 328,774	\$ 1,145,588
2010	712,979	300,064	1,013,043
2011	444,084	274,237	718,321
2012	461,479	256,940	718,419
2013	315,000	238,636	553,636
2014-2018	1,775,000	983,794	2,758,794
2019-2023	2,210,000	547,590	2,757,590
2024-2025	1,185,000	59,338	1,244,338
<b>Total</b>	<b>\$ 7,920,356</b>	<b>\$ 2,989,372</b>	<b>\$ 10,909,728</b>

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

	Balance 7/1/2007	Additions	Deletions	Balance 6/30/2008	Due Within One Year
Building & Improvements	\$ 1,081,605	\$ -	\$ 393,657	\$ 687,948	\$ 402,948
Golf courses	6,915,000	-	270,000	6,645,000	275,000
Equipment	719,548	-	132,140	587,408	138,866
	<u>\$ 8,716,153</u>	<u>\$ -</u>	<u>\$ 795,797</u>	<u>\$ 7,920,356</u>	<u>\$ 816,814</u>

**Component Unit: Tulsa City/County Health Department**

On December 1, 1997, Tulsa County Industrial Authority (TCIA) issued \$9,720,000 of Health Facilities Revenue bonds. A capital lease with the Department secures repayment of these bonds. The bonds were issued at a discount that is amortized over the term of the lease. The amount of the discount is \$447,482 at June 30, 2008. The amortization of these costs is included as a component of interest expense and was approximately \$14,000 during the year ended June 30, 2008. A portion of the bond proceeds was retained in trust and is used to retire interest and principal of the capital lease. At June 30, 2008, \$991,924 was held for future debt payments. Under the terms of the lease, quarterly payments are made to the bond

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trustee for retirement of the applicable bonds and the related interest. The lease matures in December 2027, bears interest from 4 to 5 percent and is secured by certain property.

The Department leases certain land and buildings, improvement, and equipment under an agreement classified as a capital lease. The cost of these assets represents approximately \$8,111,200 and accumulated amortization at June 30, 2008, was approximately \$1,689,244. 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
2009	\$ 220,000	\$ 395,000	\$ 615,000
2010	230,000	383,000	613,000
2011	240,000	372,000	612,000
2012	250,000	359,000	609,000
2013	265,000	346,000	611,000
2014-2018	1,535,000	1,515,000	3,050,000
2019-2023	1,955,000	1,080,000	3,035,000
2024-2028	3,305,000	506,875	3,811,875
	<u>\$ 8,000,000</u>	<u>\$ 4,956,875</u>	<u>\$ 12,956,875</u>

The Department leases certain copy machines under an agreement classified as a capital lease. The costs of these assets represent approximately \$153,840. Capital leases are capitalized using interest rates appropriate at the inception of the lease. Amortization of these assets is included in depreciation expense. The future maturities of copier leases are as follows:

Year Ended June 30:	Future Maturities
2009	\$21,830
2010	23,374
2011	26,793
2012	10,133
2013	2,493

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

	Balance 7/1/2007	Additions	Deletions	Balance 6/30/2008	Due Within One Year
Capital lease-Building	\$ 8,210,000	\$ -	\$ 210,000	\$ 8,000,000	\$ 220,000
Capital lease-Copiers	29,335	97,840	45,735	81,440	21,830
Compensated absences	863,774	105,192	58,079	910,887	46,896
	<u>\$ 9,103,109</u>	<u>\$ 203,032</u>	<u>\$ 313,814</u>	<u>\$ 8,992,327</u>	<u>\$ 288,726</u>



**I. 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 are 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 \$170,686 for the year ended June 30, 2008. The future minimum lease payments under these operating leases are as follows:

<u>Year Ending June 30</u>	<u>Amount</u>
2009	\$223,609
2010	243,108
2011	250,813
2012	259,825
2013	135,492
Thereafter	33,873
Total	\$1,146,720

**Business-type Activities**

The Public Facilities Authority leases certain equipment under noncancelable operating leases. As of June 30, 2008, the future minimum lease payments are as follows:

<u>Year Ending June 30</u>	<u>Amount</u>
2009	\$100,128
2010	96,908
2011	94,464
	<u>\$291,500</u>

Rent expense under these lease agreements during the year ended June 30, 2008 was \$101,126.

**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 reserved fund balance on the Tulsa County Industrial Authority's Balance Sheet-Governmental Funds results in a negative balance in

unrestricted net assets on the Tulsa County Industrial Authority's Statement of Net Assets. 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 "4 to Fix the County" and Vision 2025 projects. The purpose for "4 to Fix the County" funding primarily related to Tulsa County facility improvements, road expansion, park, and Expo square capital improvements. The purpose of Vision 2025 funding was for capital improvements for American Airlines, which will promote economic development for and provide additional jobs and payroll within Tulsa County, education, health care and events facilities, which will promote economic development for and provide additional jobs and payroll within Tulsa County, and capital improvements for community enrichment within Tulsa County.

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

	Balance 7-1-07	Additions	Deletions	Balance 6-30-08	Due Within One Year
Revenue bonds payable-2003	\$ 194,800,000	\$ -	\$ 16,300,000	\$ 178,500,000	\$ 16,600,000
Revenue bonds payable-2005	128,115,000	-	11,490,000	116,625,000	11,950,000
Revenue bonds payable-2005	55,500,000	-	4,700,000	50,800,000	4,950,000
Revenue bonds payable-2006	12,910,000	-	-	12,910,000	-
Revenue bonds payable-2006	31,650,000	-	-	31,650,000	-
Revenue bonds payable-2006	47,090,000	-	11,070,000	36,020,000	11,575,000
Premium on debt issuance	18,016,386	-	3,319,342	14,697,004	-
Subtotal	<u>488,081,386</u>	<u>-</u>	<u>46,879,342</u>	<u>441,202,004</u>	<u>45,075,000</u>
Capital lease payable	8,716,153	-	795,797	7,920,356	816,814
Judgments payable	124,833	95,000	75,500	144,333	62,167
Compensated absences	2,666,868	4,202,644	3,608,291	3,261,221	2,688,688
Total	<u>\$ 499,589,240</u>	<u>\$ 4,297,644</u>	<u>\$ 51,358,930</u>	<u>\$ 452,527,954</u>	<u>\$ 48,642,669</u>

The total of general long-term bonded debt as presented above as of June 30, 2008 is \$452,527,954, which provides the individual components of the amount reported for long-term liabilities (\$441,202,004 for the revenue bond issues and \$11,325,910 for the remaining long-term liabilities) used in governmental activities that is presented on the government wide Statement of Net Assets. 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;
- Capital improvements for community enrichment within the County.

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Tulsa County began collecting those taxes in January 2004 and will continue collection for the next thirteen years. Interest on the bonds for the Series 2003A bonds will be at a variable rate, (3.60% at June 30, 2007 and remarketed twice a year), and the Series 2003B bonds are at rates of 4 to 5 percent and paid in semi-annual intervals along with the principal coupons on May 15, 2005 and ending May 15, 2017. The amount outstanding at June 30, 2008 was \$178,500,000.

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

Year Ending June 30	Principal	Interest	Total
2009	\$ 16,600,000	\$ 7,170,330	\$ 23,770,330
2010	17,150,000	6,314,900	23,464,900
2011	17,600,000	5,457,400	23,057,400
2012	-	4,577,400	4,577,400
2013	-	4,577,400	4,577,400
2014-2017	127,150,000	18,309,600	145,459,600
Totals	\$178,500,000	\$46,407,030	\$224,907,030

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:

- 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;
- 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 bonds for the Series 2005A bonds will be at a variable rate, (3.60% at June 30, 2008 and remarketed twice a year), and the Series 2005B bonds are at a fixed rate of 5 percent and paid in semi-annual intervals beginning on November 15, 2005. Principal coupons begin on May 15, 2006 and end May 15, 2017. The amount outstanding at June 30, 2008 was \$116,625,000.

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

Year Ending June 30	Principal	Interest	Total
2009	\$ 11,950,000	\$ 5,608,790	\$ 17,558,790
2010	12,240,000	5,011,290	17,251,290
2011	12,720,000	4,399,290	17,119,290
2012	31,340,000	3,763,290	35,103,290
2013	32,485,000	2,196,290	34,681,290
2014-2017	15,890,000	572,040	16,462,040
Totals	\$116,625,000	\$21,550,990	\$138,175,990

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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:

- 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;
- 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 bonds for the Series 2005C bonds will be 5 percent and paid in semi-annual intervals beginning on May 15, 2006 and ending May 15, 2017. The amount outstanding at June 30, 2008 was \$50,800,000.

Year Ending June 30	Principal	Interest	Total
2009	\$ 4,950,000	\$ 2,540,000	\$ 7,490,000
2010	5,225,000	2,292,500	7,517,500
2011	5,300,000	2,031,250	7,331,250
2012	5,000,000	1,766,250	6,766,250
2013	5,600,000	1,516,250	7,116,250
2013-2017	24,725,000	3,143,750	27,868,750
Totals	\$50,800,000	\$13,290,000	\$64,090,000

During 2006 the Authority issued the \$12,910,000 Capital Improvement Revenue Bonds. Funds to pay the revenue bonds will come from the sales tax that was approved by voters in December 2005. The proceeds from the bond will be used to fund the following projects:

- Juvenile justice center and courthouse complex renovations, improvements, furnishings and equipment;
- Capital improvements at each of the Tulsa County Parks;
- Phase three of Expo Square's Master Plan, and;
- Improving selected County roads.

Tulsa County began collecting those taxes in October 2006 and will continue collection for the next five years. Interest on the bonds for the Series 2006A bonds will be 3.5 and 5 percent paid in semi-annual intervals beginning on January 1, 2007 and ending January 1, 2012. The amount outstanding at June 30, 2008 was \$12,910,000.

Year Ending June 30	Principal	Interest	Total
2009	\$ -	\$ 548,750	\$ 548,750
2010	-	548,750	548,750
2011	6,450,000	548,750	6,998,750
2012	6,460,000	435,875	6,895,875
Totals	\$12,910,000	\$2,082,125	\$14,992,125

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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 for the County;
- Education, health care and event facilities which will promote economic development for and provide additional jobs and payroll within the County;
- 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 bonds for the Series 2006 B 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 2006 C 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, 2008 was \$31,650,000. Debt requirements for the years ended June 30 are as follows:

Year Ending June 30	Principal	Interest	Total
2009	\$ -	\$ 1,432,375	\$ 1,432,375
2010	2,200,000	1,432,375	3,632,375
2011	2,400,000	1,338,875	3,738,875
2012	2,425,000	1,236,875	3,661,875
2013	2,650,000	1,127,750	3,777,750
2014-2017	21,975,000	2,146,500	24,121,500
Totals	\$ 31,650,000	\$ 8,714,750	\$ 40,364,750

During 2007 the Authority issued the \$47,090,000 Capital Improvement Revenue Bonds. Funds to pay the revenue bonds will come from the sales tax that was approved by voters in December 2005. The proceeds from the bond will be used to fund the following projects:

- Juvenile justice center and courthouse complex renovations, improvements, furnishings and equipment;
- Capital improvements at each of the Tulsa County Parks;
- Phase three of Expo Square’s Master Plan, and;
- Improving selected County roads.

Interest on the bonds for the Series 2006 D bonds will be 3.375 and 5.25 percent paid in semi-annual intervals beginning on July 1, 2007 and ending January 1, 2011. The amount outstanding at June 30, 2008 was \$36,020,000.

Year Ending June 30	Principal	Interest	Total
2009	\$ 11,575,000	\$ 1,520,988	\$ 13,095,988
2010	12,000,000	936,813	12,936,813
2011	12,445,000	424,688	12,869,688
Totals	\$ 36,020,000	\$ 2,882,489	\$ 38,902,489

### **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, 2008 was \$413,439,657.

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 government 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 assets. The total amount of conduit debt obligations outstanding as of December 31, 2007 was \$221,304,262.

### **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 June 30, 2008, was as follows:

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	Beginning Balance	Increases	Decreases	Ending Balance	Due within One Year
Bonds payable					
Series 2003 revenue bonds	\$4,700,000	\$ -	\$500,000	\$4,200,000	\$550,000
Series 2005 revenue bonds	25,745,158		692,956	25,052,202	1,172,805
Series 2007 revenue bonds	-	15,295,000	-	15,295,000	1,500,000
Total bonds payable	\$30,445,158	\$ 15,295,000	\$1,192,956	\$44,547,202	\$3,222,805
Notes payable					
Payable to a governmental entity	\$47,668	\$ -	\$47,668	\$ -	\$ -
Payable to a bank	29,073		29,073	-	-
Total notes payable	\$76,741	\$ -	\$76,741	\$ -	\$ -

**Notes Payable**

Notes payable of the Tulsa County Public Facilities Authority at June 30, 2008, consisted of the following:

Note payable to a governmental entity, monthly payments of \$7,263, interest was 7.5% through February 2006 and 0% thereafter, with unpaid principal and interest due December 2007, unsecured	\$47,668
Note payable to bank, monthly payments of \$1,275, interest at 4.75%, with unpaid principal and interest due January 13, 2008, collateralized by equipment	8,652
Note payable to bank, monthly payments of \$3,009, interest at 4.75% including unpaid principal and interest due January 13, 2008, collateralized by equipment	20,421
	\$76,741
Less current maturities	-
Long term obligations	\$ -

**Bonds Payable**

As of December 1, 2003, the Authority issued \$5,800,000 of its Recreational Facility Refunding Revenue Bonds, Series 2003 ("2003 Series Revenue Bonds") (average interest rate of 2.8%) principally to currently refund \$4,990,000 of outstanding 1992 Series revenue bonds (average interest rate of 6.2%). Of the net proceeds of \$5,522,002 (after underwriting fees and other issuance costs of \$210,300 and interest

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to call date on original issue of \$67,698), \$5,064,850 was used to refund the outstanding 1992 Series revenue bonds, including premium of \$74,850, and \$457,152 was used to purchase U.S. Government securities which were deposited in an irrevocable trust with an escrow agent to finance certain additions and improvements. As a result, the 1992 Series revenue bonds were defeased and the Authority has no liability on the 1992 bonds.

Interest on the 2003 Series revenue bonds is due semiannually. The 2003 Series revenue bonds outstanding at June 30, 2008, mature or have mandatory redemption, in the amounts and bear interest at the rates indicated below:

Dates of Maturity Or Redemptions	Principal	Interest	Annual Interest Rate
November 1, 2008	\$ 550,000	\$ 61,119	2.25%
May 1, 2009	-	54,931	2.25%
November 1, 2009	575,000	54,931	2.55%
May 1, 2010	-	47,600	2.55%
November 1, 2010	625,000	47,600	2.80%
May 1, 2011	-	38,850	2.80%
November 1, 2011	650,000	38,850	3.00%
May 1, 2012	-	29,100	3.00%
November 1, 2012	800,000	29,100	3.15%
May 1, 2013	-	16,500	3.15%
November 1, 2013	1,000,000	16,500	3.30%
	\$4,200,000	\$435,081	

The 2003 Series revenue bonds are subject to redemption, at the option of the Authority, in whole or in part, at redemption price equal to the principal amount thereof plus accrued interest in the event of extraordinary events as stated in the bond indenture. All rights, title and interest of the Authority in leaseholds, property and equipment, accounts, intangibles and related revenues, are pledged under the bond indenture.

The Authority is required under the 2003 Series bond indenture to maintain a series of funds for various purposes including unexpended construction funds, interest payments, principal repayments, bond reserve funds, renewals and replacements and contingencies.

As of October 1, 2005, the Authority issued \$27,805,000 of its Capital Improvement and Refunding Revenue Bonds, Series 2005 (the "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 insurance premium of \$ 411,394, net of amortization of \$138,159, as of June 30, 2008. The premium is being amortized utilizing the effective interest rate. 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



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improvements. As a result, the 1999 Series Revenue Bonds were defeased, and the Authority has 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 and is being amortized to interest expense utilizing the effective interest method. Of this amount, \$177,047 was amortized during 2008.

Interest on the 2005 Series revenue bonds is due semiannually. The 2005 Series revenue bonds outstanding at June 30, 2008 mature or have mandatory redemption, in the amounts and bear interest at the rates indicated below:

Dates of Maturity Or Redemptions	Principal	Interest	Annual Interest Rate
November 1, 2008	\$ 1,125,000	\$ 583,439	3.50%
May 1, 2009	-	563,752	3.50%
November 1, 2009	1,190,000	563,752	3.50%
May 1, 2010	-	542,927	3.50%
November 1, 2010	1,260,000	542,927	3.60%
May 1, 2011	-	520,247	3.60%
November 1, 2011	1,325,000	520,247	3.70%
May 1, 2012	-	495,734	3.70%
November 1, 2012	1,400,000	495,734	5.00%
May 1, 2013	-	460,734	5.00%
November 1, 2013	1,480,000	460,734	5.00%
May 1, 2014	-	423,734	5.00%
November 1, 2014	1,605,000	423,734	4.00%
May 1, 2015	-	391,634	4.00%
November 1, 2015	1,705,000	391,634	5.00%
May 1, 2016	-	349,009	5.00%
November 1, 2016	1,810,000	349,009	4.125%
May 1, 2017	-	311,678	4.125%
November 1, 2017	1,890,000	311,678	4.25%
May 1, 2018	-	271,516	4.25%
November 1, 2018	2,040,000	271,516	4.375%
May 1, 2019	-	226,891	4.375%
November 1, 2019	2,155,000	226,891	4.375%
May 1, 2020	-	179,750	4.375%
November 1, 2020	2,250,000	179,750	5.00%
May 1, 2021	-	123,500	5.00%
November 1, 2021	2,410,000	123,500	5.00%
May 1, 2022	-	63,250	5.00%
November 1, 2022	2,530,000	63,250	5.00%
	\$26,175,000	\$10,432,151	

The 2005 Series revenue bonds maturing after November 1, 2016, are subject to redemption at the option of the Authority on or after November 1, 2015, in the whole or in part, in the inverse order of maturity at par, with accrued interest.

As of July 1, 2007, the Authority issued \$15,295,000 of its Capital Improvement Revenue Bonds, Series 2007 (2007 Series revenue bonds) (average interest rate of 4.2%). Net proceeds of \$14,688,844 (after underwriting fees and other issuance costs of \$606,156) were deposited in an irrevocable trust with an escrow agent to finance certain additions and improvements.

Interest on the 2007 Series revenue bonds is due semi-annually. The 2007 Series revenue bonds outstanding at June 30, 2008, mature or have mandatory redemption, in the amounts and bear interest at the rates indicated below:

Dates of Maturity Or Redemptions	Principal	Interest	Annual Interest Rate
November 1, 2008	\$ 1,500,000	\$ 319,744	5.00%
May 1, 2009	-	282,244	5.00%
November 1, 2009	1,525,000	282,244	4.63%
May 1, 2010	-	246,978	4.63%
November 1, 2010	1,550,000	246,978	4.00%
May 1, 2011	-	215,978	4.00%
November 1, 2011	1,470,000	215,978	4.00%
May 1, 2012	-	186,578	4.00%
November 1, 2012	925,000	186,578	4.00%
May 1, 2013	-	168,078	4.00%
November 1, 2013	825,000	168,078	3.85%
May 1, 2014	-	152,197	3.85%
November 1, 2014	1,750,000	152,197	4.00%
May 1, 2015	-	117,197	4.00%
November 1, 2015	1,850,000	117,197	4.00%
May 1, 2016	-	80,197	4.00%
November 1, 2016	1,925,000	80,197	4.10%
May 1, 2017	-	40,734	4.10%
November 1, 2017	1,975,000	40,734	4.13%
	\$15,295,000	\$3,300,106	

The 2007 Series revenue bonds maturing on or after November 1, 2013, are subject to redemption at the option of the Authority on or after November 1, 2010, in whole or in part, in reverse order of maturity at par, with accrued interest.

The 2003, 2005, and 2007 Series bond indentures also provides 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.

The Authority's 2003, 2005, and 2007 Series revenue bonds are equally secured. Under the Indentures, the Authority grants a first lien on and pledge of and 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 leasehold interest in the racing facilities.

**K. Employees' retirement system**

As provided by Title 19, §951 through §962 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. One of the members appointed by the BOCC must be a licensed attorney, the other a licensed CPA, and both with pension fund administration experience. Three members, who must be current participants, are elected at large from all current participants. One member, who must be a retired member, is elected at large from all current participants and from retired members and beneficiaries of the system. The Board of Trustees meets the last Tuesday of each month to conduct business. Agendas are posted in properly designated areas.

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. No seasonal, temporary, hourly, part-time or contracted worker is eligible to be a member of the TCERS.

As of June 30, 2008 and 2007, the TCERS participants are as follows:

	2008	2007
Retirees and beneficiaries receiving benefits	755	734
Terminated employees entitled to benefits not yet received	354	334
Current active employees:		
Fully vested	956	951
Nonvested	883	868
Total participants	2,948	2,887

For the year ended June 30, 2008, the County's total payroll for all employees amounted to \$67,211,076. Of the 1,839 current active employees, 956 are fully vested and 883 are nonvested.

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 unless he/she attains the Rule of 80. This rule applies if the employee's age and years of service 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, etc. The benefit percentages for years of credited service are as follows:

<u>Years of Credited Services</u>	<u>Benefit Percentages</u>
5	12.5%
6	15.0%
7	17.5%
8	20.0%
9	22.5%
10	25.0%
11	28.0%
12	31.0%
13	34.0%
14	37.0%
15	40.0%
16	42.0%
17	44.0%
18	46.0%
19	48.0%
20	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 8 years 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).

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 - All spouses of vested participants who die while employed, after termination prior to commencement of benefits, or while receiving benefits are entitled to receive a life annuity equal to 70% of the retirement benefits for which the deceased was entitled. The benefit shall commence at the earliest date the deceased could have elected to begin receiving benefits or immediately if the benefit had already started. The benefits shall be paid to the surviving spouse until death.

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 salaries and wages and the resulting contributions are credited to the pension fund on a monthly basis. During the fiscal years ending June 30, 2008 and 2007, the County

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contributed 12 and 10%, respectively, of the employee's base salary while the employees contributed \$1 per year. Effective July 1, 2007, the County maximum contribution rate can be raised to 13.5% and the total maximum contribution rate for both the County and employees shall not exceed 16.5%.

Actuarial Assumptions

The information presented in the required supplementary schedules was determined as part of the actuarial valuations at the dates indicated. During June 2004, the amortization period for actuarial gains and losses was changed from fifteen years and benefit enhancements was changed from twenty years; both actuarial gains and losses and benefit enhancements are now amortized over thirty years. Additional information as of the valuation for the fiscal year ended June 30, 2008 follows.

**Contribution rates**

Employer	12 %
Plan Members	\$1 per year

<b>Annual Pension Cost</b>	6,511,329
<b>Annual Required Contribution</b>	6,530,947
<b>Contributions made (employer)</b>	8,010,788
<b>Contributions made (employee)</b>	2,102

<b>Valuation Date</b>	7/01/07
-----------------------	---------

Actuarial cost method	Entry age
Amortization method	30 years closed as a level percentage of projected payrolls for actuarial gains/losses and for benefit improvements
Remaining amortization period	25 years for actuarial gains/losses and benefit improvements
Asset valuation method	Fair value
Investment rate of return	7.75% per annum
Projected salary increase	4% to 6% (varies by attained age)
Includes inflation at	3%
Cost-of-living adjustments	None (plan does not provide for automatic cost-of-living increases)

## 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.

### Method Used to Value Investments

Investments are reported at fair value. 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 fair value. Corporate bonds are valued based on yields currently available on comparable securities of issuers with similar credit ratings. TCERS has no investments of any commercial or industrial organization whose market value equals 5% or more of TCERS's net assets available for benefits.

### Basis of Presentation

The financial statements of the TCERS are presented in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 25, "Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans", GASB Statement No. 27, "Accounting for Pensions by State and Local Governmental Employers" and GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools". Prior to adoption of these standards, the financial statements were prepared under the criteria of Statement No. 6 of the National Council on Governmental Accounting (NCGA) and any additional disclosures as required by the GASB (including GASB Statement No. 5, "Disclosure of Pension Information by Public Employee Retirement Systems and State and Local Government Employers").

GASB Statement No. 25 establishes financial reporting standards for defined benefit plans and standards for the notes to the financial statements of defined contribution plans. GASB Statement No. 27 establishes standards of accounting and financial reporting for pension expenditures/expense and related pension liabilities, pension assets, note disclosures, and required supplementary information in the financial reports of state and local government employers. GASB Statement No. 31 establishes accounting and financial reporting standards for all investments held by governmental external investment pools. GASB Statement No. 40 establishes and/or modifies risk disclosure requirements relating to deposits and investments. GASB Statement No. 44 amends the portions of NCGA Statement No.1, *Government Accounting and Financial Reporting Principles* that guide the preparation of the statistical section. GASB Statement No. 50 amends statements 25 and 27 to require defined benefit pension plans to modify certain disclosures in either RSI or the notes.

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

Funding Status and Progress

Presented in the required supplementary information are the Schedules of Funding Progress, Schedule of Employer Contributions and Notes to the Required Supplementary Information of the Tulsa County Employees' Retirement System. The supplementary information has been presented for the past four years according to GASB Statement Numbers 25 and 27. The total amount that the employer contributions exceed the net pension obligation as of June 30, 2008 is \$2,566,457. The negative net pension obligation is reported as an asset in the government-wide statement of net assets. There are no assets legally reserved for purposes other than payment of plan member benefits of the System. There are no long-term contracts for contributions. The funded status of the plan as of June 30, 2008 and 2007, the most recent actuarial valuation dates, is as follows:

Valuation Date	(1) Market Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age	(3) Unfunded AAL (UAAL) (2)-(1)	(4) Funding Ratios (1)/(2)	(5) Annual Covered Payroll	(6) UAAL as a % of Covered Payroll (3)/(5)
6/30/2008	\$187,248,226	\$234,573,356	\$47,325,130	79.83%	\$67,211,076	70.41%
6/30/2007	201,461,893	224,786,456	23,324,563	89.62%	65,367,653	35.68%

The schedules of funding progress, presented as required supplementary information (RSI) following the notes to the financial statements, present multiyear trend information about whether the actuarial values of plan assets are increasing or decreasing over time relative to the AALs for benefits.

Trend Information

Fiscal Year Ended	Annual Pension Cost (APC)	Percentage Of APC Contributed	Net Pension Obligation	Annual Required Contribution
2001	\$ 2,474,260	119.9%	\$ (6,286,086)	\$ 2,311,032
2002	4,789,172	68.2%	(4,762,050)	4,612,058
2003	6,189,965	67.6%	(2,758,788)	6,055,792
2004	5,734,273	87.8%	(2,056,836)	5,791,898
2005	5,524,312	92.1%	(1,621,160)	5,569,772
2006	5,994,450	95.7%	(1,363,408)	6,028,429
2007	6,541,673	95.5%	(1,066,998)	6,568,566
2008	6,511,329	123.0%	(2,566,457)	6,530,947

Annual Pension Cost under GASB No.27

1. Net Pension Obligation (NPO) at June 30, 2007	\$ (1,066,998)
2. Annual Pension Cost for the year ended June 30, 2008	6,511,329
3. Employer Contributions year ended June 30, 2008	8,010,788
4. Net Pension Obligation (NPO) at June 30, 2008: (1)+(2)-(3)	\$ (2,566,457)
5. Annual Required Contributions (ARC) FY 6/30/09	9,908,991
6. Net Adjustment to ARC *	(40,791)
7. Annual Pension Cost for the year ended June 30, 2009	\$ 9,868,200

\*Interest on (4) (-\$198,900) less 25 year amortization of (4) (-\$158,109)

**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). The current funding level for the Universal Reimbursement Account is \$40 per month per employee and for the Premium Reimbursement Account is 2% of salary. 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 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.

Financial Reporting

PEHP's assets and the respective changes in financial position as of and for the year ended June 30, 2008, are not included in the basic financial statements of Tulsa County.



Participating Employers

The following organizations and departments were invited to participate in PEHP:

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

Membership is available in PEHP for all regular, full time employees in the participating employers.

Number of Participants

As of June 30, 2008, the number of participants in PEHP is:

Organization	Number of Participants
Tulsa City/County Health Department	303
Tulsa County Public Facilities Authority	81
All others	1,294
Totals	1,678

**Summary of Significant Accounting Policies**

Basis of Accounting

The financial report for PEHP is prepared using the accrual basis of accounting and in conformity with accounting principles generally accepted in the United States of America. Employer contributions are recognized in the period in which employee services are performed and deductions are recorded when incurred. The accounting for PEHP is in accordance with the Governmental Accounting Standards Board (GASB) Statement No. 25, "Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans", GASB Statement No. 27, "Accounting for Pensions by State and Local Governmental Employers", GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools", and GASB Statement No. 43, "Financial Reporting for Postemployment Benefit Plans and other than Pension Plans".

Method Used to Value Investments

Investments are reported at fair value. Fair value of investments is based on the market value of the investments as of the balance sheet date as reported by a third party administrator. Individual participants

make their own investment selections, so Tulsa County is not exposed to any concentration risk. Investment securities are exposed to various risks such as interest rate, market and credit risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the participants' account balances.

The financial report of PEHP can be requested from the Tulsa County Clerk's office at 500 South Denver, Tulsa, Oklahoma 74103.

**M. Other Post-Employment Benefits (OPEB)**

Plan Description

The County provides post employment healthcare benefits (OPEB) for retired employees and surviving spouses by Tulsa County (the Plan) through the Tulsa County Employees' Retirement System (TCERS), a defined benefit contributory pension plan, which covers participants with retirement, death, and disability benefits.

Benefits Provided

The Plan covers all current retirees who elected postretirement medical coverage through the TCERS and future retired employees. All healthcare benefits are provided through the County's fully insured health plan. The benefit levels are the same as those afforded to active employees. The benefits provided by the County to retirees include medical and life insurance. Service credit for employment prior to July 1, 1965 is granted only to those 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 unless he/she attains the Rule of 80. This rule applies if the employee's age and years of service together equal at least 80 points.

Membership

At July 1, 2006, membership consisted of the following:

Active	1,789
Retired members	217
Spouses of retirees	56
Total membership	2,062

Funding Policy

The County does not contribute a subsidy towards the medical coverage of retirees and surviving spouses. If a retiree elects to be covered by Medicare, the premium charged by separate participation through Tulsa County is the group rate established by the provider and is separate from the rate charged active Tulsa County employees. As of June 30, 2008, no irrevocable trust had been established for the funding of the Plan's post-retirement benefit obligation. The Plan is funded on a pay-as-you-go basis.

Tulsa County, Oklahoma  
Notes to the Financial Statements  
June 30, 2008

Annual OPEB Costs and Net OPEB Obligation

This is the first year for which the County had an actuarial valuation 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 County's annual OPEB cost (expense) of \$917,246 was equal to the ARC for 2008.

The Net OPEB obligation at June 30, 2008, was calculated as follows:

Annual Required Contribution	\$917,246
Interest on Net OPEB Obligation	-
Adjustment to Annual Required Contribution	-
Annual OPEB Cost	917,246
Contributions	305,900
Increase in Net OPEB Obligation	611,346
Net OPEB Obligation, beginning of year	-
Net OPEB Obligation, end of year	611,346
Net OPEB obligation reported in Governmental Activities	611,346

Funded Status and Funding Progress

The funded status of the plan as of July 1, 2006, is as follows:

Actuarial Accrued Liability (AAL)	\$9,197,900
Actuarial value of plan assets	-
Unfunded Actuarial Accrued liability (UAAL)	9,197,900
Funded ratio (actuarial value of plan assets/AAL)	-
Covered payroll (active plan members)	60,572,000
UAAL as a percentage of covered payroll	15 %

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, 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	July 1, 2006
Actuarial cost method	Entry Age
Amortization method	Level percentage of projected payroll
Remaining amortization periods	30 years open
Baseline discount rate	5 %
Initial annual healthcare cost trend rate (post 65)	10 %
Annual reduction of healthcare cost trend rate	1 %
Ultimate annual healthcare cost trend rate	7 %
Years until ultimate inflation rate	4 years

**Note IV. Risk Management**

The County's risk-management activities are all recorded in the General Fund. The workers' compensation claims are administered in a separate fund (Workers' Compensation Fund) but are included as a non-major Special Revenue Fund for financial reporting purposes.

In accordance with State Statutes, the County is required to maintain a blanket bond for all employees of the County Treasurer's Office in the amount of \$50,000 per employee. The County Treasurer carries a \$250,000 rider in addition to the \$50,000. All other county employees are covered in the amount of \$2,500. 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. Tulsa County purchases services from a third part administrator to pay the claims and reinsurance. The reinsurance protects Tulsa County against catastrophic losses that might exceed fund reserves. In addition, Tulsa County services four ongoing worker's compensation cases that were open from a time when Tulsa County was previously self-insured. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage for the current or the three prior years.

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 Worker's Compensation Fund. The Worker's Compensation 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. Based on the four claimants still remaining the Tulsa County Workers Compensation Fund, the difference between the cash on hand and the accounts payable liability is considered Fund Balance Reserved for Future Medical Claims on the modified accrual basis. When converting to the entity wide statements and the full accrual basis of accounting, the fund balance 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. The remaining liability as of June 30, 2008 was \$595,593.

	2008	2007
Fund balance Reserved, beginning of year	\$ 669,670	\$ 731,670
New claims recorded	-	-
Claims paid	73,777	62,000
Fund balance Reserved, end of year	595,593	669,670

**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.

**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. 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 2008, the Authority paid the County \$73,625 for these items. In addition, the Authority uses the County computer facilities at no cost to the Authority.

During 2008, the County paid for capital improvements totaling \$20,332,516. During 2008, \$448,784 of these funds were used for "4 to Fix the County" capital improvements. From the inception of the project, the Authority has received \$20,430,415 from the County for "4 to Fix the County" capital improvements. The Authority also received funds from the County in 2008 in the amount of \$5,880,478 for Phase III capital improvements and \$14,003,254 in Phase IV capital improvements. These improvements are recorded as capital assets on the Statement of Net Assets and as transfers on the Statement of Revenues, Expenses and Changes in Net Assets in the period in which they are received.

### **Tulsa County Industrial Authority**

The Industrial Authority has issued conduit debt obligations for the benefit of Tulsa County and the Tulsa City-County Health Department. The Authority received lease payments from these entities totaling approximately \$1,466,000 for the year ended June 30, 2008, which corresponded to the debt service payments due on the conduit debt.

During 2008, capital outlay for designated projects for Tulsa County was approximately \$25,519,000 and the Tulsa County Public Facilities was approximately \$18,873,000.

### **Tulsa County Criminal Justice Authority**

The Criminal Justice Authority has no employees. Personnel for the operation of the jail and related activities are provided by Tulsa County. Personnel costs per the financial statements represent those costs allocated by the County. Funding from Tulsa County provides the principal source of revenues for the operations of the Authority. This funding consists primarily of sales and use taxes collected by the County for the operations of the Authority.

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. For the year ending June 30, 2008, the Authority's purchase of vehicles accounted for by Tulsa County totaled \$172,000.

## **NOTE VII. Subsequent Events**

### **Tulsa County Public Facilities Authority**

Effective July 1, 2008, the Authority will change its fiscal year end to December 31.

**Criminal Justice Authority**

The Tulsa County Criminal Justice Authority on Friday, December 20, 2008, authorized invoicing the city of Tulsa for the \$54.13 per-inmate daily charge that is the focus of a lawsuit filed by the city against Tulsa County. Under the old agreement, which expired November 30, 2008, the city paid no fee to house its municipal inmates in the jail in exchange for providing certain assets and services to the county. But the Authority maintains that increased operating costs and the terms of the original agreement now require the city pay a direct fee.

**Note VIII. Unrestricted Net Assets-Tulsa County Industrial Authority**

Unrestricted net assets of the Tulsa County Industrial Authority for the entity-wide statements consist of:

	2008
Net assets available for future operations	\$1,195,722
Amount to be provided by future sales tax collection for retirement of revenue bonds	(325,529,371)
Unrestricted net assets	\$(324,333,649)

The Authority has been given the responsibility of providing the accounting and financing for the “4 to Fix the County” I and II and Vision 2025 sales tax initiatives. 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 assets available for future operations that are recorded as part of the unreserved fund balance in the general fund.

**Note IX Jail Operations**

The Criminal Justice Authority has contracted with the Tulsa County Sheriff’s Department to manage the operations of the jail effective July 1, 2005. The terms, agreement and budget of the Sheriff’s Department proposal accepted by the Authority are based on running the jail at a cost of \$1,638,650 per month for a total of \$19,993,807 per year. In February 2007, the organization increased the contract by \$630,000 for a total of \$20,293,806 for just fiscal year 2007. In June 2007, the organization increased the contract by \$1,933,001 for a total of \$22,226,807.

**Note X Future Changes in Accounting Pronouncements**

**GASB Statement #51-** In June 2007, GASB issued Statement #51, “Financial Reporting for Intangible Assets.” This statement requires that all intangible assets not specifically excluded by its scope provisions be classified as capital assets. This Statement also provides authoritative guidance that specifically addresses the nature of these intangible assets. Such guidance should be applied in addition to the existing authoritative guidance for capital assets. The requirements of this statement are effective for financial statements for periods beginning after June 15, 2009.

**GASB Statement #53**-Statement #53 is “Accounting and Reporting for Derivative Instruments.” This statement addresses the recognition, measurement, and disclosure of information regarding derivative instruments entered into by state and local governments. Derivative instruments are often complex financial arrangements used by governments to manage specific risks or to make investments. Derivative instruments, however, can expose governments to significant risks and liabilities. Common types of derivative instruments used by governments include interest rate and commodity swaps, interest rate and commodity swaps, interest rate locks, options (caps, floors, and collars), swaptions, forward contracts, and future contracts. The County is still assessing the impact of this statement.



## Required Supplementary Information

Tulsa County, Oklahoma  
 Required Supplementary Information  
 Pension Trust Fund

Schedule of Funding Progress

Last Ten Years

Valuation Date	(1) Actuarial Value of Assets	(2) Actuarial Accrued Liability (AAL) Entry Age	(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 % of Covered Payroll (3)/(6)	(8) Excess as a Percentage of Covered Payroll (4)/(6)
6-30-99	\$ 132,921,242	\$ 118,614,455	-	\$ 14,306,787	112.06%	\$ 37,471,356	-	38.18%
6-30-00	137,008,114	132,965,938	-	4,042,176	103.04%	40,564,905	-	9.96%
6-30-01	137,703,610	149,751,254	\$ 12,047,644	-	91.95%	45,303,379	26.59%	-
6-30-02	135,211,804	158,074,719	22,862,915	-	85.54%	48,141,040	47.49%	-
6-30-03	138,895,986	168,449,085	29,553,099	-	82.46%	49,266,036	59.99%	-
6-30-04	154,721,093	182,297,070	27,575,977	-	84.87%	51,047,972	54.02%	-
6-30-05	163,154,208	192,770,507	29,616,299	-	84.64%	54,876,834	53.97%	-
6-30-06	175,794,111	206,600,310	30,806,199	-	85.09%	60,188,618	51.18%	-
6-30-07	201,461,893	224,786,456	23,324,563	-	89.62%	65,367,653	35.68%	-
6-30-08	187,248,226	234,573,356	47,325,130	-	79.83%	67,211,076	70.41%	-

\*The amount reflected in the annual covered payroll as of June 30, 2008 includes Tulsa County regular payroll, the City/County Health Department (including seven state employees), the Public Facilities Authority, the Drainage District, and the Court Fund.

Schedule of Employer Contributions

Eight Year Trend Information

Year Ended	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation	Annual Required Contribution (ARC)	Percentage of ARC Contributed
6-30-01	\$ 2,474,260	119.90%	\$ (6,286,086)	\$ 2,311,032	128.39%
6-30-02	4,789,172	88.18%	(4,762,050)	4,612,058	70.80%
6-30-03	6,189,965	67.64%	(2,758,788)	6,055,792	69.14%
6-30-04	5,734,273	87.76%	(2,056,836)	5,791,898	86.89%
6-30-05	5,524,312	92.11%	(1,621,160)	5,569,772	91.36%
6-30-06	5,994,450	95.70%	(1,363,408)	6,028,429	95.16%
6-30-07	6,541,673	95.47%	(1,066,998)	6,568,566	95.08%
6-30-08	6,511,329	123.03% *	(2,566,457)	6,530,947	122.66%

\*The Net Pension Obligation is (\$2,566,457) as of June 30, 2008. This amount is actually an asset because the County's contributions have exceeded the annual required contribution.

The APC and the ARC calculation for the upcoming year ending June 30, 2009 are \$9,868,200 and \$9,908,991, respectively.

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

Tulsa County, Oklahoma  
Required Supplementary Information

**General Fund  
Budgetary Comparison Schedule  
For the Year Ended June 30, 2008**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Over (Under)
	Original	Final		
Beginning fund balance, budgetary basis:	\$9,110,333	\$10,178,987	\$9,712,247	\$466,740
Revenues:				
Ad valorem taxes	43,501,000	43,751,000	45,275,575	-1,524,575
Other taxes	1,729,700	3,066,776	3,128,304	-61,528
Charges for services	4,038,210	4,038,510	4,354,643	-316,133
Intergovernmental revenues	380,088	381,156	465,138	-83,982
Miscellaneous revenues	1,267,717	2,032,165	2,155,013	-122,848
Investment income	1,880,034	1,880,034	2,218,533	-338,499
Payment from Component Units			280,666	-280,666
Total revenues	52,796,749	55,149,641	57,877,872	-2,109,066
Expenditures:				
Current:				
General Government	40,159,773	42,310,536	35,627,202	6,683,333
Public Safety	8,206,395	8,432,478	8,505,606	-73,127
Health and Welfare	6,684,816	6,418,400	6,703,892	-285,492
Culture and Recreation	5,598,140	4,965,689	4,800,478	165,211
Education	444,384	444,078	438,974	5,104
Roads and Highways	813,574	840,275	741,968	98,307
Total expenditures	61,907,082	63,411,456	56,818,120	6,593,336
Excess revenues and beginning fund balances over (under) expenditures	\$0	1,917,172	10,771,999	-8,854,827
Other financing sources (uses):				
Transfers in		5,779,465	5,510,881	268,584
Transfers out		-7,707,386	-7,707,386	0
Total other financing sources (uses)		-1,927,921	-2,196,504	268,584
Excess revenues, beginning fund balances, and other financing sources (uses) over (under) expenditures and other uses		-\$10,748	8,575,495	-\$8,586,243
Reconciliation to Statement of Revenues, Expenditures, and Changes in Fund Balances				
Ad valorem receivable			484,148	
Accrued interest receivable			158,339	
Due from other governments			395,227	
Prior year reserve for encumbrances			938,917	
Current year reserve for encumbrances			1,036,113	
Ending fund balance, (GAAP Basis)			\$11,588,239	

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

TULSA COUNTY , OKLAHOMA

COUNTY HIGHWAY FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year ended June 30, 2008

FUND 20

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget, over /under
<b>BEGINNING FUND BALANCE (AS OF JULY 1, 2007)</b>	<u>\$ -</u>	<u>\$ 8,368,020</u>	<u>\$ 8,368,020</u>
<b>REVENUE:</b>			
Diesel Fuel	\$ 1,314,000	\$ 1,303,840	\$ (10,160)
Gasoline Tax	3,379,650	3,361,641	(18,009)
Motor Vehicle Fees	2,406,350	2,698,726	292,376
Intergovernmental	-	1,806,744	1,806,744
Miscellaneous	-	326,534	326,534
Reimbursements		945,304	945,304
Estopped Warrants		409	409
<b>Total Revenue:</b>	<u>\$ 7,100,000</u>	<u>\$ 10,443,198</u>	<u>\$ 3,343,198</u>
<b>EXPENDITURES:</b>			
Salaries	\$ 3,966,092	\$ 4,003,398	\$ (37,306)
Employee Benefits	1,635,935	1,559,673	76,262
Operating Expenditure	1,447,973	3,348,273	(1,900,300)
Other Charges	10,000	749	9,251
Capital Outlay	40,000	307,749	(267,749)
<b>Total Expenditures:</b>	<u>\$ 7,100,000</u>	<u>\$ 9,219,841</u>	<u>\$ (2,119,841)</u>
Excess revenues and beginning fund balance over (under) expenditures, budgetary basis	<u>\$ -</u>	<u>\$ 9,591,376</u>	<u>\$ 9,591,376</u>
Other Financing Sources (uses):			
Transfers In:		\$ 1,000,000	
Transfers Out:		(1,226,707)	
<b>Total Other Financing Sources (uses):</b>		<u>(226,707)</u>	
<b>Adjustments to conform with GAAP:</b>			
Adjustment for Encumbrances		<u>163,093</u>	
<b>Ending Fund Balance, GAAP basis</b>		<u>\$ 9,527,762</u>	

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) Entry Age	(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 % of Covered Payroll (3)/(6)	(8) Excess as a Percentage of Covered Payroll (4)/(6)
7-1-06	\$ 0	\$ 9,197,975	\$ 9,197,975	\$ 0	0.00%	\$ 60,572,000	15.19%	0.00%

Prior year data unavailable-the County implemented GABS Statement No. 45 in 2008

Schedule of Employer Contributions

Year Ended	Employer Contribution	Annual Required Contribution (ARC)	Percentage of ARC Contributed
6-30-08	\$ 305,900	\$ 917,246	33.3%

Prior year data unavailable-the County implemented GABS Statement No. 45 in 2008

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

## **Required Supplementary Information**

### Notes to Required Supplementary Schedules

#### **(1) Schedules of Funding Progress-TCERS and OPEB**

The information contained in the schedule of funding progress is based on the actuarial valuation as of each year-end. The actuarial accrued liability is presented based on the valuation reports generated by Milliman. The actuarial value of assets for that date is based on the fair value of assets. Investment income in excess or shortfall of the expected 7.75% return on fair value is smoothed over a thirty year period.

#### **(2) Schedules of Employer Contributions-TCERS and OPEB**

The annual pension cost required to be paid by Tulsa County along with the corresponding percentage actually contributed and the net pension obligation is presented as required supplementary information. The annual required contribution as determined by the actuary is also presented.

#### **(3) Budgetary Comparison Schedules-General Fund and County Highway Fund**

A cash basis of accounting is used to prepare the Budgetary Comparison Schedule. A 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;
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 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 consistent with State of Oklahoma legal requirements. A 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 no supplemental appropriations for any major funds during the fiscal year ending June 30, 2008.

### **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 reservations of fund balances and do not constitute expenditures or liabilities because the commitments will be honored during the subsequent year.

# Supplemental Combining and Individual Fund Financial Statements and Schedules



# Nonmajor Governmental Funds

### Special Revenue Funds

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

**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.

**Parks 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 to for the operation of the Sheriff's department.

**Record Preservation** – Established to account for the receipt and expenditure of record preservation fees.

**Worker's Compensation Fund** – Established to account for claims, claim reserves, and administrative costs associated with workers' compensation judgments.

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

### Debt Service Fund

The Debt Service Fund is used to accumulate resources to make the principal and interest payments of certain general long-term debt of Tulsa County.



Non-Major Governmental Funds  
 Combining Statement of Revenues, Expenditures and Changes in Fund Balance  
 For the Year ended June 30, 2008

	VISUAL INSPECTION	PARKS FUND	RESALE PROPERTY	SPECIAL PROJECTS	SHERIFF'S CASH	RECORD PRESERVATION	WORKER'S COMP	OTHER SPECIAL REVENUE	DEBT SERVICE FUND	TOTAL NON-MAJOR GOVERNMENTAL FUNDS
Revenues			2,683,211							
Ad valorem tax								3,941	61,442	2,748,595
Other Taxes								396,355		396,355
Charges for services		2,545,798		382,414	1,428,569	794,990		2,266,430		7,418,201
Intergovernmental	2,266,473	306,175	35,985	1,378,144	1,213,661			8,593,182		13,793,620
Investment Income					4,762			30,765		35,527
Miscellaneous	515	302,572	351	324,743	1,020,184			924,896		3,545,544
Payment from Criminal Justice Authority								42,886		42,886
Payment from Depository Accounts								816		816
Payment from City/County Health								78,535		78,535
Total Revenues	2,266,388	3,154,545	2,773,263	2,085,302	3,667,175	794,990	1,047,133	12,269,772	61,442	28,120,611
Expenditures										
Current:										
General government	2,217,739		1,927,442	1,732,702	2,710,803	40,550	2,498,220	8,564,900		16,981,552
Public safety								90		2,710,993
Health & welfare								2,710,665		2,710,665
Culture & recreation		2,711,856								2,711,856
Payments to City/County Health			83,945	1,506,587	415,163	522,042		241,316		2,806,991
Capital outlay		37,938								37,938
Debt Service:										
Bond Principal									75,500	75,500
Bond Interest									14,624	14,624
Total Expenditures	2,217,739	2,749,794	2,011,387	3,239,288	3,126,066	562,591	2,498,220	11,516,971	90,124	28,012,181
Excess (deficiency) of revenues over (under) expenditures	49,249	404,751	761,876	(1,153,987)	541,109	232,399	(1,451,087)	752,801	(28,681)	108,430
Other financing sources (uses):										
Payment from Criminal Justice Auth			1,832							0
Sale of Real Property	1,000,000	106,658	2,500,000	3,517,319	1,062,647		1,978,804	804,009		1,932
Transfers in	(1,024,065)	(33,699)	(3,343,801)	(1,218,757)	(1,244,631)	(1,000,000)		(486,138)		10,969,437
Transfers out	(24,065)	82,959	(841,869)	2,298,562	(181,984)	(1,000,000)	1,978,804	317,871	0	-8,341,091
Total other financing sources (uses)										2,630,278
Net change in fund balance	25,184	487,710	-79,993	1,144,575	359,126	-767,601	527,718	1,070,672	-28,681	2,738,708
Fund Balance, Beginning	4,155	1,137,023	3,643,537	1,738,016	3,109,976	3,242,424	479,820	7,527,751	86,448	20,969,151
Fund Balance, Ending	29,339	1,624,733	3,563,544	2,882,591	3,469,101	2,474,823	1,007,538	8,598,423	57,767	23,707,859

Tulsa County, Oklahoma

General Fund  
 Schedule of Revenues-Budget and actual (Budgetary Basis)  
 For the year ended June 30, 2008

	Final Budget	Actual	Variance (Over) Under
<b>Ad valorem tax</b>			
1 Current Tax	\$ 41,924,000	\$ 42,935,336	\$ (1,011,336)
2 Back Tax	1,815,000	2,339,890	(524,890)
3 Penalties			0
4 Other	12,000	349	11,651
	43,751,000	45,275,575	-1,524,575
<b>Other Taxes</b>			
5 Tobacco tax	1,337,076	1,337,076	0
6 Other taxes	4,700	5,136	(436)
7 Documentary stamps	1,500,000	1,552,180	(52,180)
8 Vehicle registration stamps	225,000	233,912	(8,912)
	3,066,776	3,128,304	-61,528
<b>Charges for services</b>			
9 Recording fees	2,228,210	2,241,005	(12,795)
10 Admission			0
11 Zoning Fees	125,000	124,635	365
12 Treasurer fees		14,935	(14,935)
13 Inspection fees	390,000	656,429	(266,429)
14 Motor Vehicle fees	820,000	826,610	(6,610)
15 Print and Duplic Services	350,000	420,977	(70,977)
29 Printing	300	2,631	-2,331
16 Pharmacy	125,000	67,421	57,579
17 Other fees			0
	4,038,510	4,354,643	-316,133
<b>Intergovernmental</b>			
18 Federal grants			0
19 State contracts	60	60	0
20 DA state fund	245,000	232,280	12,720
21 Election Board Exp	58,650	155,556	(96,906)
22 Election Board Salaries	76,438	76,235	203
23 Other Grant Revenue	1,008	1,008	0
	381,156	465,138	-83,982
<b>Investment Income</b>			
24 Interest	1,880,034	2,059,620	-179,586
34 Realized Gain on Sale of Assets		574	-574
	1,880,034	2,060,194	-180,160
<b>Miscellaneous</b>			
25 Concessions	100	395	-295
26 Rents and royalties	47,600	62,400	-14,800
27 Sale of materials	150,330	153,026	-2,696
28 Telephone income	426	2	424
30 Refunds	21,495	26,589	-5,094
31 Fines	400	397	3
32 Estopped Warrants	1,640	8,185	-6,544
33 Sale of Assets		3,383	-3,383
35 Reimbursements	1,774,268	1,983,709	-209,440
36 Gifts	0	28,371	-28,371
37 Donations	4,234	4,234	0
38 Miscellaneous	31,672	42,662	-10,991
	2,032,165	2,313,351	-281,186
<b>Payment from Component Unit</b>		280,666	-280,666
<b>Total Revenues</b>	\$ 55,149,642	\$ 57,877,871	\$ (2,728,230)

General Fund  
 Schedule of Appropriations- By Function/Activity - Includes prior year encumbrance carry forward  
 For the year ended June 30, 2008

page 1 of 6

GENERAL GOVERNMENT

Commissioners

	Original Budget	Appropriations		Expenditures	Encumbrances	Total	Variance Over (Under)
		Supplements & Adjustments	Net Total				
Personal services	\$ 922,750	\$ 110,400	\$ 1,033,150	\$ 1,028,636	\$ 0	\$ 1,028,636	\$ 4,514
Employee benefits	312,846	40,926	353,772	341,662	1,420	343,082	10,690
Travel	34,140	(522)	33,618	25,767	3,100	28,867	4,751
Maintenance and operations	76,071	30,526	106,597	73,145	11,216	84,361	22,236
Other Charges	2,250	(800)	1,450	1,444	0	1,444	6
Capital Outlay	6,961	7,103	14,064	7,689	5,093	12,782	1,282
Reserves	145,751	(145,751)	0	0	0	0	0
	<u>1,500,769</u>	<u>41,882</u>	<u>1,542,651</u>	<u>1,478,343</u>	<u>20,829</u>	<u>1,499,172</u>	<u>43,479</u>

Administrative Services

Personal services	1,029,206	62,200	1,091,406	1,086,962	0	1,086,962	4,444
Employee benefits	420,378	(17,860)	402,518	396,527	0	396,527	5,991
Maintenance and operations	995,998	167,841	1,163,839	928,038	120,617	1,048,655	115,184
Capital Outlay	134,855	137,000	271,855	73,502	197,883	271,385	470
Reserves	313,512	(313,512)	0	0	0	0	0
	<u>2,893,949</u>	<u>35,669</u>	<u>2,929,618</u>	<u>2,485,029</u>	<u>318,500</u>	<u>2,803,529</u>	<u>126,089</u>

Building Operations

Personal services	2,028,548	47,790	2,076,338	2,068,371	0	2,068,371	7,967
Employee benefits	1,089,875	(196,433)	893,442	828,316	0	828,316	65,126
Travel	0	33	33	33	0	33	0
Maintenance and operations	3,887,857	637,298	4,525,155	3,419,772	692,613	4,112,385	412,770
Other Charges	975	0	975	340	0	340	635
Capital outlay	486,591	206,023	692,614	592,588	99,602	692,190	424
Reserves	759,464	(759,464)	0	0	0	0	0
	<u>8,253,310</u>	<u>(64,753)</u>	<u>8,188,557</u>	<u>6,909,420</u>	<u>792,215</u>	<u>7,701,635</u>	<u>486,922</u>

Management Information Systems

Personal services	1,781,532	362,918	2,144,450	2,108,336	0	2,108,336	36,114
Employee benefits	600,285	78,725	679,010	668,410	0	668,410	10,600
Travel	6,030	700	6,730	3,864	1,222	5,086	1,644
Maintenance and operations	930,889	145,886	1,076,775	907,204	94,893	1,002,097	74,678
Capital outlay	302,199	256,382	558,581	341,035	208,145	549,180	9,401
Reserves	372,340	(372,340)	0	0	0	0	0
	<u>\$ 3,993,275</u>	<u>\$ 472,271</u>	<u>\$ 4,465,546</u>	<u>\$ 4,028,849</u>	<u>\$ 304,260</u>	<u>\$ 4,333,109</u>	<u>\$ 132,437</u>

County Inspector

	Original Budget		Appropriations Supplements & Adjustments		Net Total	Expenditures	Encumbrances	Total	Variance Over (Under)
	\$		\$						
Personal services	296,906		53,966		350,872	335,410	0	135,318	350,872
Employee benefits	143,093		(3,223)		139,870	135,318	0	45,339	4,552
Travel	48,187		(245)		47,942	40,989	4,350	5,473	2,603
Maintenance and operations	8,707		581		9,288	4,980	493	0	3,815
Other Charges	2,500		0		2,500	0	0	0	2,500
Capital Outlay	5,477		(19)		5,458	458	0	458	5,000
Reserves	55,606		(55,606)		0	0	0	0	0
	560,476		(4,546)		555,930	517,155	4,843	186,588	369,342

Election Board

Personal services	876,536		109,080		985,616	959,523	0	959,523	26,093
Employee benefits	263,161		16,745		279,906	266,735	0	266,735	13,171
Travel	6,950		6,800		13,750	10,143	500	10,643	3,107
Maintenance and operations	386,236		31,924		418,160	305,203	24,347	329,550	88,610
Other Charges	7,650		105,316		112,966	100,303	0	100,303	12,663
Capital Outlay	38,650		0		38,650	6,939	30,713	37,652	998
Reserves	172,578		(172,578)		0	0	0	0	0
	1,751,761		97,287		1,849,048	1,648,846	55,560	1,704,406	144,642

Budget Board

Personal services	440,729		(15,323)		425,406	425,405	0	425,405	1
Employee benefits	176,657		(1,913)		174,744	149,151	0	149,151	25,593
Travel	8,380		(3,204)		5,176	2,658	1,121	3,779	1,397
Maintenance and operations	37,203		(11,615)		25,588	19,581	3,745	23,326	2,262
Capital outlay	2,700		1,150		3,850	1,151	0	1,151	2,699
Reserves	73,544		(60,126)		13,418	0	0	13,418	0
	739,213		(91,031)		648,182	597,946	4,866	602,812	45,370

General Government

Employee benefits	227,911		63,661		291,572	201,768	21,974	223,742	67,830
Travel	270		0		270	160	0	160	110
Maintenance and operations	1,323,224		447,825		1,771,049	1,536,117	102,627	1,638,744	132,305
Other charges	1,429,084		6,971		1,436,055	1,250,911	0	1,250,911	185,144
Capital outlay	22,500		(19,228)		3,272	0	0	0	3,272
Reserves	530,554		(147,998)		382,556	0	0	0	382,556
	3,533,543		351,231		3,884,774	2,988,956	124,601	3,113,557	771,217

Excise Board

Personal services	10,800		0		10,800	8,850	0	8,850	1,950
Employee benefits	900		0		900	677	0	677	223
Travel	243		0		243	0	0	0	243
Maintenance and operations	3,610		0		3,610	2,229	0	2,229	1,381
Reserves	1,727		0		1,727	0	0	0	1,727
	17,280		0		17,280	11,756	0	11,756	5,524

	Appropriations		Net Total	Expenditures	Encumbrances	Total	Variance Over (Under)
	Original Budget	Supplements & Adjustments					
<b>Treasurer</b>							
Personal services	\$ 501,251	\$ (69,994)	\$ 431,257	\$ 385,390	\$ 0	\$ 385,390	\$ 45,867
Employee benefits	244,913	(73,450)	171,463	131,957	0	131,957	39,506
Travel	4,800	0	4,800	4,800	0	4,800	0
Maintenance and operations	355,494	0	355,494	355,494	0	355,494	0
Other charges	5,037	(5,037)	0	0	0	0	0
Reserves	123,499	(123,499)	0	0	0	0	0
	1,234,994	(271,980)	963,014	877,641	0	877,641	85,373
<b>Assessor</b>							
Personal services	2,115,960	173,823	2,289,783	2,289,759	0	2,289,759	24
Employee benefits	924,000	(37,570)	886,430	785,032	0	785,032	101,398
Travel	20,013	22,000	42,013	37,420	2,403	39,823	2,190
Maintenance and operations	234,308	66,772	301,080	248,062	7,386	255,448	45,632
Capital Outlay	381,387	387,909	769,296	602,668	0	602,668	166,628
Reserves	365,040	(365,040)	0	0	0	0	0
	4,040,708	247,894	4,288,602	3,962,941	9,789	3,972,730	315,872
<b>County Clerk</b>							
Personal services	1,458,546	329,812	1,788,358	1,758,768	0	1,758,768	29,590
Employee benefits	622,714	6,396	629,110	625,173	0	625,173	3,937
Travel	4,800	5,000	9,800	6,899	0	6,899	2,901
Maintenance and operations	37,477	25,377	62,854	49,847	2,953	52,800	10,054
Capital outlay	112,745	(95,000)	17,745	2,389	0	2,389	15,356
Reserves	248,312	(248,312)	0	0	0	0	0
	2,484,594	23,273	2,507,867	2,443,076	2,953	2,446,029	61,838
<b>Tobacco Excise Tax</b>							
Reserve	0	108,701	108,701	0	0	0	108,701
	0	108,701	108,701	0	0	0	108,701
<b>District Attorney</b>							
Maintenance and Operations	244,977	24,500	269,477	248,071	11,906	259,977	9,500
Reserve	24,500	(24,500)	0	0	0	0	0
	269,477	0	269,477	248,071	11,906	259,977	9,500
<b>Public Defender</b>							
Maintenance and operations	42,459	(2,187)	40,272	25,243	2,935	28,178	12,094
Capital outlay	24,268	(7,000)	17,268	7,309	4,072	11,381	5,887
Reserves	5,840	(5,840)	0	0	0	0	0
	72,567	(15,027)	57,540	32,552	7,007	39,559	17,981



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**Court Clerk**

	Original Budget	Appropriations		Net Total	Expenditures	Encumbrances	Total	Variance Over (Under)
		Supplements & Adjustments						
Personal services	\$ 4,136,861	\$ 527,750	\$ 4,664,612	\$ 4,311,868	\$ 0	\$ 4,311,868	\$ 352,744	
Employee benefits	1,575,175	76,258	1,651,433	1,605,503	0	1,605,503	45,930	
Travel	7,020	1,000	8,020	5,789	0	5,789	2,231	
Maintenance and operations	2,700	0	2,700	2,240	0	2,240	460	
Reserves	635,751	(635,751)	0	0	0	0	0	
	6,357,507	(30,743)	6,326,765	5,925,400	0	5,925,400	401,365	
<b>INCOG</b>								
Other charges	706,500	78,500	785,000	785,000	0	785,000	0	
Reserves	78,500	(78,500)	0	0	0	0	0	
	785,000	0	785,000	785,000	0	785,000	0	
<b>Audit</b>								
Maintenance and operations	803,376	44,516	847,892	300,067	547,825	847,892	0	
Capital outlay	3,756	0	3,756	3,756	0	3,756	0	
Reserves	41,500	(41,500)	0	0	0	0	0	
	848,632	3,016	851,648	303,823	547,825	851,648	0	
<b>Cash Management</b>								
Capital outlay	411,744	(411,744)	0	0	0	0	0	
Reserves	7,767,240	(3,808,128)	3,959,112	0	0	0	3,959,112	
	8,178,984	(4,219,872)	3,959,112	0	0	0	3,959,112	
<b>Total General Government</b>	47,516,039	(3,316,728)	44,199,312	35,244,804	2,205,154	37,114,548	7,084,764	

**PUBLIC SAFETY**

**Sheriff**

Personal services	4,487,258	715,744	5,203,002	5,185,504	0	5,185,504	17,498
Employee benefits	1,990,506	96,360	2,086,866	2,054,455	23,000	2,077,455	9,411
Travel	7,200	0	7,200	7,200	0	7,200	0
Maintenance and operations	455,231	(8,412)	446,819	401,348	33,691	435,039	11,780
Other charges	463,500	325,925	789,425	789,425	0	789,425	0
Capital outlay	184,384	(62)	184,322	184,322	0	184,322	0
Reserves	803,685	(803,685)	0	0	0	0	0
	8,391,764	325,870	8,717,634	8,622,254	56,691	8,678,945	38,689
<b>Total Public Safety</b>							

HEALTH AND WELFARE

	Appropriations		Expenditures	Encumbrances	Total	Variance Over (Under)
	Original Budget	Supplements & Adjustments				
<b>Pharmacy</b>						
Personal services	\$ 147,561	\$ 8,353	\$ 155,914	\$ 0	\$ 153,214	\$ 2,700
Employee benefits	53,572	2,125	55,697	0	55,190	507
Maintenance and operations	7,652	(1,509)	6,143	385	5,847	296
Other charges	131,000	20,300	151,300	5,000	69,985	81,315
Capital outlay	0	1,600	1,600	1,430	1,517	83
Reserves	54,330	(35,234)	19,096	0	0	19,096
	394,115	(4,365)	389,750	6,815	285,753	103,997
<b>Juvenile</b>						
Personal services	2,624,811	624,983	3,249,794	0	3,240,485	9,309
Employee benefits	1,243,240	(66,664)	1,176,576	0	1,171,130	5,446
Travel	66,425	3,634	70,059	8,615	66,932	3,127
Maintenance and operations	313,423	(11,156)	302,267	11,989	288,722	13,545
Other charges	313,549	(313,549)	0	0	0	0
Capital outlay	48,976	26,197	75,173	74,998	74,998	175
Reserves	498,946	(498,946)	0	0	0	0
	5,109,370	(235,501)	4,873,869	20,604	4,842,267	31,602
<b>Social Services</b>						
Personal services	662,763	(19,724)	643,039	0	638,073	4,966
Employee benefits	264,767	(26,574)	238,193	0	234,782	3,411
Travel	1,170	(1,170)	0	0	0	0
Maintenance and operations	61,127	15,854	76,981	4,969	74,738	2,243
Other charges	129,633	78,861	208,494	4,844	144,161	64,333
Capital outlay	23,796	25,020	48,816	21,290	40,773	8,043
Reserves	119,735	(107,080)	12,655	0	0	12,655
	1,262,991	(34,813)	1,228,178	31,103	1,132,527	95,651
<b>Total Health and Welfare</b>	\$ 6,766,476	\$ (274,679)	\$ 6,491,797	\$ 58,522	\$ 6,260,547	\$ 231,250

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CULTURE AND RECREATION

Parks

	Original Budget	Appropriations Supplements & Adjustments	Net Total	Expenditures	Encumbrances	Total	Variance Over (Under)
Personal services	\$ 3,010,597	\$ 511,290	\$ 3,521,887	\$ 3,376,635	\$ 0	\$ 3,376,635	\$ 145,252
Employee benefits	1,438,229	(130,941)	1,307,288	1,220,438	0	1,220,438	86,850
Maintenance and Operations	107,456	81,931	189,387	130,289	59,034	189,323	64
Capital Outlay	31,503	46,514	78,017	53,314	21,803	75,117	2,900
Reserves	494,314	(494,314)	0	0	0	0	0
	5,082,099	14,480	5,096,579	4,780,676	80,837	4,861,513	235,066

**Total Culture and Recreation**

	5,082,099	14,480	5,096,579	4,780,676	80,837	4,861,513	235,066
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EDUCATION

School Guards

Personal services	14,445	1,200	15,645	14,766	0	14,766	879
Employee benefits	1,443	260	1,703	1,129	0	1,129	574
Reserves	1,766	(1,766)	0	0	0	0	0
	17,654	(306)	17,348	15,895	0	15,895	1,453

OSU Extension

Personal services	108,996	20,172	129,168	129,168	0	129,168	0
Employee benefits	30,983	(7,291)	23,692	23,692	0	23,692	0
Travel	37,698	(2,131)	35,567	32,035	3,018	35,053	514
Maintenance and operations	78,652	(402)	78,250	54,620	23,296	77,916	334
Other Charges	159,000	29,998	188,998	186,663	0	186,663	2,335
Reserves	42,673	(42,673)	0	0	0	0	0
	458,002	(2,327)	455,675	426,178	26,314	452,492	3,183

**Total Education**

	475,656	(2,633)	473,023	442,073	26,314	468,387	4,636
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ROADS & HIGHWAYS

Highway Budget

Personal services	350,950	130,318	481,268	475,307	0	475,307	5,961
Employee benefits	320,270	(127,919)	192,351	147,473	0	147,473	44,878
Travel	4,500	0	4,500	2,770	0	2,770	1,730
Maintenance and operations	47,405	29,891	77,296	46,595	3,349	49,944	27,352
Other charges	10,000	0	10,000	0	0	0	10,000
Capital Outlay	9,752	67,952	77,704	44,444	32,800	77,244	460
Reserves	81,357	(73,651)	7,706	0	0	0	7,706
	824,234	26,591	850,825	716,589	36,149	752,738	98,087

**Total General Fund**

	\$ 69,056,268	\$ (3,227,099)	\$ 65,829,170	\$ 56,008,421	\$ 2,463,667	\$ 58,136,678	\$ 7,692,492
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**TULSA COUNTY , OKLAHOMA**

**VISUAL INSPECTION FUND**

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual  
For the Year ended June 30, 2008

**FUND 12**

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget, over /{(under)
BEGINNING FUND BALANCE (AS OF JULY 1, 2007)	\$0	\$4,155	\$4,155
<b>REVENUE:</b>			
Visual Inspection Fees	2,267,000	2,266,910	-90
Estopped Warrants		78	78
Total Revenue:	<u>2,267,000</u>	<u>2,266,988</u>	<u>-12</u>
<b>EXPENDITURES:</b>			
Salaries	1,457,000	1,471,967	-14,967
Employee Benefits	505,400	513,793	-8,393
Travel	55,000	45,968	9,032
Operating Expenditures	249,600	186,011	63,589
Total Expenditures:	<u>2,267,000</u>	<u>2,217,739</u>	<u>49,261</u>
Excess revenues and beginning fund balance over (under) expenditures, budgetary basis	<u>0</u>	53,404	<u>53,404</u>
<b>Other Financing Sources (uses):</b>			
Transfers In:		1,000,000	
Transfers Out:		-1,024,065	
Total Other Financing Sources (uses):		<u>-24,065</u>	
<b>Adjustments to conform with GAAP:</b>			
Ad valorem taxes receivable		<u>0</u>	
Ending Fund Balance, GAAP basis		<u>\$29,339</u>	

TULSA COUNTY , OKLAHOMA

JUVENILE DETENTION FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year ended June 30, 2008

FUND 15

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget, over /(under)
BEGINNING FUND BALANCE (AS OF JULY 1, 2007)	\$1,053,243	\$965,758	-\$67,485
<b>REVENUE:</b>			
State Grants	2,157,043	2,760,926	603,883
Federal Grants	254,830	267,953	13,133
City and County Grants	57,440	38,938	-18,502
Miscellaneous Reimbursements	0	270,600	270,600
Employee Insurance	0	111	111
Juvenile Probation Fees	3,200	3,230	30
Estopped Warrants	0	813	813
Refunds	0	179	179
Total Revenue:	<u>2,472,513</u>	<u>3,342,760</u>	<u>870,247</u>
<b>TOTAL REVENUE</b>			
<b>EXPENDITURES:</b>			
Salaries	2,168,004	1,874,062	293,942
Employee Benefits	924,329	624,517	299,812
Travel	700	100	600
Operating Expenditures	360,373	211,985	168,388
Other Charges	8,200	0	8,200
Capital Outlay	44,150	137,090	-92,940
Total Expenditures:	<u>3,525,756</u>	<u>2,847,754</u>	<u>678,002</u>
Excess revenues and beginning fund balance over (under) expenditures, budgetary basis	<u>0</u>	1,480,764	<u>1,480,764</u>
Other Financing Sources (uses):			
Transfers In:		436,598	
Transfers Out:		-416,934	
Total Other Financing Sources (uses):		<u>19,664</u>	
Adjustments to conform with GAAP:		0	
Ad valorem taxes receivable		<u>\$1,500,428</u>	
Ending Fund Balance, GAAP basis			

TULSA COUNTY, OKLAHOMA

PARK FUND

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

For the Year ended June 30, 2008

FUND 26

	Original and Final Budgeted Amounts	Actual Amounts	Variance with Final Budget, over /(under)
BEGINNING FUND BALANCE (AS OF JULY 1, 2007)	\$0	\$1,137,023	\$1,137,023
<b>REVENUE:</b>			
State and Federal Grants	0	306,175	306,175
Estopped Warrants	0	2,639	2,639
Golf Green Fees	2,000,000	1,574,596	-425,404
Golf Surcharge	200,000	202,529	2,529
Court Fees	32,000	30,492	-1,508
Golf Cart rentals	150,000	159,388	9,388
Restaurant Receipts	320,000	466,587	146,587
Swimming Receipts	60,000	69,256	9,256
Softball Fees	50,000	42,950	-7,050
Concession & Commissions	125,000	93,132	-31,868
Misc Revenue	150,000	206,801	56,801
Total Revenue:	<u>3,087,000</u>	<u>3,154,545</u>	<u>67,545</u>
<b>EXPENDITURES:</b>			
Salaries	225,000	0	225,000
Employee Benefits	45,095	0	45,095
Travel	2,000	0	2,000
Operating Expenditures	2,531,405	2,430,429	100,976
Other Charges	283,500	281,427	2,073
Capital Outlay	0	37,938	-37,938
Total Expenditures:	<u>3,087,000</u>	<u>2,749,794</u>	<u>337,206</u>
Excess revenues and beginning fund balance over (under) expenditures, budgetary basis	<u>0</u>	<u>1,541,774</u>	<u>1,541,774</u>
<b>Other Financing Sources (uses):</b>			
Transfers In:		106,658	
Transfers Out:		-23,699	
Total Other Financing Sources (uses):		<u>82,959</u>	
Adjustments to conform with GAAP:			
Ad valorem taxes receivable		<u>0</u>	
Ending Fund Balance, GAAP basis		<u>\$1,624,733</u>	

Tulsa County, Oklahoma

**Debt Service Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**  
**For the year ended June 30, 2008**

	<u>Original and Final Budgeted Amounts</u>	<u>Actual Amounts</u>	<u>Variance with Final Budget Over (Under)</u>
<b>Beginning fund balance, budgetary basis</b>	\$ 85,165	\$ 85,165	\$ 0
<b>Revenues:</b>			
Ad valorem taxes	4,959	62,072	57,113
Total revenues	<u>4,959</u>	<u>62,072</u>	<u>57,113</u>
<b>Expenditures:</b>			
Debt service			
Principal			
Judgment Principal	75,500	75,500	0
Judgment interest	14,624	14,624	0
Total expenditures	<u>90,124</u>	<u>90,124</u>	<u>0</u>
 Excess revenues and beginning fund balance over (under) expenditures, budgetary basis	 \$ <u>0</u>	 57,113 \$	 <u>57,113</u>
 <b>Adjustments to conform with GAAP:</b>			
Ad valorem taxes receivable		<u>654</u>	
 <b>Ending fund balance, GAAP basis</b>		 \$ <u>57,767</u>	

# Fiduciary Funds

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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 County employees 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 Asset and Liabilities  
For the year ended June 30, 2008**

	Balance 7/1/07	Additions	Deductions	Balance 6/30/08
<b>Schools</b>				
<b>Assets:</b>				
Cash and investments	\$ 2,038,697	\$ 405,232,890	\$ 405,149,514	\$ 2,122,073
Ad valorem receivable	13,994,420	15,378,456	13,994,420	15,378,456
Total assets	<u>\$ 16,033,117</u>	<u>\$ 420,611,346</u>	<u>\$ 419,143,934</u>	<u>\$ 17,500,529</u>
<b>Liabilities:</b>				
Due to other taxing units	\$ 16,033,117	420,611,346	419,143,934	\$ 17,500,529
Total liabilities	<u>\$ 16,033,117</u>	<u>\$ 420,611,346</u>	<u>\$ 419,143,934</u>	<u>\$ 17,500,529</u>
<b>Cities and Towns</b>				
<b>Assets:</b>				
Cash and investments	\$ 546,049	58,821,151	58,709,368	\$ 657,832
Ad valorem receivable	2,616,849	1,837,237	2,616,849	1,837,237
Total assets	<u>\$ 3,162,898</u>	<u>\$ 60,658,388</u>	<u>\$ 61,326,217</u>	<u>\$ 2,495,069</u>
<b>Liabilities:</b>				
Due to other taxing units	\$ 3,162,898	\$ 60,658,388	\$ 61,326,217	\$ 2,495,069
Total liabilities	<u>\$ 3,162,898</u>	<u>\$ 60,658,388</u>	<u>\$ 61,326,217</u>	<u>\$ 2,495,069</u>
<b>Official Depository</b>				
<b>Assets:</b>				
Cash and investments	\$ 10,846,315	82,885,012	80,167,442	\$ 13,563,885
Total assets	<u>\$ 10,846,315</u>	<u>\$ 82,885,012</u>	<u>\$ 80,167,442</u>	<u>\$ 13,563,885</u>
<b>Liabilities:</b>				
Due to others	\$ 10,846,315	\$ 82,885,012	\$ 80,167,442	\$ 13,563,885
Total liabilities	<u>\$ 10,846,315</u>	<u>\$ 82,885,012</u>	<u>\$ 80,167,442</u>	<u>\$ 13,563,885</u>
<b>City-County Library</b>				
<b>Assets:</b>				
Cash and investments	\$ 28,746,623	38,080,676	36,063,089	\$ 30,764,210
Ad valorem receivable	937,846	1,010,521	937,846	1,010,521
Total Assets	<u>\$ 29,684,469</u>	<u>\$ 39,091,197</u>	<u>\$ 37,000,935</u>	<u>\$ 31,774,731</u>
<b>Liabilities:</b>				
Due to other taxing units	29,684,469	39,091,197	37,000,935	31,774,731
Total Liabilities	<u>\$ 29,684,469</u>	<u>\$ 39,091,197</u>	<u>\$ 37,000,935</u>	<u>\$ 31,774,731</u>

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**All Agency Funds**  
**Combining Statement of Changes in Assets and Liabilities**  
**For the year ended June 30, 2008**


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	Balance 7/1/07	Additions	Deductions	Balance 06/30/08
<b>Unapportioned Receipts</b>				
<b>Assets:</b>				
Cash and investments	\$ 18,461,067	(1,484,145)	12,105,241	\$ 4,871,681
Total Assets	<u>\$ 18,461,067</u>	<u>\$ (1,484,145)</u>	<u>\$ 12,105,241</u>	<u>\$ 4,871,681</u>
<b>Liabilities:</b>				
Due to other taxing units	18,461,067	(1,484,145)	12,105,241	4,871,681
Total Liabilities	<u>\$ 18,461,067</u>	<u>\$ (1,484,145)</u>	<u>\$ 12,105,241</u>	<u>\$ 4,871,681</u>
<b>Other Agencies</b>				
<b>Assets:</b>				
Cash and investments	\$ 1,080,723	120,666,470	120,014,791	\$ 1,732,402
Total Assets	<u>\$ 1,080,723</u>	<u>\$ 120,666,470</u>	<u>\$ 120,014,791</u>	<u>\$ 1,732,402</u>
<b>Liabilities:</b>				
Due to others	1,080,723	120,666,470	120,014,791	1,732,402
Total Liabilities	<u>\$ 1,080,723</u>	<u>\$ 120,666,470</u>	<u>\$ 120,014,791</u>	<u>\$ 1,732,402</u>
<b>Total All Agencies</b>				
<b>Assets:</b>				
Cash and investments	\$ 61,719,474	\$ 704,202,054	\$ 712,209,445	\$ 53,712,083
Ad valorem receivable	17,549,115	18,226,214	17,549,115	18,226,214
Total Assets	<u>\$ 79,268,589</u>	<u>\$ 722,428,268</u>	<u>\$ 729,758,560</u>	<u>\$ 71,938,297</u>
<b>Liabilities:</b>				
Due to other taxing units	67,341,551	518,876,786	529,576,327	56,642,010
Due to others	11,927,038	203,551,482	200,182,233	15,296,287
Total Liabilities	<u>\$ 79,268,589</u>	<u>\$ 722,428,268</u>	<u>\$ 729,758,560</u>	<u>\$ 71,938,297</u>

Note: During fiscal year ended 6/30/08, there was a reconfiguration of the groups.  
The beginning balances remained the same in total.

# Supplemental Schedules

## Capital Assets Used in Operation of Governmental Funds

Tulsa County, Oklahoma

Capital Assets Used in Operation of Governmental Funds  
Comparative Schedules by Source  
June 30, 2008 and 2007

	<u>2008</u>	<u>2007</u>
Governmental funds capital assets		
Land	\$ 21,738,096	\$ 19,259,156
Buildings	30,061,145	30,040,560
Machinery and equipment	27,514,108	26,532,071
Infrastructure	89,172,459	81,708,250
Construction in progress	<u>18,163,975</u>	<u>21,379,709</u>
Total governmental funds capital assets	<u>\$ 186,649,783</u>	<u>\$ 178,919,745</u>

## Tulsa County, Oklahoma

**Capital Assets Used in Operation of Governmental Funds  
Schedule of Changes by Function and Activity  
For the fiscal year ended June 30, 2008**

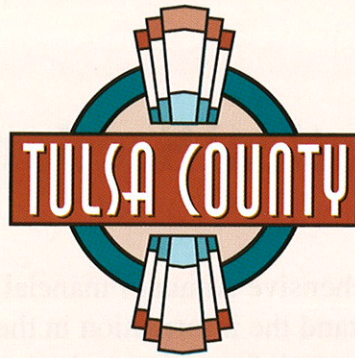
Function and Activity	Governmental Funds Capital Assets 1-Jul-07	Additions	Deductions	Governmental Funds Capital Assets 30-Jun-08
General Government	\$ 33,997,958	\$ 3,701,954	\$ 740,303	\$ 36,959,609
Public Safety	7,725,869	459,630	281,784	7,903,714
Health and welfare	3,252,932	158,931	6,439	3,405,424
Education	32,589	10,388		42,977
Culture and recreation	31,557,155	4,330,254	334,925	35,552,484
Roads and highways	104,714,205	9,743,927	11,672,559	102,785,573
Total governmental funds capital assets	\$ 181,280,708	\$ 18,405,084	\$ 13,036,010	\$ 186,649,782

Tulsa County, Oklahoma  
 Governmental Funds Capital Assets  
 Schedule by Function and Activity  
 June 30, 2008

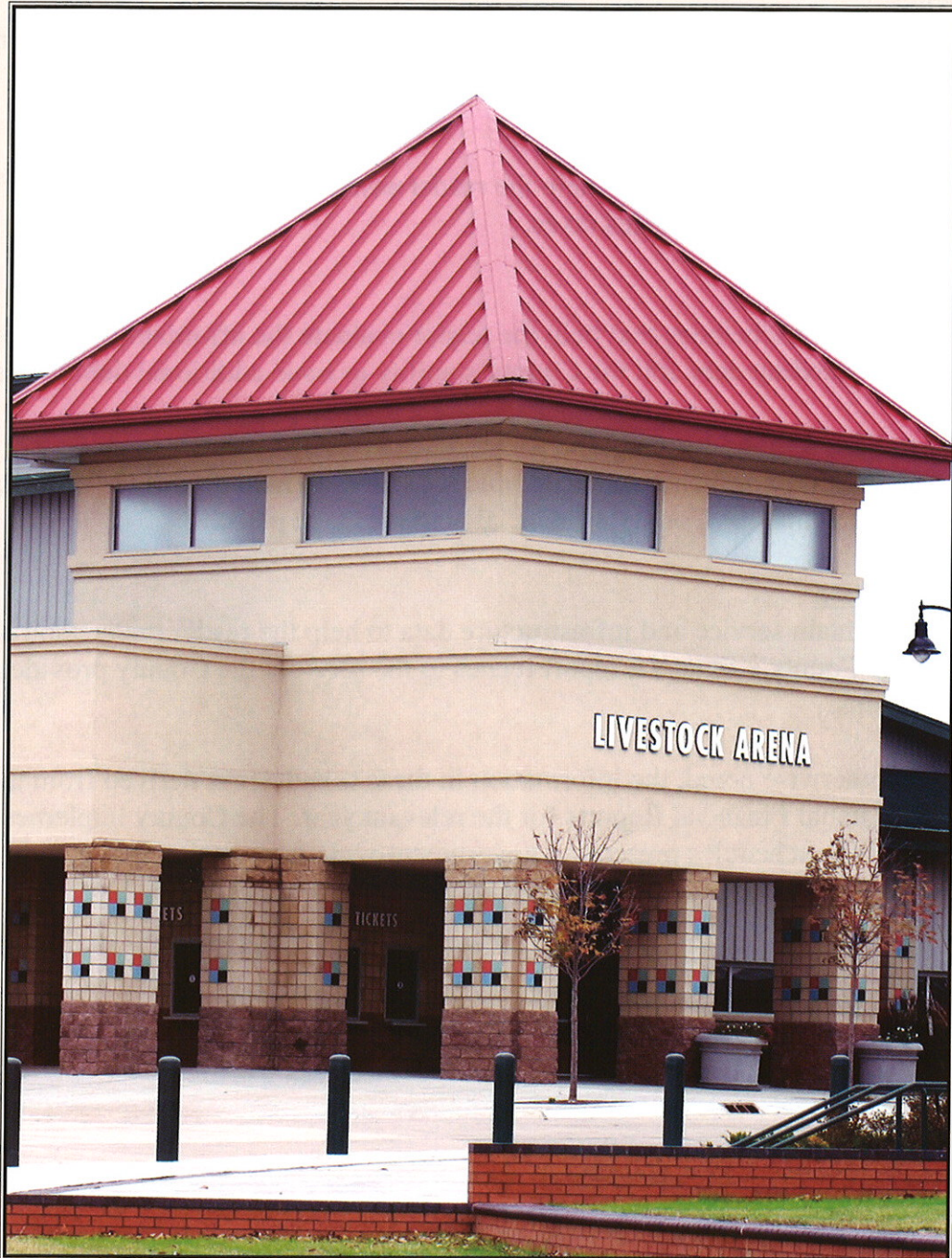
Function and Activity	Land	Buildings	Machinery & Equipment	Infrastructure	Construction In Progress	Total
General Government	\$ 6,223,764	16,150,047	12,585,845		1,999,954	\$ 36,959,611
Public Safety		601,481	631,666		6,670,568	7,903,714
Health and welfare		3,190,888	214,536			3,405,424
Education			42,977			42,977
Culture and recreation	14,602,432	8,619,229	2,413,831	3,852,543	6,064,449	35,552,484
Roads and highways	911,900	1,499,500	11,625,253	85,319,915	3,429,004	102,785,572
Total governmental funds capital assets	\$ 21,738,096	\$ 30,061,145	\$ 27,514,108	\$ 89,172,458	\$ 18,163,975	\$ 186,649,782



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## Statistical Section



**Tulsa County Oklahoma  
For the Year Ended June 30, 2008**

# 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 taxes.

## Debt Capacity

These schedules present schedules that 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. The County implemented GASB Statement 34 in 2002; schedules presenting government-wide information begin with that year.

**Tulsa County, Oklahoma**  
**Net Assets by Component**  
**Last Seven Years**  
(accrual basis of accounting)

	2008	2007	2006	2005	2004	2003	2002
<b>Governmental Activities</b>							
Invested in capital assets, net of related debt	\$ 110,679,261	\$ 109,530,943	\$ 111,188,184	\$ 77,080,501	\$ 77,237,774	\$ 62,803,986	\$ 51,884,793
Restricted	78,503,176	347,793,577	380,821,697	418,270,798	274,325,875	57,554,823	22,908,645
Unrestricted	(281,183,499)	(460,148,344)	(432,092,108)	(392,254,800)	(239,614,851)	(33,551,650)	9,411,691
<b>Business-type Activities</b>							
Invested in capital assets, net of related debt	70,025,328	58,033,171	51,008,384	38,375,821	27,195,067	26,060,645	18,312,336
Restricted	18,045,091	12,318,640	10,165,962	3,240,448	3,140,411	1,738,894	1,589,181
Unrestricted	3,276,954	3,820,109	4,187,082	2,372,708	2,091,672	591,974	1,028,288
<b>Primary Government</b>							
Invested in capital assets, net of related debt	180,704,589	167,564,114	162,196,568	115,456,322	104,432,841	88,864,631	70,197,129
Restricted	96,548,267	360,112,217	390,987,659	421,511,246	277,466,286	59,293,717	24,497,826
Unrestricted	\$ (277,906,545)	\$ (456,328,235)	\$ (427,905,026)	\$ (389,882,092)	\$ (237,523,179)	\$ (32,959,676)	\$ 10,439,979

**Note:** Data not available for previous years.

Tulsa County, Oklahoma  
Changes in Net Assets  
Last Seven Years  
(accrual basis of accounting)

	2008	2007	2006	2005	2004	2003	2002
<b>Expenses</b>							
<b>Governmental Activities</b>							
General government	\$ 59,865,376	\$ 45,539,865	\$ 38,376,644	\$ 43,638,327	\$ 41,474,943	\$ 42,224,157	\$ 35,764,978
Public safety	34,046,841	28,861,116	27,279,455	9,334,066	6,807,818	6,859,149	8,695,209
Health and welfare	9,380,734	8,017,972	8,017,972	8,079,697	8,087,269	7,556,340	7,241,820
Culture and recreation	7,817,901	7,609,800	7,012,368	6,794,042	6,877,464	6,332,378	5,857,438
Education	438,805	431,669	397,836	342,543	370,670	370,364	377,821
Roads and highways	9,630,520	11,899,832	10,695,410	11,197,124	8,817,929	12,915,680	9,610,277
Vision 2025 expenses	129,807,186	131,286,608	128,164,692	59,315,237	14,108,422	13,984,502	0
4 to Fix expenses	23,476,708	10,935,912	7,344,957	10,342,598	19,009,326	17,800,475	0
Payment to component units	23,633,512	22,359,978	21,915,083	21,543,660	19,009,326	17,800,475	0
Interest on long-term debt	16,848,522	18,459,011	15,465,345	8,242,313	5,093,082	3,068,544	2,513,787
Total governmental activities	314,887,205	286,192,597	284,670,762	178,829,607	110,552,123	111,223,589	70,061,330
Business-type Activities							
Public Facilities Authority	28,667,479	24,463,254	22,649,826	19,356,998	16,526,128	16,553,748	14,393,787
Total business-type activities	28,667,479	24,463,254	22,649,826	19,356,998	16,526,128	16,553,748	14,393,787
Total primary government	343,554,684	310,655,851	307,320,588	198,186,605	127,078,251	127,777,337	84,455,117
<b>Program revenues</b>							
<b>Governmental Activities</b>							
Charge for services	14,495,715	10,200,877	12,684,381	11,726,014	8,760,632	8,774,639	11,145,277
Operating Grants and Contributions	20,755,128	21,373,195	19,133,958	16,168,591	17,074,897	6,044,201	6,236,466
General government-Capital Grants and Contributions	0	0	159,983	692,313	0	0	6,551,200
Total governmental activities	35,250,843	31,574,072	31,978,322	28,586,918	25,835,529	23,014,163	24,032,943
<b>Business-type Activities</b>							
Charge for services	21,253,195	19,854,313	18,808,569	17,314,860	15,589,744	14,966,660	14,726,847
Capital Grants and Contributions	20,632,516	0	0	0	0	0	0
Total business-type activities	41,885,711	19,854,313	18,808,569	17,314,860	15,589,744	14,966,660	14,726,847
Total primary government	76,836,554	51,428,385	50,786,891	45,901,778	41,425,273	37,982,823	38,759,790
<b>Net (expense) revenue</b>	(279,616,362)	(254,618,525)	(232,692,460)	(150,242,689)	(84,716,594)	(88,209,426)	(46,028,387)
<b>Governmental Activities</b>	12,818,232	(4,508,941)	(3,843,287)	(2,042,138)	(936,384)	(1,585,079)	333,060
<b>Business-type Activities</b>	(266,838,130)	(259,227,466)	(236,535,727)	(152,284,827)	(85,652,978)	(89,794,505)	(45,695,327)
<b>Total primary government net expense</b>	\$ (253,819,898)	\$ (264,136,407)	\$ (240,429,047)	\$ (152,284,827)	\$ (86,589,362)	\$ (91,379,584)	\$ (45,362,327)
<b>General Revenues and Other Changes in Net Assets</b>							
Sales tax	96,112,765	90,933,560	86,610,499	79,689,715	54,494,763	29,889,615	23,021,186
Use tax	6,624,221	6,626,032	5,853,841	5,554,851	0	0	0
Ad valorem and other taxes	53,007,378	49,620,062	47,793,265	44,471,995	43,075,236	46,490,278	45,989,167
Interest and investment earnings	12,607,372	18,169,832	19,895,956	6,905,943	1,921,718	521,166	0
Payment from component units	22,818,742	20,498,623	19,742,509	0	0	0	0
Miscellaneous	9,097,878	12,111,116	5,660,020	9,730,025	12,949,671	14,949,205	7,921,036
Property transferred through annexation	(3,205,012)	0	0	0	0	0	0
Transfers	(6,624,221)	(6,626,031)	(5,562,557)	(3,302,411)	(2,583,155)	(1,038,808)	(25,672,895)
Total governmental activities	190,439,124	191,334,194	179,997,533	143,050,118	109,858,233	90,811,456	128,169,923
<b>Business-type Activities</b>							
Interest and investment earnings	0	0	0	(1,359,302)	(1,412,456)	(1,635,913)	(2,003,520)
Gain from insurance proceeds over impairment	0	0	692,939	857,893	0	0	0
Purchase of Capital Asset	(2,367,000)	0	0	0	0	0	0
Contribution of Capital assets	0	6,793,402	19,083,398	10,802,963	3,801,322	9,643,892	0
Transfers	6,624,221	6,626,031	5,439,383	3,302,411	2,583,155	1,038,808	10,703,463
Total business-type activities	4,257,221	13,419,433	25,215,718	13,603,965	4,972,021	9,046,787	8,699,943
Total primary government	194,696,345	204,753,627	205,213,251	156,654,083	114,830,254	99,858,243	136,869,866
<b>Changes in Net Assets</b>							
Governmental Activities	(89,177,238)	(63,284,331)	(52,694,927)	(7,192,571)	25,141,639	2,602,030	82,161,536
Business-type Activities	17,475,453	8,810,492	21,372,451	11,561,827	7,481,708	7,481,708	9,033,003
Total primary government	(71,701,785)	(54,473,839)	(31,322,476)	(4,369,256)	29,177,276	10,083,738	91,194,539

Note: Data not available for previous years.

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

Year	Property Tax	Sales Tax	Use Tax	Total
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
2006	45,909,403	86,610,499	5,853,841	138,373,743
2005	44,471,995	79,689,715	5,554,851	129,716,561
2004	43,075,236	51,720,361	2,774,402	97,569,999
2003	46,490,278	29,889,615	0	76,379,893
2002	45,989,167	23,021,186	0	69,010,353

**Note:** Data not available for previous years.

**Tulsa County, Oklahoma**  
**Program Revenue by Function/Program**  
**Last Seven Years**  
 (accrual basis of accounting)

Function/Program	2008	2007	2006	2005	2004	2003	2002
<b>Governmental Activities</b>							
General government	\$ 17,490,486	\$ 31,574,072	\$ 31,978,302	\$ 28,586,918	\$ 25,835,529	\$ 12,063,311	\$ 13,206,045
Public safety	2,666,375	0	0	0	0	0	0
Culture and recreation	2,851,973	0	0	0	0	2,755,529	2,557,631
Health and welfare	3,071,058	0	0	0	0	0	0
Roads and highways	9,170,951	0	0	0	0	8,195,323	8,269,267
<b>Total Governmental Activities</b>	<u>35,250,843</u>	<u>31,574,072</u>	<u>31,978,302</u>	<u>28,586,918</u>	<u>25,835,529</u>	<u>23,014,163</u>	<u>24,032,943</u>
<b>Business-type Activities</b>							
Public Facilities Authority	41,585,711	19,854,313	18,806,559	17,314,860	15,589,744	14,968,669	14,726,847
<b>Total Business-type Activities</b>	<u>41,585,711</u>	<u>19,854,313</u>	<u>18,806,559</u>	<u>17,314,860</u>	<u>15,589,744</u>	<u>14,968,669</u>	<u>14,726,847</u>
<b>Total Primary Government</b>	<u>76,836,554</u>	<u>51,428,385</u>	<u>50,784,861</u>	<u>45,901,778</u>	<u>41,425,273</u>	<u>37,982,832</u>	<u>38,759,790</u>

**Note:** Data not available for previous years.

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

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
General Fund										
Reserved	\$ 1,036,113	\$ 838,917	\$ 526,243	\$ 362,536	\$ 710,265	\$ 1,227,629	\$ 3,879,334	\$ 1,107,207	\$ 1,510,850	\$ 545,738
Unreserved	10,552,125	11,018,450	5,908,652	3,811,200	3,040,236	5,375,554	8,969,294	14,518,322	13,816,246	10,320,211
Total General Fund	<u>11,588,238</u>	<u>11,857,367</u>	<u>6,432,895</u>	<u>4,173,736</u>	<u>3,750,501</u>	<u>6,603,183</u>	<u>12,848,628</u>	<u>15,625,529</u>	<u>15,327,096</u>	<u>10,865,949</u>
Other Governmental Funds										
Reserved	191,971,062	328,596,423	362,145,573	402,582,439	296,569,713	44,010,053	55,818,292	636,976	736,942	954,098
Unreserved	31,449,041	29,727,191	29,468,339	34,399,199	19,497,557	17,707,370	17,068,647	13,762,578	14,297,702	13,862,787
Special Revenue Funds	57,767	86,448	114,007	453,159	864,296	4,792,599	5,883,217	4,374,845	4,278,103	41,902
Debt Service Funds	223,477,870	358,410,062	391,727,919	437,434,797	316,951,366	66,510,022	78,770,156	18,774,399	19,312,747	14,899,787
Total all Other Governmental Funds	<u>223,477,870</u>	<u>358,410,062</u>	<u>391,727,919</u>	<u>437,434,797</u>	<u>316,951,366</u>	<u>66,510,022</u>	<u>78,770,156</u>	<u>18,774,399</u>	<u>19,312,747</u>	<u>14,899,787</u>



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

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
<b>REVENUES</b>										
Ad valorem taxes	\$ 47,896,494	\$ 44,273,087	\$ 44,503,356	\$ 41,749,218	\$ 41,025,713	\$ 43,331,731	\$ 42,646,177	\$ 37,993,386	\$ 36,066,321	\$ 29,666,061
Other taxes	3,524,659	3,755,673	3,289,909	1,909,353	1,409,222	2,597,289	3,127,988	6,258,102	5,922,912	6,386,048
Charge for services	14,494,715	10,200,877	12,684,381	8,776,014	8,670,632	8,774,639	11,127,015	34,187,159	32,967,593	28,965,115
Sales taxes	96,112,765	90,833,560	86,610,499	79,689,715	51,720,361	29,889,615	23,021,186	-	-	-
Use tax	6,624,221	6,626,032	5,853,841	5,554,851	2,774,402	-	-	-	-	-
Tobacco Tax	-	-	97,140	-	-	-	-	-	-	-
Intergovernmental revenue	20,755,128	21,373,195	19,293,921	16,168,591	17,074,897	14,239,524	12,084,564	17,134,902	18,664,545	17,481,561
Investment income	12,607,373	18,169,832	19,899,956	6,905,943	1,921,716	521,166	801,955	-	-	-
Miscellaneous revenue	6,529,489	11,044,117	5,660,020	10,202,451	10,818,846	8,765,280	7,921,036	8,580,626	7,431,510	7,648,452
Payment from Criminal Justice Authority	22,633,750	20,481,737	19,718,509	31,129	49,989	219,239	-	-	-	-
Payment from Depository Accounts	70,457	-	-	-	-	-	-	-	-	-
Payment from City/County Health	114,535	17,886	24,000	188,758	24,000	24,000	-	-	-	-
Total revenues	<u>231,364,587</u>	<u>226,875,996</u>	<u>217,538,392</u>	<u>174,223,163</u>	<u>135,579,778</u>	<u>108,362,483</u>	<u>100,729,921</u>	<u>104,154,175</u>	<u>101,052,881</u>	<u>90,147,237</u>
<b>EXPENDITURES</b>										
Current:										
General government	52,473,453	51,492,178	45,225,307	43,424,874	43,059,935	39,171,163	33,392,232	30,675,434	25,748,137	25,779,272
Public safety	33,994,432	28,810,681	27,232,708	9,275,627	6,807,818	6,790,775	8,363,526	6,728,279	6,673,490	6,630,803
Health and welfare	10,464,073	8,749,931	7,949,697	8,008,122	8,087,269	7,487,514	6,785,774	6,112,190	5,729,538	4,974,395
Culture and recreation	7,461,204	7,009,522	6,721,692	6,565,806	6,877,664	6,160,864	5,551,477	5,246,377	4,963,208	4,703,397
Education	436,759	429,731	394,722	340,668	310,670	368,228	370,503	373,040	355,507	219,845
Roads and highways	9,525,254	8,619,767	8,061,940	8,276,935	8,817,929	9,772,831	6,818,031	9,771,144	7,423,452	7,291,642
Payment to Criminal Justice Authority	23,633,512	22,369,978	21,602,147	21,540,160	18,974,347	17,889,405	-	34,487,395	32,701,740	28,828,343
Payment to City/County Health	-	-	312,936	3,500	-	1,070	-	-	-	-
Capital outlay	4,967,675	2,820,044	4,467,027	1,579,503	5,090,759	5,298,523	11,348,707	5,732,523	4,135,629	5,121,034
Capital outlay-Vision 2025	129,807,186	118,087,415	138,961,103	61,697,284	13,095,954	-	-	-	-	-
Capital outlay-4 to Fix I	1,334,470	7,317,978	7,307,807	10,342,598	-	13,984,502	-	-	-	37,150
Capital outlay-4 to Fix II	22,142,238	3,617,934	37,150	-	-	-	-	-	-	-
Debt service:										
Principal retirement	43,560,000	44,520,000	40,890,000	29,200,000	17,000,000	15,275,000	8,925,000	3,925,000	-	500,000
Interest and fiscal agent charges	20,153,240	21,994,766	19,077,303	10,213,704	5,776,461	2,999,393	2,758,405	514,175	889,013	17,425
Bond issuance costs	-	1,854,206	1,677,122	2,587,150	2,838,163	-	1,379,627	-	-	-
Other bond costs	-	1,268,924	2,236,129	434,033	-	-	-	-	-	-
Principal & interest on judgments	90,124	115,111	216,434	242,244	700,904	717,221	867,643	625,413	773,027	1,098,414
Total expenditures	<u>360,043,620</u>	<u>329,068,166</u>	<u>332,371,224</u>	<u>213,712,208</u>	<u>137,637,873</u>	<u>125,916,490</u>	<u>86,560,925</u>	<u>104,136,970</u>	<u>89,392,741</u>	<u>85,201,720</u>
Excess (deficiency) of revenues over (under) expenditures	(128,679,033)	(102,192,170)	(114,832,832)	(39,489,045)	(1,958,095)	(17,554,007)	14,168,996	17,205	11,660,140	4,945,517
Other financing sources (uses):										
Issuance of revenue bonds	-	81,024,758	76,645,177	160,234,945	252,266,223	-	62,271,197	-	-	77,375,876
Transfer from beneficiary	-	-	77,375,876	-	-	-	-	-	-	302,500
Sale of real property	1,932	51	302,500	-	-	-	-	-	-	1,931,076
Transfers in (primary government)	35,541,078	55,516,579	24,396,678	6,642,435	61,189,154	19,411,126	22,064,902	1,944,987	1,507,564	3,020,403
Transfers out (primary government)	(42,165,298)	(62,142,610)	(107,335,111)	(9,944,846)	(63,772,309)	(20,449,935)	(47,737,755)	(2,202,107)	(4,052,014)	(3,020,403)
Total other financing sources (uses)	<u>(6,622,290)</u>	<u>74,398,778</u>	<u>71,385,120</u>	<u>156,932,534</u>	<u>249,683,068</u>	<u>(1,038,809)</u>	<u>36,538,344</u>	<u>(257,120)</u>	<u>(2,544,450)</u>	<u>76,589,049</u>
Net change in fund balances	(135,301,323)	(27,793,392)	(43,447,712)	117,443,489	247,724,973	(18,592,816)	50,767,340	(239,915)	9,115,690	81,534,566
Fund balance, beginning	370,367,429	398,160,821	441,608,533	324,165,044	73,113,205	91,706,021	40,851,445	34,639,843	25,524,153	21,831,396
Cumulative effect of change	-	-	-	3,326,866	-	87,236	-	6,451,517	-	(200,583)
Fund balance, ending	<u>\$ 235,066,106</u>	<u>\$ 370,367,429</u>	<u>\$ 398,160,821</u>	<u>\$ 441,608,533</u>	<u>\$ 324,165,044</u>	<u>\$ 73,113,205</u>	<u>\$ 91,706,021</u>	<u>\$ 40,851,445</u>	<u>\$ 34,639,843</u>	<u>\$ 103,163,379</u>
Debt Service as a percentage of noncapital expenditures	21.54%	26.90%	23.89%	24.94%	23.77%	17.76%	19.18%	5.11%	1.89%	1.93%

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

<u>Year</u>	<u>Property Tax</u>	<u>Sales Tax</u>	<u>Use Tax</u>	<u>Total</u>
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
2006	44,503,356	86,610,499	5,853,841	136,967,696
2005	41,749,218	79,689,715	5,554,851	126,993,784
2004	41,025,713	51,720,361	2,774,402	95,520,476
2003	43,331,731	29,889,615	0	73,221,346
2002	42,646,177	23,021,186	0	65,667,363

**Note:** Data not available for previous years.

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

Fiscal Year Ended June 30,	Residential Property	Commercial Property	Agricultural Property	Less: Tax Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Value
2008	\$ 2,611,212,036	\$ 1,124,169,849	\$ 5,319,826	\$ 121,894,120	\$ 3,618,807,591	0.01	\$ 34,006,379,191	11.00%
2007	2,486,797,270	1,060,375,595	5,207,922	122,639,200	3,429,741,587	0.01	32,294,370,791	11.00%
2006	2,342,534,175	981,797,743	4,740,896	123,711,940	3,205,360,874	0.01	30,264,298,309	11.00%
2005	2,226,961,868	925,424,147	4,660,442	126,272,004	3,030,774,453	0.39	28,700,422,336	11.00%
2004	2,103,509,707	860,084,142	4,764,999	126,336,862	2,842,021,986	0.41	26,985,080,436	11.00%
2003	1,987,359,502	831,385,593	4,753,083	126,217,688	2,697,280,490	0.69	25,668,165,255	11.00%
2002	1,866,268,036	799,564,220	4,706,523	124,751,098	2,545,787,681	1.63	24,277,625,264	11.00%
2001	1,750,258,505	750,887,009	4,623,201	120,151,397	2,385,617,318	2.11	22,779,715,591	11.00%
2000	1,627,839,986	702,070,652	4,610,370	120,704,114	2,213,816,894	1.73	21,222,918,255	11.00%
1999	1,514,155,889	643,558,391	4,546,980	119,343,115	2,042,918,145	2.12	19,656,920,545	11.00%

Source: Tulsa County Assessor

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

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
<b>County Direct Rates</b>										
General Fund	10.30	10.30	10.30	10.30	10.30	10.30	10.30	10.30	10.30	10.30
Sinking Fund	0.01	0.01	0.01	0.39	0.41	0.69	1.63	2.11	1.73	2.12
<b>Total Direct Rates</b>	<b>10.31</b>	<b>10.31</b>	<b>10.31</b>	<b>10.69</b>	<b>10.71</b>	<b>10.99</b>	<b>11.93</b>	<b>12.41</b>	<b>12.03</b>	<b>12.42</b>
<b>Overlapping Rates - County Wide</b>										
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	8.28	8.31	8.39	8.70	8.80
Tulsa Technology Center	13.33	13.33	13.33	13.33	13.33	13.33	13.33	13.33	13.33	13.33
<b>Total County Wide Overlapping Rates</b>	<b>32.44</b>	<b>32.44</b>	<b>32.44</b>	<b>32.44</b>	<b>32.44</b>	<b>33.51</b>	<b>33.54</b>	<b>33.62</b>	<b>33.93</b>	<b>34.03</b>
<b>Overlapping Rates - Cities*</b>										
City of Bixby	14.31	12.84	13.38	8.53	12.18	13.61	15.88	20.60	18.98	10.62
City of Broken Arrow	15.72	15.30	15.74	15.06	15.08	12.89	16.48	16.30	14.90	14.00
City of Glenpool	3.91	4.75	5.47	6.22	7.11	8.40	9.33	9.36	10.97	11.54
City of Jenks	8.25	14.56	15.72	6.43	8.30	9.53	12.12	3.86	7.01	8.93
City of Sand Springs	10.74	11.25	13.41	5.03	7.92	8.70	6.36	0.15	0.00	1.51
City of Sapulpa	14.01	14.22	12.45	12.76	0.00	0.00	0.00	0.00	0.00	0.00
City of Tulsa	14.08	13.48	12.67	9.97	10.11	11.16	11.23	11.53	12.02	12.33
<b>Overlapping Rates - Emergency Medical Service*</b>	<b>3.09</b>	<b>3.09</b>	<b>3.09</b>	<b>3.09</b>	<b>3.09</b>	<b>3.09</b>	<b>3.09</b>	<b>3.09</b>	<b>3.09</b>	<b>3.09</b>
City of Glenpool										
<b>Overlapping Rates - School Districts*</b>										
Tulsa	65.30	63.77	62.88	64.62	64.91	65.79	63.54	63.13	63.80	62.36
Sand Springs	68.35	71.81	73.45	73.24	72.39	65.07	71.16	64.06	59.82	61.25
Broken Arrow	71.16	68.00	67.60	69.16	68.83	71.86	67.17	68.73	70.70	70.36
Bixby	64.65	62.96	63.07	63.77	65.83	61.83	65.61	64.24	67.72	69.92
Jenks	73.84	73.41	74.08	73.72	73.96	73.40	73.77	72.38	74.19	73.34
Collinsville	63.73	64.43	63.01	60.45	59.43	57.83	57.24	58.86	59.06	59.96
Skiatook	64.19	63.05	61.78	64.14	61.07	62.19	63.97	61.68	61.81	62.86
Sperry	64.25	65.70	67.06	66.91	65.57	66.36	66.82	66.35	68.95	67.38
Union	68.66	67.36	68.36	67.65	72.59	73.30	73.89	73.63	71.69	74.28
Berryhill	62.65	63.32	65.71	66.32	65.80	69.52	69.26	68.70	62.39	52.67
Owasso	59.63	67.06	68.02	70.65	70.17	68.66	68.03	70.16	66.72	66.01
Glenpool	64.34	62.14	62.70	64.32	66.59	64.72	67.38	64.67	68.21	64.80
Liberty	67.36	59.38	59.53	61.79	62.70	66.25	68.53	67.40	50.86	52.99
Keystone	46.17	46.29	47.27	51.51	51.75	50.05	50.97	51.97	52.57	53.21
Leonard	42.00	42.00	42.00	42.00	42.00	42.00	42.03	42.03	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, 2008

Taxpayer	2008			1999		
	Taxable Assessed Valuation	Rank	% of Total Assessed Valuation	Taxable Assessed Valuation	Rank	% of Total Assessed Valuation
Public Service Company of Oklahoma	\$ 120,879,380	1	2.63%	\$ 81,140,016	1	3.15%
A T & T Companies/Services	64,595,501	2	1.41%	30,147,814	5	1.17%
Oklahoma Natural Gas Company	43,248,838	3	0.94%	32,535,885	4	1.26%
Sinclair Oil Company	33,657,322	4	0.73%			
AHS Hillcrest/Tulsa Holdings	28,687,315	5	0.63%			
Kimberly Clark	25,395,404	6	0.55%	8,740,897	15	0.34%
Wal Mart Stores	24,061,340	7	0.52%	11,739,857	13	0.46%
Sun Oil Co/Sunray DX	17,650,777	8	0.38%	13,797,640	9	0.53%
M C I (Various Co) WorldCom	17,104,418	9	0.37%	53,692,575	3	2.08%
Green Country Energy LLC	16,975,837	10	0.37%			
Cox Communications	16,161,670	11	0.35%			
Warren Foundation	14,281,904	12	0.31%	12,700,269	9	0.49%
Nordam Inc	14,049,376	13	0.31%	5,823,997	20	0.23%
Woodland Hills Mall	13,456,951	14	0.29%	12,106,038	11	0.47%
Williams Companies (Box 2400)	12,060,324	15	0.26%	25,585,577	6	0.99%
EDS Information	11,436,409	16	0.25%			
St. Johns Hospital	10,794,623	17	0.24%			
US Cellular	8,735,313	18	0.19%	7,080,556	18	0.27%
Valor Comm. of OK LLC (General Telephone)	8,432,345	19	0.18%			
Helmerich & Payne	8,420,904	20	0.18%			
	\$ 510,085,951		11.12%	\$ 295,091,121		11.44%

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
2008	\$56,063,597	\$53,731,697	95.84%	\$0	\$53,731,697	95.84%
2007	53,066,779	49,974,723	94.17%	2,382,518	52,357,241	98.66%
2006	51,778,308	48,373,393	93.42%	2,194,299	50,567,692	97.66%
2005	49,483,871	46,291,963	93.55%	2,406,544	48,698,507	98.41%
2004	48,670,887	46,153,357	94.83%	1,576,801	47,730,158	98.07%
2003	50,865,555	48,350,094	95.05%	1,763,472	50,113,566	98.52%
2002	49,781,014	48,303,073	97.03%	1,216,816	49,519,889	99.48%
2001	43,549,016	42,445,322	97.47%	891,454	43,336,776	99.51%
2000	41,993,076	41,053,753	97.76%	838,431	41,892,184	99.76%
1999	34,395,609	33,628,471	97.77%	734,100	34,362,571	99.90%

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>
2008	1.02%	3.00%	4.50%
2007	1.02%	3.00%	4.50%
2006	1.02%	3.00%	4.50%
2005	1.02%	3.00%	4.50%
2004	1.02%	3.00%	4.50%
2003	0.42%	3.00%	4.50%
2002	0.42%	3.00%	4.50%
2001	0.42%	3.00%	4.50%
2000	0.42%	3.00%	4.50%
1999	0.42%	3.00%	4.50%

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
2008	577,727	\$ 4,588,773,538	\$ 0	\$ 0	\$ 0	0.00%	\$ 0.00
2007	576,972	4,362,430,707	0	0	0	0.00%	0.00
2006	575,738	4,113,430,859	0	0	0	0.00%	0.00
2005	572,028	3,726,841,316	1,575,000	453,159	1,121,841	0.03%	1.96
2004	568,611	3,710,213,009	3,150,000	864,296	2,285,704	0.06%	4.02
2003	569,813	3,607,689,421	8,650,000	4,792,599	3,857,401	0.11%	6.77
2002	569,780	3,518,878,302	14,150,000	5,883,217	8,266,783	0.23%	14.51
2001	566,284	3,231,440,095	14,150,000	4,337,660	9,812,340	0.30%	17.33
2000	563,832	2,985,199,124	11,775,000	4,278,103	7,496,897	0.25%	13.30
1999	561,682	2,803,584,663	15,700,000	41,902	15,658,098	0.56%	27.88

(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
2008	\$ 0	\$ -	\$ 90,124	\$ 90,124	\$ 138,414,439	0.07%
2007	0	-	115,111	115,111	127,573,059	0.09%
2006	1,575,000	63,425	216,434	1,854,859	121,530,338	1.53%
2005	1,575,000	123,275	242,245	1,940,520	96,705,671	2.01%
2004	5,500,000	260,425	700,904	6,461,329	102,710,008	6.29%
2003	5,500,000	484,394	717,222	6,701,616	96,815,190	6.92%
2002	8,925,000	628,405	867,643	10,421,048	86,775,352	12.01%
2001	3,925,000	514,175	626,699	5,065,874	69,649,575	7.27%
2000	0	889,013	773,027	1,662,040	58,307,641	2.85%
1999	500,000	17,425	500,000	1,017,425	57,175,009	1.78%

Source: Audited financial statements of Tulsa County

Tulsa County, Oklahoma

Computation of Direct and Overlapping Bonded Debt  
June 30, 2008

	Net Indebtedness (1)	Percentage Applicable To Tulsa County (2)	Amount Applicable To Tulsa County
<b>Direct Debt:</b>			
Tulsa County	\$ 0	100.00%	\$ 0
<b>Total Direct Debt:</b>	<u>0</u>		<u>0</u>
<b>Overlapping Debt:</b>			
<b>School Districts:</b>			
#1 - Tulsa	145,450,000	98.06%	142,628,270
#2 - Sand Springs	13,480,000	95.77%	12,909,796
#3 - Broken Arrow	65,125,000	71.69%	46,688,113
#4 - Bixby	24,500,000	100.00%	24,500,000
#5 - Jenks	65,900,000	98.36%	64,819,240
#6 - Collinsville	3,290,000	83.50%	2,747,150
#7 - Skiatook	3,235,000	23.03%	745,021
#8 - Sperry	1,175,000	53.45%	628,038
#9 - Union	58,550,000	100.00%	58,550,000
#10 - Berryhill	810,000	100.00%	810,000
#11 - Owasso	23,800,000	80.37%	19,128,060
#12 - Glenpool	3,290,000	100.00%	3,290,000
#13 - Liberty	1,140,000	56.92%	648,888
#14 - Keystone	180,000	68.06%	122,508
<b>Total School Districts</b>	<u>409,925,000</u>		<u>378,215,083</u>
<b>Cities:</b>			
Tulsa	316,430,000	99.25%	314,056,775
Jenks	21,910,000	100.00%	21,910,000
Glenpool	495,000	100.00%	495,000
Broken Arrow	65,420,000	88.67%	58,007,914
Bixby	24,075,000	99.17%	23,875,178
Sand Springs	14,630,000	97.90%	14,322,770
<b>Total Cities:</b>	<u>442,960,000</u>		<u>432,667,637</u>
<b>Total Overlapping Debt:</b>	<u>852,885,000</u>		<u>810,882,719</u>
<b>Total Direct and Overlapping Bonded Debt:</b>	<u>\$ 852,885,000</u>		<u>\$ 810,882,719</u>

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

- (1) Total general obligation bonds outstanding at June 30, 2008
- (2) 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		Percentage of Net Assessed Value a	Per Capita b	Other Governmental Activities Capital Leases Outstanding		Other Governmental Activities Debt Revenue Bonds, Net		Business Type Activities Debt Revenue Bonds		Total Primary Government c	Percentage of Nominal Personal Income b	Per Capita b
	General Obligation Bonds, Net a	Percentage of Net Assessed Value a			Other Governmental Activities Capital Leases Outstanding	Other Governmental Activities Debt Revenue Bonds, Net	Business Type Activities Debt Revenue Bonds						
2008	\$0	0.00%	\$0	0	\$7,920,356	\$426,505,000	\$44,517,202	\$478,942,558	1.27%	\$829			
2007	0	0.00%	0	0	8,716,153	470,065,000	30,445,158	509,226,311	1.44%	883			
2006	0	0.00%	0	0	8,676,232	435,845,000	31,578,326	476,099,558	1.42%	827			
2005	1,575,000	0.04%	2.75	2.75	9,508,650	402,250,000	26,290,000	439,623,650	1.43%	769			
2004	3,150,000	0.08%	5.54	5.54	8,780,000	279,875,000	26,850,000	318,655,000	1.11%	560			
2003	8,650,000	0.24%	15.18	15.18	8,955,000	49,225,000	26,270,000	93,100,000	0.35%	163			
2002	14,150,000	0.40%	24.83	24.83	1,261,339	59,000,000	27,060,000	101,471,339	0.38%	178			
2001	18,075,000	0.56%	31.92	31.92	1,173,856	0	27,595,000	46,843,856	0.17%	83			
2000	15,700,000	0.53%	27.85	27.85	1,462,444	0	28,115,000	45,277,444	0.18%	80			
1999	15,700,000	0.56%	27.95	27.95	1,430,113	0	7,090,000	24,220,113	0.10%	43			

**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.

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

Year	Gross Revenue	Direct Operating Expenses	Net Revenue Available For Debt Service	Debt Service Requirements		Total	Coverage
				Principal	Interest		
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
2006	93,673,490	5,508,828	88,164,662	39,315,000	19,013,878	58,328,878	1.51
2005	56,780,188	2,149,216	54,630,972	27,625,000	10,090,429	37,715,429	1.45
2004	27,834,932	653,757	27,181,175	11,500,000	5,515,287	17,015,287	1.60
2003	12,644,270	25,962	12,618,308	9,775,000	2,514,250	12,289,250	1.03
2002	7,374,858	13,476	7,361,382	5,000,000	78,065	5,078,065	1.45
2001	N/A	N/A	N/A	N/A	N/A	N/A	N/A
2000	N/A	N/A	N/A	N/A	N/A	N/A	N/A
1999	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Source: Audited financial statements of the Tulsa County Industrial Authority

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

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Debt limit 1-2	\$235,533,383	\$224,253,495	\$211,857,140	\$200,082,441	\$191,828,179	\$186,695,594	\$182,182,024	\$167,620,202	\$155,296,413	\$146,147,320
Total net debt to limit 3	0	0	0	1,132,850	2,285,704	3,857,401	8,266,783	13,737,340	7,496,897	15,658,098
Legal debt margin	\$235,533,383	\$224,253,495	\$211,857,140	\$198,949,591	\$189,542,475	\$182,838,193	\$173,915,241	\$153,882,862	\$147,799,516	\$130,469,222
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.57%	1.19%	2.07%	4.54%	8.20%	4.83%	10.71%

**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

Tulsa County, Oklahoma  
Principal Employers for the City of Tulsa  
Current and Past Year

Employer	2008			2007		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
American Airlines, Inc.	7,500	1	1.77%	8,000	1	1.78%
Tulsa Public Schools	7,000	2	1.65%	6,500	2	1.45%
Saint Francis Health System	4,500	3	1.06%	4,500	3	1.00%
Tulsa, City of	4,437	4	1.05%	4,258	4	0.95%
St. John Medical Center	2,750	5	0.65%	4,250	5	0.95%
Bank of Oklahoma, NA	2,719	6	0.64%	2,750	7	0.61%
Tulsa Community College	2,500	7	0.59%	2,200	8	0.49%
Broken Arrow Public Schools	2,300	8	0.54%	1,900	10	0.42%
Oneok	2,100	9	0.50%	3,000	6	0.67%
NORDAM Group	2,000	10	0.47%	1,600	16	0.36%
Reasor's Foods	2,000	11	0.47%	1,700	13	0.38%
Tulsa, County of	2,000	12	0.47%	2,000	9	0.45%
Union Public Schools	2,000	13	0.47%	1,800	12	0.40%
Spirit Aerosystems	1,875	14	0.44%	1,200	26	0.27%
Arrow Trucking Co. Inc.	1,800	15	0.42%	1,200	24	0.27%
Jenks Public Schools	1,750	16	0.41%	1,000	33	0.22%
Hillcrest Medical Center	1,600	17	0.38%	1,800	11	0.40%
Alorica Inc.	1,500	18	0.35%	N/A	N/A	N/A
Direct TV	1,500	19	0.35%	1,500	16	0.33%
EDS	1,500	20	0.35%	1,500	18	0.33%
IBM	1,400	21	0.33%	1,300	23	0.29%
Oklahoma State Univ Medical Cente	1,400	22	0.33%	1,500	19	0.33%
Quik Trip Corporation	1,400	23	0.33%	1,200	25	0.27%
Whirlpool Corporation	1,400	24	0.33%	1,000	36	0.22%
State Farm Insurance	1,300	25	0.31%	1,500	20	0.33%
Owasso Public Schools	1,200	26	0.28%	N/A	N/A	N/A
University of Tulsa	1,200	27	0.28%	1,100	27	0.24%
Blue Cross/Blue Shield	1,100	28	0.26%	1,300	22	0.29%
Dollar Thrifty Automotive	1,100	29	0.26%	1,500	17	0.33%
Warehouse Market	1,100	30	0.26%	1,100	28	0.24%
Williams Companies Inc.	1,100	31	0.26%	900	39	0.20%
AT & T	1,000	32	0.24%	1,000	30	0.22%
Avis Budget Group	1,000	33	0.24%	1,000	31	0.22%
Cherokee Casino Resort	1,000	34	0.24%	1,000	32	0.22%
Echostar	1,000	35	0.24%	1,000	37	0.22%
IC of Oklahoma	1,000	36	0.24%	N/A	N/A	N/A
Oral Roberts University	1,000	37	0.24%	1,000	35	0.22%
Centrillift	900	38	0.21%	900	38	0.20%
Verizon(formerly MCI)	900	39	0.21%	1,700	14	0.38%
Ford Glass	800	40	0.19%	N/A	N/A	N/A
HSBC	800	41	0.19%	N/A	N/A	N/A
Level 3 Communications	800	42	0.19%	1,000	34	0.22%
AAON Inc.	719	43	0.17%	719	40	0.16%
	<u>79,950</u>		<u>18.87%</u>	<u>74,377</u>		<u>16.55%</u>

Sources: Oklahoma Department of Commerce

Note: Data unavailable for previous years

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

Year	Population	Nominal Personal Income (in \$millions)	Real Per Capita Personal Income (MSA)	Median Age	Percent of High School Graduates	Unemployment Rate (MSA)
2008	577,727	\$37,647	\$34,120	36.6	N/A	4.20%
2007	576,972	\$35,822	\$33,474	36.2	90.40%	4.00%
2006	575,738	\$33,723	\$32,757	36.1	89.30%	3.80%
2005	572,028	\$30,723	\$31,083	36	87.60%	5.60%
2004	568,611	\$28,763	\$30,166	35.7	87.00%	5.70%
2003	569,813	\$26,729	\$28,808	35.5	84.70%	4.30%
2002	569,780	\$26,574	\$29,303	35.3	87.40%	2.90%
2001	566,284	\$27,243	\$30,733	35.1	84.40%	3.30%
2000	563,832	\$24,984	\$29,002	34.9	N/A	3.60%
1999	561,682	\$23,113	\$27,717	34.7	N/A	3.60%

**Sources:**

Population - Center for Applied Economic Research, Oklahoma State University.  
 Nominal Personal Income Current Dollars (Seasonally Adjusted) - Center for Applied Economic Research, Oklahoma State University.  
 Real Per Capita Personal Income - Center for Applied Economic Research, Oklahoma State University  
 Median age - calculated by extrapolating reported 2000 Census number and 2008 projection  
 Percent of High School Graduates - reported by 2000 Census, estimated for subsequent years by Tulsa Chamber of Commerce  
 Unemployment Rate - Oklahoma Employment Security Commission

Tulsa County Employees Retirement System  
Change in Net Assets  
Last Ten Years

	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
<b>Additions</b>										
Member contributions	\$ 2,102,788	2,107,802	2,018,380	1,699,572	1,762,777	1,762,116	1,738,407	3,194,689	1,655,652	2,105,922
Employer contributions	8,010,788	6,245,263	5,736,698	5,088,636	5,032,321	4,186,703	3,265,136	2,967,079	2,784,579	2,763,866
Investment income	-12,248,802	28,688,462	15,517,664	11,365,337	18,341,694	6,367,651	650,533	3,656,416	6,820,418	12,825,951
Total additions to plan net assets	-4,235,912	34,935,832	21,256,380	16,455,672	23,375,777	10,556,116	3,917,407	6,626,689	9,606,652	15,591,922
<b>Deductions</b>										
Benefit payments	9,923,232	9,210,483	8,556,149	7,974,030	7,493,920	6,820,532	6,369,993	5,880,560	5,420,677	4,973,564
Refunds	4,930	6,824	7,968	1,538	977	4,631	7,519	21,005	45,173	46,871
Administrative expenses	49,593	50,743	52,360	46,989	55,773	46,771	31,701	29,628	45,430	42,547
Total deductions to plan net assets	9,977,755	9,268,050	8,616,477	8,022,557	7,550,670	6,871,934	6,409,213	5,931,193	5,511,280	5,062,982
Change in net assets	\$ -14,213,667	\$ 25,667,782	\$ 12,639,903	\$ 8,433,115	\$ 15,825,107	\$ 3,684,182	\$ -2,491,806	\$ 695,496	\$ 4,095,372	\$ 10,528,940



**Tulsa County, Oklahoma  
Number of County Employees (Full time)  
Last Ten Years**

<b>Departments</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>	<b>2003</b>	<b>2002</b>	<b>2001</b>	<b>2000</b>	<b>1999</b>
Sheriff	495	485	448	180	188	187	171	159	245	243
Highways	113	114	114	112	127	126	130	116	115	114
Parks	97	94	92	97	108	96	88	80	79	78
Health Department	261	265	267	263	250	256	264	266	259	243
Public Facilities Authority	108	89	95	86	87	79	79	73	64	72
Court Fund	58	53	56	54	60	57	51	59	56	44
All Others	697	686	680	681	713	705	752	739	571	574
	<u>1,829</u>	<u>1,786</u>	<u>1,752</u>	<u>1,473</u>	<u>1,533</u>	<u>1,506</u>	<u>1,535</u>	<u>1,492</u>	<u>1,389</u>	<u>1,368</u>

Sources: Tulsa County Clerk and Tulsa Public Facilities Authority

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

Function/Program	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Roads and Highways										
Bridges	185	185	186	185	196	195	195	N/A	N/A	N/A
Signal Lights	15	15	15	14	11	11	11	N/A	N/A	N/A
Roadways (lane miles)	1227.74	1219.2	1222.46	1218.46	1238.76	1236.36	1236.36	N/A	N/A	N/A
Public Safety										
Deputies working patrols		40	34	35	N/A	N/A	N/A	N/A	N/A	N/A
Parks and Recreation										
Acres	1160	1160	1160	1160	1160	1105	1105	1105	1105	1105
Golf courses-18 hole	2	2	2	2	2	2	2	2	2	2
Lighted tennis courts	27	27	27	27	27	20	20	20	20	20
Baseball fields (Youth & Adult)	21	21	21	21	21	19	19	19	19	19
Soccer fields	16	16	16	16	16	18	18	18	18	18
Outdoor swimming pools	4	4	4	4	4	3	3	3	3	3
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

Sources: Information provided from various department within Tulsa County.

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

Function/Program	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999
Roads and Highways										
Lane miles resurfaced	25.56	34.47	69	50.8	83	N/A	N/A	N/A	N/A	N/A
Parks and Recreation										
Number of rounds played	120,199	117,445	120,439	120,620	121,119	101,735	113,069	138,048	129,879	N/A
Health and Welfare										
Prescriptions filled	20,999	21,892	25,654	26,398	25,698	34,537	33,379	30,823	28,407	28,600
Filled with recycled medications	13,819	11,524	10,952	6,114	1,960	N/A	N/A	N/A	N/A	N/A
Public Safety										
Offense Crime Types										
Assault	N/A	383	403	319	291	235	268	241	230	247
Domestic Violence	N/A	548	536	295	345	442	254	284	224	127
Drugs	N/A	298	223	238	228	377	237	170	251	231
Larceny	N/A	407	479	544	574	663	691	641	561	337
Robbery	N/A	15	10	22	26	24	30	32	26	18
Vandalism	N/A	291	234	226	231	278	283	212	243	114

Sources: Information provided from various department within Tulsa County. The Offense Crime Types are based on a calendar year.

## Appendix of Abbreviations

(Occasionally used throughout this report)

County .....	Tulsa County, Oklahoma
FY .....	Fiscal year (July 1 through June 30)
GAAP .....	Generally Accepted Accounting Principles
GASB .....	Governmental Accounting Standards Board
GFOA .....	Government Finance Officers Association of the United State & Canada
MD&A .....	Management Discussion & 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
TCPFA .....	Tulsa County Public Facilities Authority