

CITY OF TULSA, OKLAHOMA

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED: JUNE 30, 2020



ABOUT THE THEME

## TULSA DISTRICTS

The character of a city is oftentimes defined by its entertainment and business districts. From local restaurants, bars and coffee shops, to our favorite shops, stores and retail establishments, the city's districts are what make Tulsa unique.

In addition to creating the cultural foundation for our residents and the region at large, these districts draw people together and offer opportunities for Tulsans to experience new things and new cultures. In doing so, they become one of the key components of our economic base, helping connect our city and ensure the financial viability of the City's operations.

This year we celebrate those special places across the city that define our everyday lives, and that help create a city that is vibrant, diverse and welcoming.



CITY OF TULSA, OKLAHOMA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
YEAR ENDED: JUNE 30, 2020

CITY OF TULSA, OKLAHOMA

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

YEAR ENDED: JUNE 30, 2020



MAYOR

**G.T. BYNUM**

DIRECTOR OF FINANCE

**JAMES WAGNER** AICP

CONTROLLER

**NORMAN E. KILDOW** CPA, MBA, CPFO

Prepared by the City of Tulsa Finance Department



CITY OF TULSA, OKLAHOMA  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
YEAR ENDED: JUNE 30, 2020

**CITY OF TULSA  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
Year ended June 30, 2020**

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SECTION 1

INTRODUCTORY SECTION

# TULSA ARTS DISTRICT

## ABOUT THE DISTRICT

The Tulsa Arts District is a diverse, culturally robust district in Downtown Tulsa. Over the past 20 years, the area has morphed into an eclectic collection of bars, restaurants, residences, retail, music and performance venues, museums and arts establishments. It is home to Tulsa staples such as the Cain's Ballroom, Tulsa Theater, Woody Guthrie Center, First Friday Art Crawl and Guthrie Green.





**DEPARTMENT OF FINANCE**  
OFFICE OF THE DIRECTOR OF FINANCE  
OFFICE OF THE CONTROLLER  
175 E. Second Street, Suite 1570  
Tulsa, Oklahoma 74103

December 18, 2020

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

We are pleased to submit to you the Comprehensive Annual Financial Report (CAFR) of the City of Tulsa, Oklahoma (the City) for the year ended June 30, 2020. The CAFR is provided to give detailed information about the financial position and activities of the City.

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

Under Oklahoma state law, municipalities are to publish a complete set of audited financial statements. This report fulfills that requirement for the year ended June 30, 2020. To the best of our knowledge and belief, the enclosed report is accurate in all material respects and is organized in a manner designed to fairly present the financial position and results of operations of the City as measured by the financial activity of its various funds. The accompanying disclosures are necessary to enable the reader to gain the full understanding of the City's financial affairs.

### **Independent Auditor's Report**

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

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

### **Management's Discussion and Analysis (MD&A)**

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

## PROFILE OF THE CITY OF TULSA

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

Incorporated on January 8, 1898 and following the discovery in 1901 of oil in the nearby town of Red Fork, Tulsa grew quickly, reaching a population of 7,298 by statehood in 1907. Tulsa's current population is 404,653 people, representing a 0.3% decrease over 2019. Tulsa, the hub and seat of Tulsa County, is the second largest city in Oklahoma, providing commerce, industrial, transportation and financial services for a metropolitan area of 1,011,978 people.

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

### Services

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

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

### Budgetary Process and Controls

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



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

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

### **The Local Economy and Factors Affecting Economic Conditions**

The Tulsa Metropolitan Statistical Area (TMSA) comprises 25% of the state's population and 27.8% of the state's economy (TMSA share equals \$57 billion in 2009 constant dollars).

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

Tulsa has one of the shortest average commute times in the nation and is home to some of the nation's larger companies including; QuikTrip, ONEOK, and The Williams Companies. Additionally, in 2018, the International Entertainment Buyers Association declared the BOK Center as the US Arena of the Year for the third year in a row. In 2016, the Brookings Institute recognized Tulsa as the top performer among US metros for Growth and Inclusion (economic growth as an outcome of regional planning).

The unemployment rate for the City, as reported by the Bureau of Labor Statistics, at June 30, 2020 came in on a twelve-month rolling average at 5.2%. This was 1.4% points higher than the rate from 2019 due to COVID-19 impacts in early 2020. We saw unemployment spike in April 2020 to 15.1% due to COVID-19, while we started the year in January at 3.3% unemployment.

### **Bond Ratings**

In their report dated January 15, 2020, Moody's Investors Service assigned and affirmed the City of Tulsa an Aa1 rating with a stable outlook. Standard and Poor's assigned and affirmed an AA rating with a stable outlook to the City's general obligation bonds in their report dated January 13, 2020.

## **Long-term Financial Planning**

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

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

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

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

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

## **Financial Policies**

The City follows a comprehensive set of Financial Policies to ensure the City's financial resources are managed prudently. Policies are shaped by state law and approved by the City Council through the budget adoption process. These financial policies govern the City's budgeting and financial planning, capital planning, revenue, investment, debt management, and procurement. Descriptions of these policies are available in the City's annual budget publication which may be obtained from the City's website, [www.cityoftulsa.org](http://www.cityoftulsa.org).

Such policies, as shaped by state law and Government Finance Officers Association of the United States and Canada (GFOA) Best Practices, advise that total resources will be sufficient to support current operating expenses and in no case shall more than 5% of the operating budget be supported by the use of prior year's fund balance. Additionally, the City has established and shall maintain an operating reserve in the General Fund to provide for revenue shortfalls or to meet unexpected increases in service delivery costs. The reserve is set annually and was set at 6.83% of the General Fund appropriated expenditures for 2020.

The City created an Economic Stabilization Reserve in 2012. In an emergency situation, upon meeting certain triggers, the City may draw on this pool of reserves in the event of declining revenues. The balance of the reserve was \$3 million in 2020.

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

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

- *Resilience and Recovery Fund; Zero Interest Loans Offered to Businesses Affected by COVID-19* - In partnership with Tulsa Economic Development Corporation (TEDC), the City of Tulsa is dedicating \$1.1 million in funds for zero interest loans, each up to \$50,000 to qualifying small business owners and entrepreneurs affected by COVID-19. Loans can be used for a wide variety of things, including but not limited to; payroll, insurance premiums, bridge loans, etc. This program will be one piece of a comprehensive strategy the City is undertaking to ensure Tulsa businesses are successful and our economy recovers as quickly as possible.
- *Vision Arts Resiliency and Recovery Grants* - This program was created with a focus on providing direct grant assistance to local non-profit arts, humanities, and cultural organizations who have been significantly affected by the COVID-19 pandemic. The City has allocated \$300,000 in Vision Tulsa Arts Commission funding for this program, with eligible organizations being able to apply for grants of up to \$20,000 each. Awardees may use the funds to cover programming and operational costs, including payroll expenses, rent and mortgage payments, utilities, insurance, supplies, advertising, artist payments and more. Expenses related to sanitation and safety and redesigning exhibit spaces to accommodate social distancing guidelines are also eligible.
- *COVID-19 Financial Navigator Program* - In partnership with Cities for Financial Empowerment Fund (CFE Fund), the Mayor's Office of Resilience and Equity (MORE) and Goodwill Industries of Tulsa have launched a Financial Navigator program to help Tulsa residents navigate critical financial issues related to the COVID-19 pandemic. Navigators will provide over-the-phone guidance at no cost to help residents access available programs and services designed to help them manage income disruptions and other financial stressors.
- *Improve Our Tulsa: Permanent Rainy Day Reserve* – The electorate approved establishing a permanent sales tax of 0.05 percent to fund the City's Economic Stabilization Reserve up to a level equal to 30 percent of General Fund revenues; with funds exceeding this level flowing to the General Fund Operating Reserve to bring it to a level of 10 percent. This City will begin collecting this new levy in Fiscal year 2021.

## Awards

The GFOA awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Tulsa for its comprehensive annual financial report for the year ended June 30, 2019. This was the 38th consecutive year that the City of Tulsa has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

The City also received the GFOA's Distinguished Budget Presentation Award for its 2020 annual budget document. This was the 25<sup>th</sup> consecutive year for the City of Tulsa. To qualify for the Distinguished Budget Presentation Award, the City's budget document had to be judged proficient as a policy document, a financial plan, an operations guide, and a communications device.

## Acknowledgements

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

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

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



Norman E. Kildow, CPA, MBA, CPFO  
Controller



James Wagner, AICP  
Director of Finance

**CITY OF TULSA,  
LIST OF PRINCIPAL OFFICIALS  
As of June 30, 2020**

**MAYOR**

G. T. Bynum

**CITY COUNCIL MEMBERS**

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

**DEPUTY MAYOR**

Amy Brown

**CHIEF OF STAFF**

Jack Blair

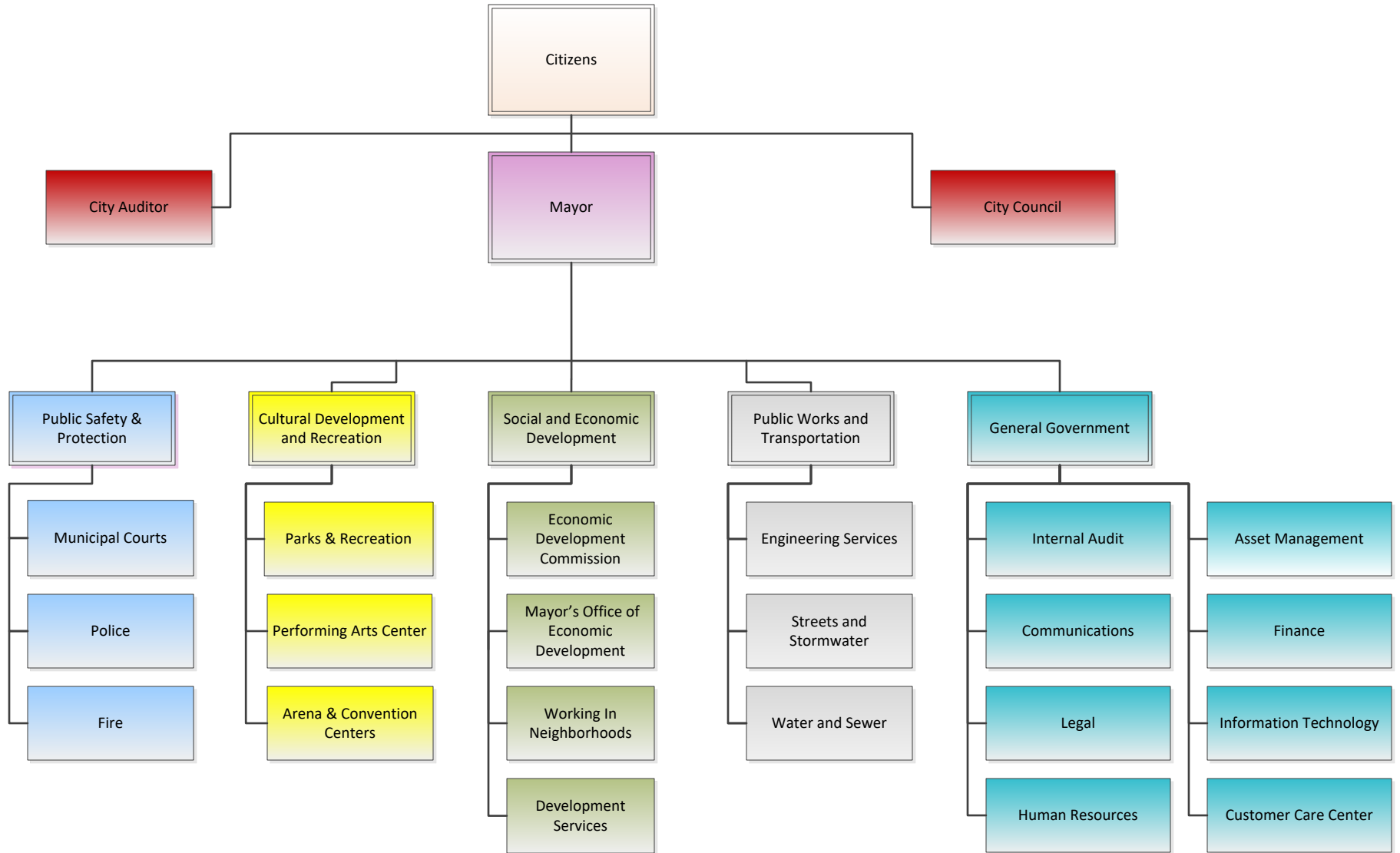
**DIRECTOR OF FINANCE**

James Wagner, AICP

**CITY AUDITOR**

Cathy Carter

## ORGANIZATION CHART





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**City of Tulsa  
Oklahoma**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2019

*Christopher P. Morill*

Executive Director/CEO

SECTION 2

FINANCIAL SECTION

# BLUE DOME DISTRICT

## ABOUT THE DISTRICT

Anchored by the 1924 Blue Dome building, the Blue Dome District offers a healthy nightlife scene and an ample selection of restaurants. The district has a down-to-earth vibe that is very welcoming to both local and visiting guests. As the Blue Dome District has grown, bars and restaurants have been joined by retail shops, fine dining, an art studio, salon, bowling alley and residential developments.







RSM US LLP

## Independent Auditor's Report

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

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Tulsa, Oklahoma (the City) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Tulsa Performing Arts Center Trust (TPACT), which is a discretely presented component unit of the City. The financial statements of TPACT comprise 0.3% of total assets and 1.0% of total revenues of the aggregate discretely presented component units. Also, we did not audit the financial statements of the Tulsa Stadium Trust (TST), which is a blended component unit and major enterprise fund of the City. The financial statements of TST comprise 6% of total assets and 0.6% of total revenues of the business-type activities and represent 100% of the assets and revenues of the TST major enterprise fund. Those statements were audited by other auditors whose reports have been furnished to us and our opinion, insofar as it relates to the amounts included for TPACT and TST, are based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 from material misstatement.

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

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

### ***Opinions***

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Tulsa, Oklahoma, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

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

#### ***Other Information***

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

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

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

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2020, on our consideration of the City'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 solely 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 effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

*RSM US LLP*

Kansas City, Missouri  
December 18, 2020

*As management of the City of Tulsa, Oklahoma (the City), we offer readers of the City's financial statements this narrative overview and analysis of the financial activities of the City for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with our letter of transmittal in the Introductory Section of this report and the City's financial statements, which follow this management's discussion and analysis. All amounts, unless otherwise indicated, are expressed in thousands of dollars and references to a year, such as 2020, contain an implied reference to the fiscal year, such as "fiscal year 2020."*

## **Financial Highlights**

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows of resources at year end by \$2,370,389 (*net position*). Included as a component of net position is unrestricted net position with a deficit of \$158,398. This deficit results primarily from the net pension liability.
- The City's total net position increased \$88,632. Expenses increased \$21,022 compared to last year while revenues experienced a decrease of \$17,329 from the prior year.
- At the close of the current year, the City's governmental funds reported combined fund balances of \$941,364, an increase of \$162,963 in comparison with the prior year. Approximately 6% of this amount (\$53,160) is available for spending at the government's discretion (*unassigned fund balance*).
- Unrestricted fund balance (the total of the *committed, assigned, and unassigned* components of *fund balance*) for the general fund was \$68,410, or approximately 22% of total general fund expenditures.
- The City's long-term liabilities increased by \$182,349 during the current year. The primary reasons for the increase were the issuance of the Capital Improvements Revenue Bonds Series 2019 and related premium on issuance totaling \$130,328, the issuance of the Capital Improvements Revenue Bonds Series 2020 and related premium on issuance totaling \$25,440, and the issuance of the General Obligation Bonds Series 2020 and related premium on issuance totaling \$104,479 offset by scheduled debt service payments and bond premium amortization on general obligation and revenue bond debt of \$99,919.
- The sales tax revenue decreased \$3,949 over the prior year in the City's governmental funds due to the decline in the local economy from the onset of the COVID-19 pandemic.

## **Overview of the Financial Statements**

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

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

## Government-Wide Financial Statements

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

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

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

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

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

## Fund Financial Statements

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

### **Fund Financial Statements, continued**

The funds of the City are divided into three categories:

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

### **Notes to the Financial Statements**

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

## Other Information

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

Municipal Employees' Retirement Plan (MERP) -

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

Oklahoma Firefighters Pension and Retirement System-

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

Oklahoma Police Pension and Retirement System-

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

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

Other Post-Employment Benefits Plan (OPEB) -

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

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

## Government-Wide Financial Analysis

**Net Position of the City of Tulsa** - As of June 30, 2020, the City's *combined* net position was \$2,371 million. Total assets and deferred outflows increased \$243 million or 7% while liabilities and deferred inflows of resources increased \$154 million or 12%. The net position of Governmental activities increased 3.5% to \$1,796 million in 2020 from \$1,736 million in 2019. Net position of the Business-type activities was \$575 million in 2020 up 5.3% from \$546 million in 2019.

**Government-Wide Financial Analysis, continued**

	<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Total</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Current and other assets	\$ 1,116,807	\$ 967,653	\$ 111,387	\$ 93,258	\$ 1,228,194	\$ 1,060,911
Capital assets	1,876,156	1,820,920	604,910	576,876	2,481,066	2,397,796
Total assets	2,992,963	2,788,573	716,297	670,134	3,709,260	3,458,707
Deferred outflows of resources	82,019	89,902	3,569	3,994	85,588	93,896
	<u>3,074,982</u>	<u>2,878,475</u>	<u>719,866</u>	<u>674,128</u>	<u>3,794,848</u>	<u>3,552,603</u>
Current and other liabilities	148,998	162,353	22,462	27,107	171,460	189,460
Long-term liabilities	1,021,943	861,225	121,819	100,188	1,143,762	961,413
Total liabilities	1,170,941	1,023,578	144,281	127,295	1,315,222	1,150,873
Deferred inflows of resources	107,890	118,319	897	1,204	108,787	119,523
	<u>1,278,831</u>	<u>1,141,897</u>	<u>145,178</u>	<u>128,499</u>	<u>1,424,009</u>	<u>1,270,396</u>
Net position:						
Net investment in capital						
assets	1,526,232	1,486,358	533,341	503,307	2,059,573	1,989,665
Restricted	450,702	417,766	18,962	17,514	469,664	435,280
Unrestricted	(180,783)	(167,546)	22,385	24,808	(158,398)	(142,738)
	<u>\$ 1,796,151</u>	<u>\$ 1,736,578</u>	<u>\$ 574,688</u>	<u>\$ 545,629</u>	<u>\$ 2,370,839</u>	<u>\$ 2,282,207</u>

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

<b>Net position category:</b>	<b>Percent of Total</b>	
	<b>2020</b>	<b>2019</b>
Net investment in capital assets	87%	87%
Restricted	20%	19%
Unrestricted	-7%	-6%
	<u>100%</u>	<u>100%</u>



### **Government-Wide Financial Analysis, continued**

***Changes in Net Position of the City of Tulsa*** – The City's net position increased \$88.6 million compared to the prior year increase of \$127 million. The Governmental activities and Business-type activities had increases of \$59.6 million and \$29 million, respectively.

The City's total revenues decreased 2.4% to \$680 million in 2020. Program revenue generated \$186 million, consisting of charges for services, federal and state grants, and capital grants/contributions, down from \$212 million in 2019. Air Force Plant 3 capital improvements of \$22.3 million were contributed in the prior year and accounts for most of the decrease in program revenue.

Sales taxes, the largest revenue category, decreased 1.4% to \$280.7 million in 2020 from \$284.7 million in 2019. The decrease is a result of declining economic conditions due to the onset of the COVID-19 pandemic. Property tax revenue increased to \$82.1 million in 2020 from \$79.5 million in 2019 due to a 0.1% decrease in the millage rate and offset by a 3.2% increase in net assessed property values. Use taxes increased to \$45 million in 2020 from \$41.1 million in 2019 due to continued increases in collections from online retailers as consumer spending shifted to online retailers with the onset of the COVID-19 pandemic. Other revenues increased to \$50.3 million in 2020 from \$41 million in 2019 due primarily to an \$8.8 million increase in payments from component units. The increase is a combination of an \$8.8 million increase in payments in lieu of taxes and a \$2 million payment from Tulsa Parking Authority for economic development purposes.

Expenses for the primary government increased 3.7% or \$21 million to \$591 million. The City's expenses cover a range of services, including public safety, public works, culture and recreation, and social and economic programs. Significant changes include:

- General government expenses increased \$5.6 million (7.5%). The increase is primarily attributed to an increase in OPEB expense of \$1.4 million, an increase in depreciation on general government assets of \$1.1 million, and an increase of \$0.9 million in the cost of office services.
- Public safety and protection expenses totaled \$250.7 million, an increase of \$48.5 million (24%). The increase is primarily attributed to personnel services cost increase of \$40 million. Personnel service cost increased due to a combination of salary and head count increases (\$7 million) and an increase in pension expense in the Police and Fire plans for public safety employees (\$33 million).
- Public works and transportation expenses decreased \$4.6 million (5.3%). Increases of \$2.5 million in the transfer to MTTA for support of public transportation and \$4.7 million in depreciation on assets used in Public works and transportation were offset by a \$13.2 million decrease from the prior year in assets donated to outside entities.
- Culture and recreation expenses increased \$5.6 million (19.1%). Assets totaling \$9.1 million were donated to an outside entity (River Parks Authority). The operations of the Performing Arts Center were transferred to a component unit (TPACT) resulting in a \$2 million decline in the General Fund and a \$0.8 million decline in the Arena and Convention Center Fund.
- Social and economic development expenses decreased \$34.8 million (42.1%), primarily from a \$43 million decline from the prior year in assets donated to outside entities for capital improvements paid by the City. The improvements were to Tulsa County facilities, Langston University, Tulsa Public Schools facilities, and U.S. Government facilities for education initiatives and military facility improvements.

**Government-Wide Financial Analysis, continued**

	Changes in Net Position					
	Governmental		Business-type		Total	
	Activities		Activities			
	2020	2019	2020	2019	2020	2019
<b>Revenues:</b>						
Program revenues:						
Charges for services	\$ 71,546	\$ 78,967	\$ 62,012	\$ 61,068	\$ 133,558	\$ 140,035
Operating grants/contributions	37,090	38,163	84	-	37,174	38,163
Capital grants/contributions	8,472	30,885	6,181	2,938	14,653	33,823
General revenues:						
Sales taxes	280,738	284,687	-	-	280,738	284,687
Property taxes	82,065	79,522	-	-	82,065	79,522
Franchise	22,701	23,122	-	-	22,701	23,122
Use tax	44,996	41,068	-	-	44,996	41,068
Hotel/Motel taxes	6,170	7,870	-	-	6,170	7,870
Intergovernmental revenue	7,333	7,747	-	-	7,333	7,747
Other	48,714	39,308	1,601	1,687	50,315	40,995
	<u>609,825</u>	<u>631,339</u>	<u>69,878</u>	<u>65,693</u>	<u>679,703</u>	<u>697,032</u>
<b>Expenses:</b>						
General government	80,629	75,017	-	-	80,629	75,017
Public safety & protection	250,740	202,244	-	-	250,740	202,244
Public works & transportation	82,368	86,997	-	-	82,368	86,997
Culture & recreation	35,153	29,510	-	-	35,153	29,510
Social & economic development	47,845	82,661	-	-	47,845	82,661
Interest on long-term debt	17,426	16,735	-	-	17,426	16,735
Stormwater	-	-	37,247	35,642	37,247	35,642
One Technology Center	-	-	8,119	9,046	8,119	9,046
Arena & Convention	-	-	24,550	25,826	24,550	25,826
Tulsa Stadium Trust	-	-	4,388	3,539	4,388	3,539
Golf courses	-	-	2,606	2,832	2,606	2,832
	<u>514,161</u>	<u>493,164</u>	<u>76,910</u>	<u>76,885</u>	<u>591,071</u>	<u>570,049</u>
Changes before transfers	95,664	138,175	(7,032)	(11,192)	88,632	126,983
Transfers	(36,091)	(20,511)	36,091	20,511	-	-
Change in Net position	<u>59,573</u>	<u>117,664</u>	<u>29,059</u>	<u>9,319</u>	<u>88,632</u>	<u>126,983</u>
Net position, beginning	1,736,578	1,618,914	545,629	536,310	2,282,207	2,155,224
Net position, ending	<u>\$ 1,796,151</u>	<u>\$ 1,736,578</u>	<u>\$ 574,688</u>	<u>\$ 545,629</u>	<u>\$ 2,370,839</u>	<u>\$ 2,282,207</u>

**Government-Wide Financial Analysis, continued**

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

	<b>Program Expenses</b>	<b>Program Revenues</b>	<b>Net Cost</b>
General government	\$ 80,629	\$ 39,873	\$ (40,756)
Public safety and protection	250,740	45,559	(205,181)
Public works & transportation	82,368	10,012	(72,356)
Culture & recreation	35,153	2,377	(32,776)
Social & economic development	47,845	19,287	(28,558)
Interest on debt	17,426	-	(17,426)
	<u>\$ 514,161</u>	<u>\$ 117,108</u>	<u>\$ (397,053)</u>

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

The cost of all *governmental* activities this year was \$514.2 million. A portion of the costs were paid by those who directly benefited from the programs (\$71.5 million), or by other governments and organizations that subsidized certain programs with grants and contributions (\$45.6 million). The remaining costs are covered by general revenues. Sales tax makes up the majority of general revenues or 57% in 2020. The City's sales tax rate is 3.65%, of which 1.65% is a special tax dedicated for capital improvements, public safety, public transportation, and economic development. Property taxes fund general obligation debt issued for capital improvements and judgment payments.

	<b>General Revenues</b>			
	<b>2020</b>	<b>Percent of Total</b>	<b>2019</b>	<b>Percent of Total</b>
Sales taxes	\$ 280,738	57%	\$ 284,687	59%
Property taxes	82,065	17%	79,522	16%
Franchise tax	22,701	5%	23,122	5%
Use tax	44,996	9%	41,068	9%
Hotel/Motel taxes and Other	62,217	12%	54,925	11%
	<u>\$ 492,717</u>	<u>100%</u>	<u>\$ 483,324</u>	<u>100%</u>

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

**Government-Wide Financial Analysis, continued**

<b>Business-type activities:</b>	<b>Program Expenses</b>	<b>Program Revenues</b>	<b>Net Cost</b>
Arena & Convention	\$ 24,550	\$ 15,183	\$ (9,367)
One Technology Center	8,119	8,321	202
Golf Courses	2,606	2,248	(358)
Tulsa Stadium Trust	4,388	285	(4,103)
Stormwater	37,247	42,240	4,993
	<u>\$ 76,910</u>	<u>\$ 68,277</u>	<u>\$ (8,633)</u>

While program revenues are intended to support the business type activities, transfers from the City augment these activities. The business-type activities received \$36,091 in transfers from the Governmental activities of the City. These transfers included:

- Capital transfers of \$849 for Stormwater Management improvements funded by the City's Sales tax and grant funds were offset by transfers of \$2,172 to the General Fund for payments in lieu of taxes;
- \$34,836 to fund Arena and Convention Center capital improvements as well as debt service and operations which was provided by City sales taxes and hotel/motel taxes;
- \$2,150 of special assessment taxes used in connection with the ballpark located downtown.

**Governmental Funds Financial Analysis**

Governmental Funds reported a fund balance of \$941.4 million, up \$163 million or 21% from 2019. Approximately 5.6% of the fund balance is unassigned fund balance, which is available for appropriating at the City's discretion. Other categories of fund balance include non-spendable, indicating it is not in spendable form such as inventories and advances to others, restricted, committed or assigned for particular purpose.

The General Fund is the main operating fund of the City and its fund balance increased to \$72 million in 2020 from \$71.5 million in 2019. Of this amount \$54.4 million represents unassigned fund balance and approximates 17.5% of General Fund expenditures compared to \$61.5 million and 20%, in 2019. The fund balance represents approximately 23% of expenditures compared to 24% in 2019. The change in fund balance can be attributed to the following:

- The General Fund's fund balance increased \$0.5 million to \$72 million, as expenditures increased 3.1% while revenues decreased 0.6%. An increase of \$0.2 million in transfers from other funds contributed to the General Fund's increase in fund balance.
- Tax revenues increased \$0.8 million due to increased sales tax collections from continued improvement in economic conditions prior to the onset of the COVID-19 virus and increased use tax collection from online retailers. Investment income decreased \$0.8 million attributed to lower investable balances of cash and cash equivalents and decreased rate of return on the City's investments.
- Public safety expenditures increased \$10.4 million primarily due to a \$6.7 million increase in personnel service costs. The personnel costs increase was the result of a combination of an increase in Police head count and a contractual pay increase averaging four percent for Police and Fire sworn employees.

### **Governmental Funds Financial Analysis, continued**

The remaining Governmental Funds' fund balance increased \$162.5 million, or 23% to \$869.4 million. The vast majority of fund balance is restricted (99%).

- The Debt Service Fund's fund balance increased \$5.3 million or 7.8% to \$73.6 million primarily from an increase of \$3.2 million in revenue from property taxes offset by a \$14.9 million increase in debt service payments that resulted in a deficit of property tax revenues over debt service of \$9.2 million. The fund balance of the Debt service fund is restricted for debt service payments.
- The Bond Fund's fund balance increased \$53.2 million or 44.5% over 2019 primarily from the proceeds of the General Obligation 2020 bonds proceeds. Capital expenditures in the Bond fund decreased 13.6% or \$5.8 million from the prior year. The decrease is due to the timing of projects on the Fix Our Streets Program. The remaining fund balance of \$172.7 million is restricted for capital improvements.
- The Sales Tax Fund's fund balance increased \$28.7 million or 11.4% over 2019. Sales tax collections decreased \$1.3 million due to the onset of the COVID-19 virus impacting economic conditions and investment income decreased \$1 million due to increased available cash and cash equivalents offset by a decline in the rate of return on the City's investments. The fund balance of \$280.3 million in the sales tax fund is restricted for capital improvements.
- The Limited-Purpose Sales Tax Fund's fund balance increased \$71.5 million primarily from a \$113.9 million bond issuance. Capital outlay decreased \$10.6 million due to a decrease in the number of active capital projects and debt service increased \$12 million over the prior year due to scheduled debt service payments. Other financing sources increased \$4.4 million over the prior year primarily from the proceeds of the increased bond premium the Capital Improvements Revenue Bonds Series 2019 compared to the 2018 Capital Improvements Revenue Bonds Series 2018 bond premium. The fund balance of \$296.1 million is restricted for capital improvements and debt service.

### **Proprietary Funds Financial Analysis**

Proprietary funds reported a combined net position of \$574.7 million compared to \$545.6 million in the prior year.

- The Stormwater Management fund incurred an operating loss of \$0.2 million while receiving \$6.2 million in capital contributions and making \$2.2 million payments in lieu of taxes resulting in an increase of \$4.8 million in net position. The fund's net position of \$341.3 million is primarily (95.3%) invested in capital assets.
- One Technology Center fund contributed lease revenue of \$8.3 million, an increase of \$1.3 million from the prior year. The overall net position increased \$0.9 million to a \$3.6 million deficit.
- The Arena and Convention Center fund contributed revenue of \$15.2 million, a decrease of \$3.2 million over the previous year, due to a decrease of events at the BOK Center and Cox Business Convention Center caused by the onset of the COVID-19 pandemic. Expenses decreased \$1.2 million resulting from the closure of those facilities due to the pandemic. The \$9 million operating loss is offset by transfers in of \$34.8 million. The overall net position increased \$25.5 million for the year, ending at \$213.9 million.

## Budgetary Highlights

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

### General Fund Budgetary Highlights

The original 2020 General Fund budget adopted by the Mayor and City Council totaled \$297.2 million. The budget was balanced with revenue estimates of \$289.8 million. It was \$13.9 million or 5.0% more than the 2019 original budget. Taking into consideration the 2019 carry over encumbrances and budget amendments, the total authorized expenditure amount was \$301.5 million for FY20.

	Original Budget		Amended Budget		Budgetary Basis Actual		Variance	
	2020	2019	2020	2019	2020	2019	2020	2019
<b>Revenues:</b>								
Taxes	\$ 215,779	\$ 205,540	\$ 215,779	\$ 205,540	\$ 212,988	\$ 213,675	\$ (2,791)	\$ 8,135
Licenses and permits	10,310	9,201	10,310	9,709	9,429	11,022	(881)	1,313
Intergovernmental	8,141	8,310	8,141	8,752	9,893	8,844	1,752	92
Charges for service	18,732	20,019	18,732	20,019	17,103	19,228	(1,629)	(791)
Fines and forfeitures	8,364	8,262	8,364	8,262	6,715	7,853	(1,649)	(409)
Investment income	5,475	5,000	5,475	5,000	4,337	5,732	(1,138)	732
Payments from component unit	17,024	16,218	17,024	15,853	16,998	16,052	(26)	199
Miscellaneous	3,134	3,313	3,134	3,313	3,259	2,917	125	(396)
Transfers In	2,808	2,630	2,808	2,630	2,822	2,630	14	-
	<u>\$ 289,767</u>	<u>\$ 278,493</u>	<u>\$ 289,767</u>	<u>\$ 279,078</u>	<u>\$ 283,544</u>	<u>\$ 287,953</u>	<u>\$ (6,223)</u>	<u>\$ 8,875</u>
<b>Expenses:</b>								
General government	\$ 49,058	\$ 44,880	\$ 48,846	\$ 45,122	\$ 45,465	\$ 43,470	\$ (3,381)	\$ (1,652)
Public works and transportation	20,325	19,287	20,544	19,933	19,368	19,865	(1,176)	(68)
Social and economic development	12,642	12,095	12,933	12,038	12,389	11,671	(544)	(367)
Public safety and protection	182,042	174,479	186,080	177,453	184,021	175,566	(2,059)	(1,887)
Culture and recreation	20,684	22,086	20,646	22,075	19,687	21,564	(959)	(511)
Payments to component units	7,610	7,489	7,610	7,489	7,610	7,489	-	-
Transfers out	4,838	3,138	4,856	3,980	4,853	3,980	(3)	-
	<u>\$ 297,199</u>	<u>\$ 283,454</u>	<u>\$ 301,515</u>	<u>\$ 288,090</u>	<u>\$ 293,393</u>	<u>\$ 283,605</u>	<u>\$ (8,122)</u>	<u>\$ (4,485)</u>

FY20 actual revenues of \$283.5 million fell short of the amended estimate by \$6.2 million or (2.1%). Sales Tax revenues were the largest category causing actual revenues to be below the estimate. Sales Taxes were \$2.9 million below the estimate and explain the primary reasons for revenues missing expectations. FY20 actual expenditures were \$293.4 million and were \$8.1 million under the authorized expenditure amount. The FY20 amended budget reflects the total authorized expenditure amount which included budget amendments that increased the budget by \$4.8 million, appropriations for carry over encumbrances of \$4.7 million and the original budget of \$292.0 million.

The FY20 General Fund budget was amended three times during the year with the largest amount increasing appropriations by \$4.2 million to adjust for a labor contract settlement, higher levels of overtime above initial estimates, equipment maintenance and paving repairs. An additional amendment provided \$0.5 million for masks as part of the City's COVID-19 response to protect workers with another increasing appropriations for the Working in Neighborhoods Department to address nuisance abatement within the City.

**Capital Assets and Debt Administration**

**Capital Assets** - At the end of 2020 the City had invested \$2.48 billion in a broad range of capital assets, including police and fire equipment, buildings, park facilities, roads, and bridges. This amount represents a net increase (after additions, deductions, and depreciation) of \$85 million, or 3.5% during the year (see Note 7 to the financial statements for additional detailed information regarding capital assets). The Third Penny Sales Tax Program contributed to the increase in infrastructure for Bus Rapid Transit stations, trail improvements, and streetscaping. Improvements at the Cox Business Convention Center contributed to the increase in buildings and improvements.

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

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
Land	\$ 562	\$ 560	\$ 101	\$ 99	\$ 663	\$ 659
Works of Art	-	-	1	1	1	1
Buildings and improvements	205	183	476	435	681	618
Equipment	86	75	17	15	103	90
Infrastructure	908	856	-	-	908	856
Construction in progress	116	146	10	26	126	172
	<u>\$ 1,877</u>	<u>\$ 1,820</u>	<u>\$ 605</u>	<u>\$ 576</u>	<u>\$ 2,482</u>	<u>\$ 2,396</u>

**Long-term Liabilities** - At year end, the City had \$875 million in general obligation and revenue bonds outstanding, an increase of 21.7% from last year, as shown below. More detailed information about the City's long-term liabilities is presented in Note 11 to the basic financial statements.

**Long-term Liabilities  
(dollar amounts expressed in millions)**

	Governmental Activities		Business-type Activities		Total	
	2020	2019	2020	2019	2020	2019
General obligation bonds	\$ 418	\$ 394	\$ -	\$ -	\$ 418	\$ 394
Revenue bonds	347	237	109	88	457	325
Other long-term liabilities	351	348	18	16	368	364
	<u>\$ 1,116</u>	<u>\$ 979</u>	<u>\$ 127</u>	<u>\$ 104</u>	<u>\$ 1,243</u>	<u>\$ 1,083</u>

- General obligation bonds – The balance increased \$24 million due to the issuance of General Obligation Bonds Series 2020 proceeds of \$104 million (including bond premium) offset by scheduled debt service and premium amortization of \$79 million.
- Revenue Bonds – The balance increased \$132 million during the year. Scheduled debt service of \$24 million was offset by a \$130 million (including bond premium) increase from the issuance of the Capital Improvements Revenue Bonds Series 2019 and a \$26 million (including bond premium) increase from the issuance of Capital Improvements Revenue Bonds Series 2020.

**Long-term Liabilities (continued) -**

- Other long-term liabilities – Increases in the City's compensated absences liability of \$3 million, the execution of a radio equipment lease for 6 million, and new judgments claims of \$8 million were offset by \$4 million payments on existing judgments and a \$9 million reduction in the net pension liability in 2020.

**Economic Factors and Next Year's Budget and Rates**

The area monthly average labor force contracted 2.0% over 2018, losing 9,730 participants in 2019. The labor force growth in 2018 was 1.8%. Wage and Salary employment (total nonfarm employees) witnessed contraction as well, with a decrease of 1.1% on average equating approx. 4,800 jobs. Unemployment was relatively flat throughout 2019, ending the year at 3.2%. The average unemployment for Tulsa MSA was 3.3%. The average weekly earnings of all private employees increased by 1.1% from December 2018 to December 2019.

The Fiscal 2021 budget was developed during the onset of the COVID-19 pandemic. The approved budget maintains existing service levels with no new programs or new positions.

The Fiscal 2021 budget reflects increases for sewer, and stormwater rates. Water did not increase the service rate and sewer and stormwater rates increased by 3 percent, to address capital needs and debt service in 2021.

**Contacting the City's Financial Management**

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

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



# BASIC FINANCIAL STATEMENTS

# HISTORIC GREENWOOD DISTRICT

## ABOUT THE DISTRICT

As one of the most prominent concentrations of African-American businesses in the United States during the early 20<sup>th</sup> century, the Historic Greenwood District was also known as “Black Wall Street”. Nearly destroyed in the Tulsa Race Massacre of 1921, it has since rebuilt and is home to restaurants, galleries, retail establishments, John Hope Franklin Reconciliation Park, Greenwood Cultural Center and ONEOK Field.



**CITY OF TULSA**  
**STATEMENT OF NET POSITION**  
**June 30, 2020**  
(amounts expressed in thousands)

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
<b>ASSETS</b>				
<b>Current assets:</b>				
Cash, cash equivalents and investments	\$ 948,719	\$ 43,610	\$ 992,329	\$ 291,593
Cash and cash equivalents - restricted	-	13,583	13,583	43,834
Investments	-	-	-	6,761
Investments - restricted	-	-	-	1,345
Receivables, net	133,769	6,505	140,274	53,047
Prepaid expenses	433	627	1,060	219
Internal balances	6,235	(6,235)	-	-
Inventories	1,030	352	1,382	4,402
Other current assets	-	-	-	1,257
Current portion of notes receivable	-	-	-	3,051
Total current assets	<u>1,090,186</u>	<u>58,442</u>	<u>1,148,628</u>	<u>405,509</u>
<b>Noncurrent assets:</b>				
Cash and cash equivalents - restricted	-	45,008	45,008	73,865
Receivables, net	-	7,936	7,936	330
Investments - restricted	-	-	-	22,175
Advances to primary government	-	-	-	127
Advances to component units	326	-	326	-
Net pension asset	1,166	-	1,166	-
Note receivable	-	-	-	11,172
Land held for resale, net	1,619	-	1,619	1,702
Other assets	12,618	1	12,619	-
Equity interest in joint ventures	10,892	-	10,892	32,886
Nondepreciable capital assets	677,595	111,595	789,190	262,122
Depreciable capital assets, net	1,198,561	493,315	1,691,876	1,598,988
Total noncurrent assets	<u>1,902,777</u>	<u>657,855</u>	<u>2,560,632</u>	<u>2,003,367</u>
Total assets	<u>2,992,963</u>	<u>716,297</u>	<u>3,709,260</u>	<u>2,408,876</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
OPEB related items	1,150	239	1,389	1,004
Pension related items	80,285	2,446	82,731	13,937
Deferred charge on refunding	584	884	1,468	9,035
Total deferred outflows of resources	<u>82,019</u>	<u>3,569</u>	<u>85,588</u>	<u>23,976</u>
<b>LIABILITIES</b>				
<b>Current liabilities:</b>				
Accounts payable and accrued liabilities	54,240	6,464	60,704	45,615
Unearned revenue	457	10,115	10,572	1,883
Current portion of long-term liabilities	94,301	5,883	100,184	44,778
Refundable deposits payable from restricted assets	-	-	-	12,664
Total current liabilities	<u>148,998</u>	<u>22,462</u>	<u>171,460</u>	<u>104,940</u>
<b>Noncurrent liabilities:</b>				
Advances from primary government	-	-	-	326
Advances from component units	127	-	127	-
Unearned revenue	-	717	717	-
Deposits subject to refund	-	-	-	415
Long-term liabilities	1,021,816	121,102	1,142,918	613,863
Total noncurrent liabilities	<u>1,021,943</u>	<u>121,819</u>	<u>1,143,762</u>	<u>614,604</u>
Total liabilities	<u>1,170,941</u>	<u>144,281</u>	<u>1,315,222</u>	<u>719,544</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Property tax revenue	69,071	-	69,071	2,704
Pension related items	38,631	352	38,983	3,642
OPEB related items	188	34	222	176
Gain on refunding	-	511	511	27
Total deferred inflows of resources	<u>107,890</u>	<u>897</u>	<u>108,787</u>	<u>6,549</u>
<b>NET POSITION</b>				
Net investment in capital assets	1,526,232	533,341	2,059,573	1,416,203
Restricted for:				
Economic stabilization reserve	3,000	-	3,000	-
Debt service	66,604	1,645	68,249	16,306
Capital projects	325,416	15,894	341,310	11,204
Police pension	17,221	-	17,221	-
Federal and state grants	2,953	-	2,953	-
Economic development	4,672	-	4,672	-
Transportation	13,312	-	13,312	-
Public safety	13,838	-	13,838	-
Other purposes	3,686	1,423	5,109	25,297
Unrestricted (deficit)	(180,783)	22,385	(158,398)	237,749
Total net position	<u>\$ 1,796,151</u>	<u>\$ 574,688</u>	<u>\$ 2,370,839</u>	<u>\$ 1,706,759</u>

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

**CITY OF TULSA**  
**STATEMENT OF ACTIVITIES**  
**Year ended June 30, 2020**  
**(amounts expressed in thousands)**

Functions/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position			
		Charges for Services and Fines	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units
					Governmental Activities	Business-type Activities	Total	
<b>Primary government:</b>								
Governmental activities:								
General government	\$ 80,629	\$ 39,873	\$ -	\$ -	\$ (40,756)	\$ -	\$ (40,756)	\$ -
Public safety and protection	250,740	14,280	31,279	-	(205,181)	-	(205,181)	-
Public works and transportation	82,368	3,281	-	6,731	(72,356)	-	(72,356)	-
Culture and recreation	35,153	636	-	1,741	(32,776)	-	(32,776)	-
Social and economic development	47,845	13,476	5,811	-	(28,558)	-	(28,558)	-
Interest on long-term debt	17,426	-	-	-	(17,426)	-	(17,426)	-
Total governmental activities	514,161	71,546	37,090	8,472	(397,053)	-	(397,053)	-
Business-type activities:								
Stormwater	37,247	35,975	84	6,181	-	4,993	4,993	-
One Technology Center	8,119	8,321	-	-	-	202	202	-
Arena & Convention	24,550	15,183	-	-	-	(9,367)	(9,367)	-
Tulsa Stadium Trust	4,388	285	-	-	-	(4,103)	(4,103)	-
Golf Courses	2,606	2,248	-	-	-	(358)	(358)	-
Total business-type activities	76,910	62,012	84	6,181	-	(8,633)	(8,633)	-
Total primary government	\$ 591,071	\$ 133,558	\$ 37,174	\$ 14,653	(397,053)	(8,633)	(405,686)	-
<b>Component units:</b>								
Clean water and waste water systems	188,364	246,156	-	16,421	-	-	-	74,213
Refuse collection and disposal	27,078	27,171	-	-	-	-	-	93
Airport services	50,200	34,605	11,143	13,244	-	-	-	8,792
Other component units	48,960	13,246	9,159	8,151	-	-	-	(18,404)
Total component units	\$ 314,602	\$ 321,178	\$ 20,302	\$ 37,816	-	-	-	64,694
General revenues:								
Taxes:								
Sales tax					280,738	-	280,738	208
Property tax					82,065	-	82,065	2,745
Franchise tax					22,701	-	22,701	-
Use tax					44,996	-	44,996	-
Hotel/Motel tax					6,170	-	6,170	-
Intergovernmental revenue, unrestricted					7,333	-	7,333	-
Funding from primary government					-	-	-	11,252
Payments from component units					25,971	-	25,971	-
Unrestricted investment earnings					20,573	1,513	22,086	8,636
Miscellaneous					1,862	44	1,906	-
Gain on disposal of capital assets					308	44	352	930
Transfers					(36,091)	36,091	-	-
Total general revenues and transfers					456,626	37,692	494,318	23,771
Change in Net position					59,573	29,059	88,632	88,465
Net position--beginning of year					1,736,578	545,629	2,282,207	1,618,294
Net position--end of year					\$ 1,796,151	\$ 574,688	\$ 2,370,839	\$ 1,706,759

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

**CITY OF TULSA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2020  
(amounts expressed in thousands)**

	General	Debt Service	Bond	Sales Tax	Limited-Purpose Sales Tax	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>							
Cash and cash equivalents	\$ 44,143	\$ 72,540	\$ 182,585	\$ 281,406	\$ 302,391	\$ 45,587	\$ 928,652
Receivables, net	33,683	73,877	-	12,725	4,672	8,209	133,166
Due from other funds	4,024	-	-	-	-	-	4,024
Inventories	33	-	-	-	-	-	33
Land held for resale	38	-	-	-	-	-	38
Advances to other funds	146	-	-	-	-	-	146
Advances to component units	326	-	-	-	-	-	326
Other current assets	433	-	-	-	-	-	433
Total assets	\$ 82,826	\$ 146,417	\$ 182,585	\$ 294,131	\$ 307,063	\$ 53,796	\$ 1,066,818
<b>Liabilities</b>							
Accounts payable and accrued liabilities	9,394	-	9,845	13,855	10,921	2,991	47,006
Unearned revenue	175	-	-	-	-	282	457
Due to other funds	-	-	-	-	-	1,205	1,205
Advances from component units	127	-	-	-	-	-	127
Total liabilities	9,696	-	9,845	13,855	10,921	4,478	48,795
<b>Deferred inflows of resources</b>							
Unavailable revenue - property taxes	-	72,818	-	-	-	-	72,818
Unavailable revenue - special assessments	-	-	-	-	-	94	94
Unavailable revenue - intergovernmental	395	-	-	-	-	2,558	2,953
Unavailable revenue - long-term receivables	782	-	-	-	-	12	794
Total unavailable revenue	1,177	72,818	-	-	-	2,664	76,659
<b>Fund balances</b>							
Nonspendable	543	-	-	-	-	-	543
Restricted	3,000	73,599	172,740	280,276	296,142	40,276	866,033
Committed	-	-	-	-	-	7,576	7,576
Assigned	14,052	-	-	-	-	-	14,052
Unassigned (deficit)	54,358	-	-	-	-	(1,198)	53,160
Total fund balances	71,953	73,599	172,740	280,276	296,142	46,654	941,364
Total liabilities, deferred inflows and fund balances	\$ 82,826	\$ 146,417	\$ 182,585	\$ 294,131	\$ 307,063	\$ 53,796	\$ 1,066,818

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds	1,864,431
Receivables from other governments that are not available to pay current-period expenditures and therefore not reported in the funds	
Internal service funds are used by management to charge costs of equipment management, employee insurance and office services.	
The assets, liabilities and deferred inflows/outflows of the internal service funds are included in governmental activities in the statement of net position	10,996
Assets, liabilities and deferred outflows and inflows included in governmental activities statement of net position but not in governmental funds:	
Internal balances due to elimination of internal service funds	3,416
Land held for resale	1,619
Facility use lease asset	12,618
Deferred OPEB outflows	1,051
Deferred pension outflows	78,932
Investment in joint venture is not reported in the funds	10,892
Deferred charge on debt refunding	584
Accrued interest payable	(6,258)
Deferred pension inflows	(38,333)
Unavailable revenue - property taxes	3,747
Unavailable revenue - intergovernmental and long-term receivables	3,747
Unavailable revenue - special assessments	94
Deferred OPEB inflows	(170)
Net pension asset	1,166

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

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

General obligation debt	(399,244)
Unamortized bond premium	(40,137)
Revenue bonds	(326,370)
Capital lease	(6,437)
Compensated absences	(35,567)
Arbitrage rebate payable	(5)
Other post employment benefits liability	(3,635)
Net pension liability	(270,942)
Judgments	(11,623)
Unamortized bond discount	215

**Governmental activities net position** \$ 1,796,151

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

**CITY OF TULSA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**Year ended June 30, 2020**  
**(amounts expressed in thousands)**

	General	Debt Service	Bond	Sales Tax	Limited-Purpose Sales Tax	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>							
Sales tax	\$ 153,863	\$ -	\$ -	\$ 84,583	\$ 23,453	\$ 18,839	\$ 280,738
Property tax	-	82,085	-	-	-	-	82,085
Franchise tax	22,234	-	-	-	-	467	22,701
Use tax	38,216	-	-	-	6,780	-	44,996
Hotel/motel tax	123	-	-	-	-	6,047	6,170
Special assessment tax	-	-	-	-	-	3,442	3,442
Charges for services	18,663	-	-	-	-	12,225	30,888
Intergovernmental revenues	32,896	-	-	-	-	12,193	45,089
Fines and forfeitures	6,716	-	-	-	-	92	6,808
Investment income	8,274	-	-	6,795	2,958	1,047	19,074
Licenses, permits and fees	9,429	-	-	-	-	-	9,429
Program income from grants	-	-	-	-	-	1,764	1,764
Payments from component units	16,999	-	-	5,759	-	2,000	24,758
Miscellaneous	815	115	17	558	-	141	1,646
Total revenues	308,228	82,200	17	97,695	33,191	58,257	579,588
<b>Expenditures</b>							
Current:							
General government	47,004	29	31	73	1,707	76	48,920
Public safety and protection	206,178	-	-	-	-	24,441	230,619
Public works and transportation	18,366	-	-	-	-	5,505	23,871
Culture and recreation	19,304	-	-	78	-	-	19,382
Social and economic development	12,238	-	-	-	-	12,303	24,541
Capital and operating funding to component units	7,610	-	-	5,673	-	1,500	14,783
Capital outlay	-	-	36,812	68,163	32,219	5,691	142,885
Debt service	243	91,340	-	-	25,054	-	116,637
Total expenditures	310,943	91,369	36,843	73,987	58,980	49,516	621,638
Excess (deficiency) of revenues over expenditures	(2,715)	(9,169)	(36,826)	23,708	(25,789)	8,741	(42,050)
<b>Other financing sources (uses)</b>							
Transfers in	2,822	-	-	-	-	2,028	4,850
Transfers out	(103)	-	-	(1,514)	(33,043)	(6,927)	(41,587)
Proceeds from sale of capital assets	480	-	-	785	-	-	1,265
Issuance of capital lease	-	-	-	5,678	-	-	5,678
Bond issuance	-	-	90,000	-	113,895	-	203,895
Premium on bonds issued	-	14,479	-	-	16,433	-	30,912
Total other financing sources (uses)	3,199	14,479	90,000	4,949	97,285	(4,899)	205,013
Net change in fund balances	484	5,310	53,174	28,657	71,496	3,842	162,963
Fund balances, beginning of year	71,469	68,289	119,566	251,619	224,646	42,812	778,401
Fund balances, end of year	\$ 71,953	\$ 73,599	\$ 172,740	\$ 280,276	\$ 296,142	\$ 46,654	\$ 941,364

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

**CITY OF TULSA**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**TO THE STATEMENT OF ACTIVITIES**  
**Year ended June 30, 2020**  
**(amounts expressed in thousands)**

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

<b>Net change in fund balances - total governmental funds</b>	<b>\$ 162,963</b>
Governmental funds report capital outlays as expenditures and capital contributions are not recorded. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:	
Capital outlays	142,377
Capital contributions	8,006
Depreciation expense	(73,343)
	<u>77,040</u>
The effect of miscellaneous transactions involving capital assets:	
Gain on disposal of capital assets	250
Proceeds from sale of capital assets	(962)
Capital assets transferred to organizations outside the reporting entity	(21,102)
	<u>(21,814)</u>
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal of long-term debt consumes current financial resources:	
Bond issuance	(203,895)
Premium on bond issuance	(30,912)
Capital lease issuance	(5,678)
Payment of bond principal	90,266
Capital lease payments	209
	<u>(150,010)</u>
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:	
Accrued interest expense	(1,506)
Amortization of premium and discount on bond issuance	8,170
Amortization of deferred gain on debt refunding	(791)
Increase in compensated absences liability	(2,735)
Decrease in liability to other governments	340
Increase in arbitrage rebate liability	(5)
Increase in tort claims and judgments liability	(1,905)
Net pension asset	(6,988)
Net pension liability	11,392
Deferred outflows of resources related to pensions	(8,028)
Deferred inflows of resources related to pensions	(3,745)
Total OPEB liability	(954)
Deferred outflows of resources related to OPEB	587
Deferred inflows of resources related to OPEB	53
Amortization of facility use lease	(368)
	<u>(6,483)</u>
Some revenues reported in the statement of activities do not provide current financial resources in governmental funds:	
Loss from investment in joint venture	1,038
	<u>1,038</u>
Some revenues which are unavailable in the governmental funds represent accrual based revenue in the entity-wide statements:	
Intergovernmental revenue	(183)
Long-term receivables	(940)
Property Tax	(20)
Special assessment revenue	(114)
	<u>(1,257)</u>
The net revenue of internal service funds is reported within governmental activities:	
Change in net position of internal service funds	(2,297)
Internal balances resulting from the elimination of internal service fund revenues	393
	<u>(1,904)</u>
<b>Change in net position - statement of activities</b>	<b>\$ 59,573</b>

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

**CITY OF TULSA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**June 30, 2020**  
(amounts expressed in thousands)

	Business-type Activities Enterprise Funds						Governmental Activities - Internal Service Funds
	Stormwater Management	One Technology Center	Arena & Convention Center	Tulsa Stadium Trust	Nonmajor - Golf Courses	Total	
<b>ASSETS</b>							
<b>Current assets:</b>							
Cash and cash equivalents	\$ 14,384	\$ 7,804	\$ 19,340	\$ 1,533	\$ 549	\$ 43,610	\$ 20,067
Cash and cash equivalents, restricted	424	1,492	6,608	5,059	-	13,583	-
Receivables, net	3,862	1,207	1,378	53	5	6,505	603
Prepaid expenses	-	-	604	-	23	627	-
Inventories, net	10	-	312	-	30	352	959
	<u>18,680</u>	<u>10,503</u>	<u>28,242</u>	<u>6,645</u>	<u>607</u>	<u>64,677</u>	<u>21,629</u>
<b>Noncurrent assets:</b>							
Cash and cash equivalents, restricted	38,043	3,728	1,634	1,603	-	45,008	-
Receivables, net	35	7,901	-	-	-	7,936	-
Other	-	-	-	1	-	1	-
Nondepreciable capital assets	93,228	3,164	9,602	2,841	2,760	111,595	4,525
Depreciable capital assets, net	232,954	31,017	196,389	28,525	4,430	493,315	7,200
	<u>364,260</u>	<u>45,810</u>	<u>207,625</u>	<u>32,970</u>	<u>7,190</u>	<u>657,855</u>	<u>11,725</u>
<b>Total assets</b>	<u>382,940</u>	<u>56,313</u>	<u>235,867</u>	<u>39,615</u>	<u>7,797</u>	<u>722,532</u>	<u>33,354</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>							
OPEB related items	228	11	-	-	-	239	99
Deferred charge on refunding	-	884	-	-	-	884	-
Pension related items	2,300	146	-	-	-	2,446	1,353
<b>Total deferred outflow of resources</b>	<u>2,528</u>	<u>1,041</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,569</u>	<u>1,452</u>
<b>LIABILITIES</b>							
<b>Current liabilities:</b>							
Accounts payable and accrued liabilities	1,797	789	2,686	891	301	6,464	976
Due to other funds	-	-	2,819	-	-	2,819	-
Unearned revenue	214	116	9,785	-	-	10,115	-
Workers compensation claims	-	-	-	-	-	-	3,319
Current portion of long-term liabilities	1,985	2,313	900	685	-	5,883	373
	<u>3,996</u>	<u>3,218</u>	<u>16,190</u>	<u>1,576</u>	<u>301</u>	<u>25,281</u>	<u>4,668</u>
<b>Noncurrent liabilities:</b>							
Unearned revenue	-	-	717	-	-	717	-
Workers compensation claims	-	-	-	-	-	-	10,759
Advances from other funds	-	-	-	-	-	-	146
Long-term liabilities	39,867	57,153	5,065	19,017	-	121,102	7,921
	<u>39,867</u>	<u>57,153</u>	<u>5,782</u>	<u>19,017</u>	<u>-</u>	<u>121,819</u>	<u>18,826</u>
<b>Total liabilities</b>	<u>43,863</u>	<u>60,371</u>	<u>21,972</u>	<u>20,593</u>	<u>301</u>	<u>147,100</u>	<u>23,494</u>
<b>DEFERRED INFLOW OF RESOURCES</b>							
Deferred gain on refunding	-	511	-	-	-	511	-
Pension related items	313	39	-	-	-	352	298
OPEB related items	32	2	-	-	-	34	18
<b>Total deferred outflow of resources</b>	<u>345</u>	<u>552</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>897</u>	<u>316</u>
<b>NET POSITION (DEFICIT)</b>							
Net investment in capital assets	325,262	(14,007)	201,629	13,267	7,190	533,341	11,725
Restricted for:							
Debt service	306	1,339	-	-	-	1,645	-
Capital projects	13,219	2,675	-	-	-	15,894	-
Other purposes	-	-	-	1,423	-	1,423	-
Unrestricted	2,473	6,424	12,266	4,332	306	25,801	(729)
<b>Total net position (deficit)</b>	<u>\$ 341,260</u>	<u>\$ (3,569)</u>	<u>\$ 213,895</u>	<u>\$ 19,022</u>	<u>\$ 7,496</u>	<u>578,104</u>	<u>\$ 10,996</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds						(3,416)	
Net position of business-type activities						<u>\$ 574,688</u>	

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

**CITY OF TULSA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**Year ended June 30, 2020**  
**(amounts expressed in thousands)**

	Business-type Activities Enterprise Funds						Governmental Activities - Internal Service Funds
	Stormwater Management	One Technology Center	Arena & Convention Center	Tulsa Stadium Trust	Nonmajor - Golf Courses	Total	
<b>Operating revenues</b>							
Charges for services	\$ 35,853	\$ 8,321	\$ 15,153	\$ 285	\$ 2,244	\$ 61,856	\$ 19,064
Insurance premiums	-	-	-	-	-	-	23,070
Workers compensation premiums	-	-	-	-	-	-	4,369
Other	122	-	30	-	4	156	116
	<u>35,975</u>	<u>8,321</u>	<u>15,183</u>	<u>285</u>	<u>2,248</u>	<u>62,012</u>	<u>46,619</u>
<b>Operating expenses</b>							
Salaries and wages	12,984	1,057	-	-	-	14,041	6,577
Materials and supplies	925	102	391	-	-	1,418	7,931
Services and charges	11,567	3,844	14,132	637	2,265	32,445	6,358
Workers compensation claims	-	-	-	-	-	-	5,710
Insurance claims and premiums	-	-	-	-	-	-	23,240
Depreciation and amortization	10,681	1,249	9,627	2,066	341	23,964	427
	<u>36,157</u>	<u>6,252</u>	<u>24,150</u>	<u>2,703</u>	<u>2,606</u>	<u>71,868</u>	<u>50,243</u>
<b>Operating income (loss)</b>	(182)	2,069	(8,967)	(2,418)	(358)	(9,856)	(3,624)
<b>Nonoperating revenues (expenses)</b>							
Investment income	672	706	61	69	5	1,513	483
Interest expense	(83)	(1,862)	(400)	(935)	-	(3,280)	-
Gain on sale of capital assets	44	-	-	-	-	44	5
Intergovernmental revenue	84	-	-	-	-	84	193
Contributions	-	-	-	44	-	44	-
Payments to component units	(5)	-	-	-	-	(5)	-
Other, net	(614)	-	-	(750)	-	(1,364)	-
	<u>98</u>	<u>(1,156)</u>	<u>(339)</u>	<u>(1,572)</u>	<u>5</u>	<u>(2,964)</u>	<u>681</u>
<b>Income (loss) before capital contributions and transfers</b>	(84)	913	(9,306)	(3,990)	(353)	(12,820)	(2,943)
Capital contributions	6,181	-	-	-	-	6,181	-
Transfers in	848	8	34,836	2,150	421	38,263	646
Transfers out	(2,172)	-	-	-	-	(2,172)	-
	<u>4,857</u>	<u>8</u>	<u>34,836</u>	<u>2,150</u>	<u>421</u>	<u>42,272</u>	<u>646</u>
<b>Change in net position</b>	4,773	921	25,530	(1,840)	68	29,452	(2,297)
Net position (deficit) - beginning of year	336,487	(4,490)	188,365	20,862	7,428		13,293
Net position (deficit) - end of year	<u>\$ 341,260</u>	<u>\$ (3,569)</u>	<u>\$ 213,895</u>	<u>\$ 19,022</u>	<u>\$ 7,496</u>		<u>\$ 10,996</u>
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds						(393)	
Change in net position of business-type activities						<u>\$ 29,059</u>	

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



**CITY OF TULSA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**Year ended June 30, 2020**  
**(amounts expressed in thousands)**

	Business-type Activities Enterprise Funds						Governmental Activities - Internal Service Funds
	Stormwater Management	One Technology Center	Arena & Convention Center	Tulsa Stadium Trust	Nonmajor - Golf Courses	Total	
<b>Cash flows from operating activities:</b>							
Receipts from customers and other funds	\$ 35,514	\$ 8,201	\$ 12,496	\$ 238	\$ 2,245	\$ 58,694	\$ 21,162
Receipts from interfund charges for services	242	-	-	-	-	242	25,479
Payments to suppliers and for claims	(9,667)	(4,403)	(15,459)	(537)	(2,142)	(32,208)	(41,013)
Payments to employees	(11,363)	(950)	-	-	-	(12,313)	(5,655)
Payments to other funds for services provided	(3,163)	-	-	-	-	(3,163)	-
Payments from related entity	-	-	-	-	-	-	51
Payments to related entity	-	-	-	-	-	-	(38)
Net cash provided (used) by operating activities	11,563	2,848	(2,963)	(299)	103	11,252	(14)
<b>Cash flows from noncapital financing activities:</b>							
Principal paid on revenue bonds	-	-	-	-	-	-	(1,460)
Interest paid on revenue bonds	-	-	-	-	-	-	(58)
Payments from interfund activity	-	-	2,819	-	-	2,819	-
Transfers from other funds	-	-	1,793	-	75	1,868	-
Transfers to other funds	(2,172)	-	-	-	-	(2,172)	-
Operating grant received	-	-	-	-	-	-	1
Proceeds from insurance reimbursements	-	-	-	-	-	-	356
Net cash provided (used) by noncapital financing activities	(2,172)	-	4,612	-	75	2,515	(1,161)
<b>Cash flows from capital and related financing activities:</b>							
Acquisition and construction of capital assets	(7,779)	-	(37,442)	(1,601)	(331)	(47,153)	(437)
Intergovernmental revenue	214	-	-	-	-	214	-
Premium received on debt issuance	1,390	-	-	-	-	1,390	-
Principal paid on debt	-	(2,235)	(835)	(660)	-	(3,730)	-
Interest paid on debt	-	(1,873)	(413)	(939)	-	(3,225)	-
Proceeds from sale of capital assets	44	-	-	-	-	44	5
Proceeds from issuance of debt	24,150	-	-	-	-	24,150	-
Proceeds from financing activities	-	1,300	-	-	-	1,300	-
Transfers from other funds for capital additions	847	8	33,043	2,159	346	36,403	646
Bond issuance costs	(613)	-	-	-	-	(613)	-
Net cash provided (used) by capital and related financing activities	18,253	(2,800)	(5,647)	(1,041)	15	8,780	214
<b>Cash flows from investing activities:</b>							
Interest received	606	203	70	69	4	952	435
Net cash provided by investing activities	606	203	70	69	4	952	435
Net increase (decrease) in cash and cash equivalents	28,250	251	(3,928)	(1,271)	197	23,499	(526)
<b>Cash and cash equivalents, beginning</b>	24,601	12,773	31,510	9,466	352	78,702	20,593
<b>Cash and cash equivalents, end of year</b>	\$ 52,851	\$ 13,024	\$ 27,582	\$ 8,195	\$ 549	\$ 102,201	\$ 20,067
<b>Reconciliation of cash and cash equivalents to the Statement of Net Position:</b>							
Cash and cash equivalents	14,384	7,804	19,340	1,533	549	43,610	20,067
Cash and cash equivalents - restricted	38,467	5,220	8,242	6,662	-	58,591	-
Total cash and cash equivalents	\$ 52,851	\$ 13,024	\$ 27,582	\$ 8,195	\$ 549	\$ 102,201	\$ 20,067
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities</b>							
Operating income (loss)	(182)	2,069	(8,967)	(2,418)	(358)	(9,856)	(3,624)
Adjustment to reconcile operating income (loss) to net cash provided (used) by operating activities:							
Depreciation and amortization	10,681	1,249	9,627	2,066	341	23,964	427
(Increase) decrease in accounts receivable and other assets	(191)	(135)	1,881	-	(1)	1,554	109
(Increase) decrease in advance	-	-	-	-	-	-	33
Increase in deferred outflows of resources	208	20	-	-	-	228	(349)
Increase (decrease) in accounts payable and other liabilities	(182)	(435)	(1,299)	53	121	(1,742)	2,325
Increase (decrease) in unearned revenue	-	15	(4,205)	-	-	(4,190)	-
Increase in net pension liability	1,268	75	-	-	-	1,343	1,145
Increase in other post employment benefits	210	9	-	-	-	219	87
Decrease in deferred inflows of resources	(249)	(19)	-	-	-	(268)	(167)
Net cash provided (used) by operating activities	\$ 11,563	\$ 2,848	\$ (2,963)	\$ (299)	\$ 103	\$ 11,252	\$ (14)
<b>NON-CASH TRANSACTIONS:</b>							
Capital contributions of capital assets	\$ 6,181	\$ -	\$ -	\$ -	\$ -	\$ 6,181	\$ -
Capital acquisitions in accounts payable and retainage payable	\$ 677	\$ -	\$ 252	\$ -	\$ -	\$ 929	\$ -

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

**CITY OF TULSA**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**June 30, 2020**  
**(amounts expressed in thousands)**

	Municipal Employees Retirement Plan	Agency Funds
<b>ASSETS</b>		
Cash and cash equivalents	\$ 14,565	\$ 5,433
Contributions receivable	993	-
Investment income receivable	241	-
Investments:		
US Government obligations	30,894	-
Corporate bonds	19,614	-
Preferred stock	116	-
Common stock	31,853	-
Foreign obligations	1,704	-
Mutual funds	88,419	-
Alternative investments:		
Mutual funds	229,414	
Real estate funds	38,895	
Timber	24,270	-
Total assets	<u>480,978</u>	<u>\$ 5,433</u>
<b>LIABILITIES</b>		
Accounts payable and accrued liabilities	4,685	\$ 3,780
Deposits payable	-	1,653
Total liabilities	<u>4,685</u>	<u>\$ 5,433</u>
<b>NET POSITION RESTRICTED FOR PENSIONS</b>	<u>\$ 476,293</u>	

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

**CITY OF TULSA**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**Year ended June 30, 2020**  
**(amounts expressed in thousands)**

	Municipal Employees Retirement Plan
<b>ADDITIONS</b>	
Contributions:	
Employer	\$ 20,305
Plan members	8,515
	28,820
Investment Income:	
Net appreciation in fair value of investments	15,091
Interest	1,520
Dividends	558
	17,169
Less: investment expense	(1,360)
Net investment income	15,809
Total additions	44,629
<b>DEDUCTIONS</b>	
Benefits	41,557
Refunds of contributions	1,091
Administrative expense	522
Total deductions	43,170
Net increase in fiduciary net position	1,459
<b>NET POSITION RESTRICTED FOR PENSIONS</b>	
Beginning of year	474,834
End of year	\$ 476,293

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

**CITY OF TULSA**  
**STATEMENT OF NET POSITION**  
**DISCRETELY PRESENTED COMPONENT UNITS**  
**June 30, 2020**  
**(amounts expressed in thousands)**

	Tulsa Metropolitan Utility Authority	Tulsa Authority for Recovery of Energy	Tulsa Airports	Other Component Units	Total Component Units
<b>ASSETS</b>					
<b>Current assets:</b>					
Cash and cash equivalents	\$ 240,601	\$ 22,787	\$ 18,208	\$ 9,997	\$ 291,593
Cash and cash equivalents - restricted	27,588	-	720	15,526	43,834
Investments	-	-	203	6,558	6,761
Investments - restricted	-	-	1,345	-	1,345
Receivables, net	36,051	2,930	6,922	7,144	53,047
Inventories	2,142	2	1,392	866	4,402
Current portion of notes receivable	-	-	-	3,051	3,051
Prepaid expenses	219	-	-	-	219
Other current assets	-	-	354	903	1,257
	<u>306,601</u>	<u>25,719</u>	<u>29,144</u>	<u>44,045</u>	<u>405,509</u>
<b>Noncurrent assets:</b>					
Cash and cash equivalents - restricted	61,400	-	10,550	1,915	73,865
Investments - restricted	-	-	22,175	-	22,175
Advances to primary government	-	-	127	-	127
Receivables, net	1	-	192	137	330
Notes receivables	-	-	-	11,172	11,172
Land held for resale, net	-	-	-	1,702	1,702
Equity interest in joint ventures	32,886	-	-	-	32,886
Nondepreciable capital assets	95,778	171	151,512	14,661	262,122
Depreciable capital assets, net	1,291,628	6,349	254,763	46,248	1,598,988
	<u>1,481,693</u>	<u>6,520</u>	<u>439,319</u>	<u>75,835</u>	<u>2,003,367</u>
<b>Total assets</b>	<u>1,788,294</u>	<u>32,239</u>	<u>468,463</u>	<u>119,880</u>	<u>2,408,876</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>					
Deferred charge on refunding	1,815	-	7,004	216	9,035
Pension related items	9,173	730	2,259	1,775	13,937
OPEB related items	921	83	-	-	1,004
<b>Total deferred outflow of resources</b>	<u>11,909</u>	<u>813</u>	<u>9,263</u>	<u>1,991</u>	<u>23,976</u>
<b>LIABILITIES</b>					
<b>Current liabilities:</b>					
Accounts payable and accrued liabilities	34,400	1,652	3,720	5,843	45,615
Unearned revenue	-	-	676	1,207	1,883
Current portion of long-term liabilities	34,973	261	8,910	634	44,778
Deposits subject to refund - restricted	12,630	-	34	-	12,664
	<u>82,003</u>	<u>1,913</u>	<u>13,340</u>	<u>7,684</u>	<u>104,940</u>
<b>Noncurrent liabilities:</b>					
Advances from primary government	-	-	-	326	326
Deposits subject to refund	-	-	-	415	415
Long-term liabilities, net	413,757	6,286	174,428	19,392	613,863
	<u>413,757</u>	<u>6,286</u>	<u>174,428</u>	<u>20,133</u>	<u>614,604</u>
<b>Total liabilities</b>	<u>495,760</u>	<u>8,199</u>	<u>187,768</u>	<u>27,817</u>	<u>719,544</u>
<b>DEFERRED INFLOW OF RESOURCES</b>					
Property tax revenue	944	-	-	1,760	2,704
Pension related items	1,741	136	305	1,460	3,642
OPEB related items	160	16	-	-	176
Deferred gain on refunding	27	-	-	-	27
<b>Total deferred inflow of resources</b>	<u>2,872</u>	<u>152</u>	<u>305</u>	<u>3,220</u>	<u>6,549</u>
<b>NET POSITION</b>					
<b>Net investment in capital assets</b>	1,085,039	6,520	268,830	55,814	1,416,203
<b>Restricted for:</b>					
Debt service	14,355	-	796	1,155	16,306
Capital projects	-	-	2,982	8,222	11,204
Other purposes	-	-	6,407	18,890	25,297
<b>Unrestricted</b>	202,177	18,181	10,638	6,753	237,749
<b>Total net position</b>	<u>\$ 1,301,571</u>	<u>\$ 24,701</u>	<u>\$ 289,653</u>	<u>\$ 90,834</u>	<u>\$ 1,706,759</u>

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

**CITY OF TULSA**  
**STATEMENT OF ACTIVITIES**  
**DISCRETELY PRESENTED COMPONENT UNITS**  
**Year ended June 30, 2020**  
**(amounts expressed in thousands)**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position				
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Tulsa Metropolitan Utility Authority	Tulsa Authority for Recovery of Energy	Tulsa Airports	Other	Total
Clean water and waste water systems	\$ 188,364	\$ 246,156	\$ -	\$ 16,421	\$ 74,213	\$ -	\$ -	\$ -	\$ 74,213
Refuse collection and disposal	27,078	27,171	-	-	-	93	-	-	93
Airport services	50,200	34,605	11,143	13,244	-	-	8,792	-	8,792
Other	48,960	13,246	9,159	8,151	-	-	-	(18,404)	(18,404)
	<u>\$ 314,602</u>	<u>\$ 321,178</u>	<u>\$ 20,302</u>	<u>\$ 37,816</u>	<u>74,213</u>	<u>93</u>	<u>8,792</u>	<u>(18,404)</u>	<u>64,694</u>
General revenues:									
Taxes:									
Sales taxes					-	-	-	208	208
Property taxes					1,279	-	-	1,466	2,745
Funding from primary government					-	-	-	11,252	11,252
Investment earnings					6,328	569	1,004	735	8,636
Gain on disposal of capital assets					930	-	-	-	930
Total general revenues					<u>8,537</u>	<u>569</u>	<u>1,004</u>	<u>13,661</u>	<u>23,771</u>
Change in net position					82,750	662	9,796	(4,743)	88,465
Net position--beginning of year					1,218,821	24,039	279,857	95,577	1,618,294
Net position, end of year					<u>\$ 1,301,571</u>	<u>\$ 24,701</u>	<u>\$ 289,653</u>	<u>\$ 90,834</u>	<u>\$ 1,706,759</u>

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

*Note 1. Summary of Significant Accounting Policies, continued*

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

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

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

**New Pronouncements** - The City implemented the following GASB Statements effective for the year ended June 30, 2020:

**GASB Statement No. 95 – Postponement of the Effective Dates of Certain Authoritative Guidance** - This Statement provides temporary relief to governments and other stakeholders in light of the COVID-19 pandemic. That objective is accomplished by postponing the effective dates of certain provisions in Statements and Implementation Guides that first became effective or are scheduled to become effective for periods beginning after June 15, 2018, and later.

**A. REPORTING ENTITY**

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

**1. Blended Component Units**

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

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

*Note 1. Summary of Significant Accounting Policies, continued*

**2. Discretely Presented Component Units**

Major discretely presented component units:

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

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

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

**Other discretely presented component units:**

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

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

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

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

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

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

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

*Note 1. Summary of Significant Accounting Policies, continued*

**B. JOINT VENTURES AND RELATED ORGANIZATIONS**

**1. Joint Ventures**

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

The City participates in the following joint ventures:

Emergency Medical Services Authority ("EMSA") - EMSA is a public trust created to provide emergency medical care and transportation and is governed by a ten-member board composed of five appointees from the City and five from other Oklahoma cities and towns. In accordance with the joint venture agreement, Tulsa and Oklahoma City are entitled to their respective share of annual operating income or loss. The City's equity interest in EMSA is \$10,892. Complete financial statements for EMSA can be obtained from EMSA's Chief Financial Officer, 1417 North Lansing, Tulsa, Oklahoma 74106.

River Parks Authority ("RPA") - The City is a participant with Tulsa County ("County") in a joint venture to operate and maintain a park along the Arkansas River. RPA, a public trust, was created for that purpose. The City and the County contribute to the annual operating budget of RPA. The Board of Trustees comprises seven members, three appointed by the City, three appointed by the County, and one by the Tulsa Metropolitan Area Planning Commission. The City and the County have no equity interest in the joint venture; therefore, no equity interest is reflected in the City's financial Statements. Complete financial statements for RPA can be obtained from the Executive Director, 2121 S. Columbia Ave., Suite 205, Tulsa Oklahoma 74114.

Regional Metropolitan Utility Authority ("RMUA") - The City is a participant with the Cities of Broken Arrow, Jenks, Bixby, and Owasso, Oklahoma, to operate a sewage treatment facility. Only the City and the City of Broken Arrow, Oklahoma currently hold an equity interest in RMUA. The City contributes approximately one-half of the Authority's annual operating and capital budget, operates a facility for RMUA and leases the facility site to the Authority. The City appoints two of the ten trustees. The remaining trustees are appointed two each by the four other participating cities. RMUA's treatment plant provides services to the City of Tulsa and the City of Broken Arrow at approximately equal amounts. Upon termination of the trust, the net position will be distributed to the beneficiaries based upon their pro rata interest. The City's equity interest of \$32,886 is reported in TMUA's statement of net position. Complete financial statements for RMUA can be obtained from the Office of the Controller, 175 East 2<sup>nd</sup> Street, Suite 1570, Tulsa, OK 74103.

**2. Related Organizations**

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

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

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

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

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

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

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



*Note 1. Summary of Significant Accounting Policies, continued*

**3. Jointly Governed Organizations**

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

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

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

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

**C. GOVERNMENT-WIDE FINANCIAL STATEMENTS AND FUND FINANCIAL STATEMENTS**

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

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

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

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

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

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

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

The governmental funds financial statements are presented on a current financial resource and modified accrual basis of accounting. This presentation is deemed most appropriate to (a) demonstrate legal and covenant compliance, (b) demonstrate the source and use of liquid resources, and (c) demonstrate how the City's actual experience conforms to the

*Note 1. Summary of Significant Accounting Policies, continued*

budget or fiscal plan. Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements' governmental column, a reconciliation is presented either on the fund statement or on the page following each statement which briefly explains the adjustments necessary to transform the fund-based financial statements into the governmental column of the government-wide presentation.

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

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

**D. BASIS OF PRESENTATION**

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the City's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements

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

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

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

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

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

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

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

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

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

*Note 1. Summary of Significant Accounting Policies, continued*

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

**E. BASIS OF ACCOUNTING**

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

*Note 1. Summary of Significant Accounting Policies, continued*

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

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

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

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

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

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

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

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

**F. ASSETS, LIABILITIES AND NET POSITION**

**1. Cash and Cash Equivalents**

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

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

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

*Note 1. Summary of Significant Accounting Policies, continued*

**2. Investments**

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

Governmental Activities	\$	5,430
Business Type Activities		286
Net Increase in Fair Value	\$	<u>5,716</u>

**3. Accounts Receivable, Taxes Receivable and Notes Receivable**

Accounts receivable and taxes receivable are shown at net realizable value. The allowance for general government accounts receivable is derived from the age of the individual receivable with age categories ranging from 30 days past due to three years past due. Uncollectible percentages by revenue category are derived using historical write-off experience and range from 1% to 62%, as well as consideration of current expectations and economic considerations. In the current year \$463 of accounts receivable were written-off.

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

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

**4. Inventories**

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

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

**5. Internal Balances**

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

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

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

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*Note 1. Summary of Significant Accounting Policies, continued*

**6. Laboratory Facility Use Lease**

The City is a party to an agreement with the Oklahoma Board of Regents for Higher Education whereby the City leases from the Oklahoma Board of Regents for Higher Education office and laboratory facilities for a term of 50 years. The lease terms call for the City to pay a proportionate share of the design and construction costs of the facility and, in turn, the City has the right to use the facilities until the expiration of the lease on June 30, 2058. The lease costs are amortized over the life of the lease. The lease with a carrying value of \$12,618, net of amortization, is reflected in other assets on the Government-wide Statement of Net Position.

**7. Capital Assets**

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

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

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

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

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

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

**8. Privately Funded Public Improvements**

**Water and Sewer Line Extensions** – Contributions from area developers to TMUA during the year totaled \$16,328.

**9. Restricted Assets**

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

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

*Note 1. Summary of Significant Accounting Policies, continued*

**10. Bond Premiums and Discounts**

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

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

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

**11. Encumbrances – Budgetary Statements**

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

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

**12. Fund Balances**

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

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

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

*Note 1. Summary of Significant Accounting Policies, continued*

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

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

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

**13. Net Position**

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

- *Net Investment in Capital Assets* – This consists of capital assets, net of accumulated depreciation plus deferred inflows/outflows of resources less the outstanding balances of any bonds, notes, or other borrowings attributable to the acquisition, construction, or improvement of those assets.
- *Restricted* – This consists of net position that is legally restricted by outside parties or by law through constitutional provisions or enabling legislation. Net position restricted by enabling legislation is \$344,098. When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, then unrestricted resources as they are needed.
- *Unrestricted* – This consists of net position that does not meet the definition of “restricted” or “net investment in capital assets.”

**14. Stabilization Arrangement**

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

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

In 2020 voters approved a sales tax to fund the reserve. The City expects to begin collecting the tax in 2021.

**For purposes of calculating any shortfall:**

1. If the trigger for withdrawal from the Economic Stabilization Reserve is not met in the current budget year, the City Treasurer shall calculate the shortfall for the upcoming budget year by subtracting the total projected General Fund revenues for the upcoming budget year from the total projected General Fund revenues for the current budget year.



*Note 1. Summary of Significant Accounting Policies, continued*

2. If the trigger for withdrawal from the Economic Stabilization Reserve is met in the current budget year, the shortfall shall be calculated by subtracting the total projected General Fund revenues for the upcoming budget year from the highest of any previous year's total General Fund revenues.

The balance in the Economic Stabilization Reserve is \$3,000.

**G. DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES**

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

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

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

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

**H. REVENUES, EXPENSES AND EXPENDITURES**

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

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

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

*Note 1. Summary of Significant Accounting Policies, continued*

**1. Sales Tax Revenue**

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

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

**2. Property Tax Revenue**

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

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

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

**3. Arena Revenues – Naming Rights, Sponsorships**

Revenues derived from naming rights and sponsorships are recognized over the life of the agreement, generally 3 to 20 years. Unearned revenue is recorded for amounts received to the extent they exceed amounts earned. Naming rights and sponsorship revenue of \$1,386 has been recognized in the current year.

**4. Grant Revenue**

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

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

*Note 1. Summary of Significant Accounting Policies, continued*

**5. Commercial Lease Revenue**

TPFA owns a building in downtown Tulsa known as the One Technology Center. The building contains approximately 630,000 square feet of office space. The City leases approximately 259,000 square feet and 371,000 square feet is available for commercial leasing. Approximately 153,000 square feet of space is leased under a capital lease through 2029. Lease revenue recognized in the current year from private business leasing was \$3,055.

**6. Investment Income**

Investment income from pooled cash and investments is allocated monthly based on the percentage of a fund's average daily equity in pooled cash and investments to the total average daily pooled equity in pooled cash and investments. Investment earnings and losses from the special revenue, agency, debt service, and bond funds are reported net investment earnings of the general fund. The amount allocated in the current year was income of \$5,925.

**7. Unearned Revenue**

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

**8. Interfund Transactions**

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

**9. Payments Between the Primary Government and Component Units**

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

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

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

*Note 1. Summary of Significant Accounting Policies, continued*

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

Payment	From	To	Purpose
\$ 7,610	General Fund	MTTA	Operating subsidy
88	Sales Tax Fund	TMUA	For capital acquisitions
137	Sales Tax Fund	TDA	For capital acquisitions
5	Stormwater	TMUA	For capital acquisitions
5,448	Sales Tax Fund	MTTA	For capital acquisitions
1,500	Economic Development Fund	TPACT	Operating subsidy
1,408	City, various funds	TMUA	Utility services
222	City, various funds	TARE	Refuse services
15,353	TMUA	General Fund	Payments in lieu of taxes
1,646	TARE	General Fund	Payments in lieu of taxes
1,213	TDA	City	Capital contributions
5,759	TDA	Sales Tax Fund	Loan proceeds remitted
204	TDA	General Fund	Land sale proceeds remitted
6,002	TMUA	General Fund	Indirect costs
3,842	TMUA	Equipment Management	Equipment maintenance
1,524	TARE	General Fund	Indirect costs
752	TARE	Equipment Management	Equipment maintenance
215	TPA	General Fund	Contracting services
2,000	TPA	Special Development	Contribution
1,935	TAIT	General Fund	Fire support services

**10. Compensated Absences**

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

**11. Post-Employment Benefits**

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

**12. Operating Subsidies and Grants**

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

*Note 1. Summary of Significant Accounting Policies, continued*

**13. Judgments**

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

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

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

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

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

**I. USE OF ESTIMATES**

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

## *Note 2. Stewardship, Compliance and Accountability*

### **1. Net Position/Fund Balance Deficit**

**One Technology Center** – This enterprise fund has a deficit net position of \$3,569 resulting from operating income levels insufficient to cover costs. It is the City's intent to secure additional revenues and manage expenses to eliminate the deficit.

**Federal and State Grants Fund** – This nonmajor special revenues fund has a deficit fund balance of \$514. The City will receive grant payments to eliminate the deficit.

**Vision 2025 Capital Projects Fund** – This nonmajor capital projects fund has a deficit fund balance of \$539. The City will identify other funds that can be appropriately assigned to eliminate the deficit.

**Office Services fund** - This internal service fund has a deficit fund balance of \$71. The City will continue to set fees in amounts sufficient to fund current expenditures to eliminate the deficit.

### **2. Tax Abatements**

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

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

The City then participates in the ad valorem tax abatement of 15.8%. Abatements are obtained through application by the property owner prior to commencing the improvements and require subsequent provision by the owner of proof that the improvements have been made. Because taxes are not abated until after the improvements have been made, there are no provisions for recapturing abated taxes. The property owner has three years from the date of City Council adoption of the agreement to qualify for the tax exemption, otherwise the agreement immediately terminates. No other commitments were made by the City as part of those agreements. For the fiscal year ended June 30, 2020, the City had eleven active agreements which resulted in a total tax abatement of \$118 and no other agreements which are currently under construction and would result in tax abatements.

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

*Note 2. Stewardship, Compliance and Accountability, continued*

For the fiscal year ended June 30, 2020, the City abated sales taxes totaling \$828 under this program, including the following tax abatement agreements which are the percentage the City considers to be material for purposes of individual disclosure:

<b>Project Name</b>	<b>Purpose</b>	<b>Percent Abated</b>	<b>Amount Abated</b>
Costco Wholesale Corporation	To construct a public storm water line and public sanitary sewer line in connection with the acquisition and development of property for the operation and maintenance of a wholesale and retail general merchandise facility with a total investment by the Owner of approximately \$19,000.	30% from every two cents (\$0.02) of the sales tax revenue stream up to a maximum reimbursement of \$2,000.	\$ 589
Walk at Tulsa Hills	To develop certain real property near the Tulsa Hills shopping center for the operation and maintenance of a retail, dining, and entertainment complex, with parking and other improvements totaling an estimated \$32,500, with an additional estimated \$8,000 in tenant improvements.	25% from every two cents (\$0.02) of the sales tax revenue stream up to a maximum annual abatement amount of \$250 and a total not to exceed abatement of \$1,200.	\$ 139
Crossing Oaks Investments, LLC	To develop certain real property near the Woodland Hills Mall shopping center for the operation and maintenance of a retail grocery store and other retail complex, with parking and other improvements totaling an estimated \$27,000.	20% from every two cents (\$0.02) of the sales tax revenue stream not to exceed abatement of \$583.	\$ 100

### *Note 3. Deposits and Investments*

#### **Custodial Credit Risk—City of Tulsa Policy:**

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

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

Certificates of deposit are, according to the City's investment policy, to be collateralized at least by 102% of the amount that is not federally insured. As of June 30, 2020, the City had no deposits exposed to custodial credit risk.

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

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

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

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

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

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

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

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



*Note 3. Deposits and Investments, continued*

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

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

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

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

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

**Pooled Portfolio Investments:**

Investments:	Carrying Value	Weighted Average Maturity (years)	Concentration	Moody's	S & P	Fair Value Measurement
Investments measured by fair value levels:						
U.S. Treasury securities	\$ 81,089	0.82	10.66%	Aaa	AA	Level 1
Federal Farm Credit Bank securities	195,463	4.12	25.7%	Aaa	AA	Level 2
Federal Home Loan Bank securities	80,500	3.22	10.6%	Aaa	AA	Level 2
Federal Home Loan Mortgage Corporation securities	180,358	4.29	23.7%	Aaa	AA	Level 2
Federal National Mortgage Association securities	45,343	1.62	6.0%	Aaa	AA	Level 2
Federal Agency Callables	4,998	0.39	0.7%	Aaa	AA	Level 2
Municipal obligations	6,477	0.08	0.9%	Aaa	AAA	Level 2
Municipal obligations	2,011	0.50	0.3%	Aa	AA	Level 2
Municipal obligations	830	1.99	0.1%	Aa	AAA	Level 2
Municipal obligations	41,455	3.46	5.5%	n/a	n/a	Level 2
	638,524					
Investments measured at NAV:						
Money market mutual funds	118,000	0.00	15.52%	Aaa	AA	
Investments measured at amortized cost:						
Property tax judgments	3,856	1.27	0.5%	--	--	N/A
	\$ 760,380	1.65				

**Pooled Portfolio Investments reported in:**

Governmental activities	\$ 516,974
Business-type activities	24,829
Fiduciary funds	3,882
Component units	213,373
Organizations not in reporting entity	1,322
	\$ 760,380

*Note 3. Deposits and Investments, continued*

**Non- Pooled Investments – Primary Government:**

The City had no non-pooled investments at June 30, 2020.

**Non- Pooled Investments – Fiduciary Funds:**

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

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

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

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

Investment Type	Rated					Not Rated or	
	Standard & Poors/Moody's					Rating Not	
	AAA/Aaa	AA/Aa	A/A	BBB/Baa	BB/Ba	Available	Total
U.S. agency obligations	\$ 5,880	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,880
Government mortgage backed securities	9,517	-	-	-	-	-	9,517
Corporate bonds	-	457	4,742	9,002	533	296	15,030
Asset backed securities	1,231	-	448	559	-	360	2,598
Commercial mortgage backed securities	828	557	-	-	-	601	1,986
Foreign obligations	-	184	525	995	-	-	1,704
Domestic fixed income mutual funds <sup>(1)</sup>	-	-	-	-	-	27,703	27,703
Foreign fixed income mutual funds <sup>(1)</sup>	-	-	-	-	-	27,370	27,370
	<u>\$ 17,456</u>	<u>\$ 1,198</u>	<u>\$ 5,715</u>	<u>\$ 10,556</u>	<u>\$ 533</u>	<u>\$ 56,330</u>	<u>\$ 91,788</u>

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

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

**Concentration of Credit Risk.** MERP’s investment guidelines do not specifically address concentration of credit risk. The asset allocation guidelines for fixed income investments at June 30, 2020 were 24% strategic with a lower limit of 20% and an upper limit of 28%.

*Note 3. Deposits and Investments, continued*

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

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

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

	<u>Balance</u>	<u>Weighted Average Maturity (years)</u>	<u>Fair Value Measurement</u>
Investments measured by fair value levels:			
U.S. Treasury securities	\$ 15,498	8.84	Level 1
Federal Home Loan Mortgage Corp securities	5,880	27.89	Level 2
Federal National Mortgage Association securities	7,025	26.18	Level 2
Government National Mortgage Association securities	2,491	28.58	Level 2
Equity mutual funds	12,640	n/a	Level 1
Foreign equity mutual funds	75,779	n/a	Level 1
Corporate obligations	19,614	15.09	Level 2
Foreign obligations	1,704	13.70	Level 2
Common Stock	31,853	n/a	Level 1
Preferred Stock	116	n/a	Level 2
Investments measured by fair value levels:	<u>172,600</u>		
Investments measured by NAV:			
Equity mutual funds	154,315	n/a	
Foreign equity mutual funds	20,025	n/a	
Domestic fixed income mutual funds	27,703	n/a	
Foreign fixed income mutual funds	27,371	n/a	
Real Estate funds	38,895	n/a	
Timber Limited Partnership	24,270	n/a	
Investments measured by NAV:	<u>292,579</u>	19.90	
	<u>\$ 465,179</u>		

**Non- Pooled Investments – Fiduciary Funds:**

**Investments measured by Net Asset Value (NAV):**

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

### *Note 3. Deposits and Investments, continued*

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

MERP invests in a timber partnership. The partnership seeks to gain income through acquisition, holding and sale of timberland primarily in the U.S. The term of the partnership is ten years with options to extend. MERP receives income distributions. In general, redemption in this investment won't occur until the partnership has ended. MERP had commitments of \$496 remaining at June 30, 2020 to the timber partnership.

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

#### **Fair Value Measurement Techniques:**

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

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

#### **Corporate obligations and fixed income securities:**

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

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

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

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

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

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

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

*Note 4. Receivables*

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

<b>Governmental Funds</b>								
	<b>General Fund</b>	<b>Debt Service</b>	<b>Sales Tax</b>	<b>Limited- Purpose Sales Tax</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>	<b>Internal Service Funds</b>	<b>Total Governmental Activities</b>
<b>Current receivables, net:</b>								
Interest receivable	\$ 1,477	\$ -	\$ 1,263	\$ 2	\$ 195	\$ 2,937	\$ 83	\$ 3,020
Taxes receivable	30,331	74,032	11,452	4,670	3,284	123,769	-	123,769
Accounts receivable	4,165	-	10	-	1,890	6,065	533	6,598
Due from other governments	-	-	-	-	2,842	2,842	-	2,842
	<u>35,973</u>	<u>74,032</u>	<u>12,725</u>	<u>4,672</u>	<u>8,211</u>	<u>135,613</u>	<u>616</u>	<u>136,229</u>
Less: Allowance for uncollectible	(2,290)	(155)	-	-	(2)	(2,447)	(13)	(2,460)
	<u>\$ 33,683</u>	<u>\$ 73,877</u>	<u>\$ 12,725</u>	<u>\$ 4,672</u>	<u>\$ 8,209</u>	<u>\$ 133,166</u>	<u>\$ 603</u>	<u>\$ 133,769</u>

<b>Business-type Activities Enterprise Funds</b>						
	<b>Stormwater Management</b>	<b>One Technology Center</b>	<b>Arena &amp; Convention Center</b>	<b>Tulsa Stadium Trust</b>	<b>Nonmajor- Golf Courses</b>	<b>Total Business-type Activities</b>
<b>Current receivables, net:</b>						
Interest receivable	\$ 93	\$ 37	\$ 4	\$ -	\$ -	\$ 134
Utility receivable	3,702	-	-	-	-	3,702
Accounts receivable, gross	164	449	1,432	53	5	2,103
Capital lease receivable	-	721	-	-	-	721
	<u>3,959</u>	<u>1,207</u>	<u>1,436</u>	<u>53</u>	<u>5</u>	<u>6,660</u>
Less: Allowance for uncollectibles	(97)	-	(58)	-	-	(155)
	<u>\$ 3,862</u>	<u>\$ 1,207</u>	<u>\$ 1,378</u>	<u>\$ 53</u>	<u>\$ 5</u>	<u>\$ 6,505</u>
<b>Noncurrent receivables, net:</b>						
Capital lease receivable	-	7,901	-	-	-	7,901
Interest receivable	35	-	-	-	-	35
	<u>\$ 35</u>	<u>\$ 7,901</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,936</u>

*Note 4. Receivables, continued*

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

Minimum future rentals on the capital lease are as follows:

<b>TPFA Capital Lease</b>			
<b>Years</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2021	721	416	1,137
2022	824	376	1,200
2023	866	334	1,200
2024	911	289	1,200
2025	957	243	1,200
2026-2029	4,343	457	4,800
	<u>\$ 8,622</u>	<u>\$ 2,115</u>	<u>\$ 10,737</u>

	<b>Component Units</b>				
	<b>Tulsa Metropolitan Utility Authority</b>	<b>Tulsa Authority for Recovery of Energy</b>	<b>Tulsa Airports</b>	<b>Other Component Units</b>	<b>Total Component Units</b>
<b>Current receivables, net:</b>					
Interest receivable	\$ 1,056	\$ 106	\$ -	\$ 76	\$ 1,238
Interest receivable - restricted	-	-	-	53	53
Taxes receivable	944	-	-	2,013	2,957
Accounts receivable	1,030	-	2,592	915	4,537
Utility receivable	33,312	2,911	-	-	36,223
Due from other governments	-	-	4,535	4,112	8,647
	<u>36,342</u>	<u>3,017</u>	<u>7,127</u>	<u>7,169</u>	<u>53,655</u>
Less: Allowance for uncollectibles	(291)	(87)	(205)	(25)	(608)
	<u>\$ 36,051</u>	<u>\$ 2,930</u>	<u>\$ 6,922</u>	<u>\$ 7,144</u>	<u>\$ 53,047</u>
<b>Noncurrent receivables:</b>					
Accounts receivable	-	-	192	137	329
Interest receivable	1	-	-	-	1
	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 192</u>	<u>\$ 137</u>	<u>\$ 330</u>

*Note 5. Payables*

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

	Governmental Funds						Internal Service Funds	Total Governmental Funds	Adjustments to Government Wide Statements	Total Governmental Activities
	General	Bond	Sales Tax	Limited-Purpose Sales Tax	Nonmajor Governmental Funds	Total				
Accounts payable	\$ 5,016	\$ 9,845	\$ 13,855	\$ 10,921	\$ 2,600	\$ 42,237	\$ 967	\$ 43,204	\$ -	\$ 43,204
Accrued payroll	4,378	-	-	-	391	4,769	9	4,778	-	4,778
Accrued interest	-	-	-	-	-	-	-	-	6,258	6,258
	<u>\$ 9,394</u>	<u>\$ 9,845</u>	<u>\$ 13,855</u>	<u>\$ 10,921</u>	<u>\$ 2,991</u>	<u>\$ 47,006</u>	<u>\$ 976</u>	<u>\$ 47,982</u>	<u>\$ 6,258</u>	<u>\$ 54,240</u>

	Business-type Activities - Enterprise Funds					
	Stormwater Management	One Technology Center	Arena & Convention Center	Tulsa Stadium Trust	Golf Courses	Total
Accounts payable	\$ 1,415	\$ 614	\$ 2,596	\$ 819	\$ 301	\$ 5,745
Accrued payroll	264	22	-	-	-	286
Accrued interest	118	153	90	72	-	433
	<u>\$ 1,797</u>	<u>\$ 789</u>	<u>\$ 2,686</u>	<u>\$ 891</u>	<u>\$ 301</u>	<u>\$ 6,464</u>

	Component Units				
	Tulsa Metropolitan Utility Authority	Tulsa Authority for Recovery of Energy	Tulsa Airports	Other Component Units	Total Component Units
Accounts payable	\$ 29,830	\$ 1,541	\$ 2,663	\$ 5,296	\$ 39,330
Accrued payroll	1,343	111	439	436	2,329
Accrued interest	3,227	-	618	111	3,956
	<u>\$ 34,400</u>	<u>\$ 1,652</u>	<u>\$ 3,720</u>	<u>\$ 5,843</u>	<u>\$ 45,615</u>

*Note 6. Interfund Transactions*

Primary government interfund receivables and payables consist of the following:

<u>Amount</u>	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>	<u>Purpose</u>
740	General Fund	Federal and State Grants	To finance grant projects
2,819	General Fund	Arena & Convention Center	To provide cash flow
465	General Fund	Vision 2025 Capital Projects	To finance capital projects
<u>\$ 4,024</u>			

	<u>Advances To Other Funds</u>	<u>Advances From Other Funds</u>	<u>Purpose</u>
146	General Fund	Office Services	To provide cash flow
<u>\$ 146</u>			

	<u>Advances To Primary Government</u>	<u>Advances From Component Units</u>	<u>Purpose</u>
127	Tulsa Airports	General Fund	Payment in advance - Fire Department services
<u>\$ 127</u>			

	<u>Advances To Component Units</u>	<u>Advances From Primary Government</u>	<u>Purpose</u>
326	General Fund	MTTA	To provide cash flow
<u>\$ 326</u>			



*Note 6. Interfund Transactions, continued*

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

Transfers To	Total	Transfers From				
		General Fund	Sales Tax Fund	Limited Purpose Sales Tax	Nonmajor Governmental Funds	Stormwater Management Fund
<b>Governmental Funds:</b>						
<b>Major Funds:</b>						
General Fund	\$ 2,822	\$ -	\$ -	\$ -	\$ 650	\$ 2,172
<b>Nonmajor Funds</b>	2,028	28	-	-	2,000	-
<b>Total Governmental Funds</b>	<u>4,850</u>	<u>28</u>	<u>-</u>	<u>-</u>	<u>2,650</u>	<u>2,172</u>
<b>Internal Service Funds</b>	646	-	646	-	-	-
<b>Enterprise Funds:</b>						
Stormwater Management Fund	848	-	514	-	334	-
One Technology Center	8	-	8	-	-	-
Arena & Convention Center	34,836	-	-	33,043	1,793	-
Tulsa Stadium Trust	2,150	-	-	-	2,150	-
Golf Courses Fund	421	75	346	-	-	-
<b>Total Enterprise Funds</b>	<u>38,263</u>	<u>75</u>	<u>868</u>	<u>33,043</u>	<u>4,277</u>	<u>-</u>
<b>Total Primary Government</b>	<u>\$ 43,759</u>	<u>\$ 103</u>	<u>\$ 1,514</u>	<u>\$ 33,043</u>	<u>\$ 6,927</u>	<u>\$ 2,172</u>

Transfers - in		Transfers - out	
Governmental Funds	\$ 4,850	Governmental Funds	\$ 41,587
Internal Service Funds	646	Internal Service Funds	-
Enterprise Funds	38,263	Enterprise Funds	2,172
<b>Total Primary Government</b>	<u>\$ 43,759</u>	<b>Total Primary Government</b>	<u>\$ 43,759</u>

**1. Purpose of Transfers**

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

In fiscal year 2020, significant transfers include the following: 1) \$2,172 on-going transfer from the Stormwater Management Fund to the General Fund for payments in lieu of franchise taxes, 2) \$2,000 from the nonmajor fund, Vision Public Safety Sales Tax Fund, to provide matching in the Federal and State Grants Fund for emergency response grants, 3) \$868 from the Sales Tax Fund to various funds for capital projects, 4) \$33,043 from the Limited Purpose Sales Tax Fund to the Arena and Convention Fund for capital improvement projects at the Cox Convention Center, 5) \$1,793 on-going transfer from the Economic Development Fund, a nonmajor governmental fund to subsidize Cox Convention Center operations in the Arena & Convention Center Fund, and 6) \$2,150 on-going transfer from the nonmajor governmental fund, Tulsa Stadium Improvement District, to the Tulsa Stadium Trust for debt service and capital improvements.

**2. Eliminations**

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

*Note 7. Capital Assets*

Capital asset activity for the year ended is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
<b>GOVERNMENTAL ACTIVITIES:</b>				
<b>Nondepreciable capital assets:</b>				
Land	\$ 56,604	\$ 670	\$ -	\$ 57,274
Land - Infrastructure use	503,596	930	-	504,526
Construction in progress:				
General government	44,519	61,896	(53,561)	52,854
Infrastructure	101,422	68,876	(107,357)	62,941
Total construction in progress	145,941	130,772	(160,918)	115,795
Total nondepreciable capital assets	706,141	132,372	(160,918)	677,595
<b>Depreciable capital assets:</b>				
Land improvements	89,248	24,330	(56)	113,522
Buildings	248,928	5,588	(341)	254,175
Equipment	218,681	25,134	(5,063)	238,752
Street network	3,503,752	101,656	(79)	3,605,329
Bridge network	51,247	1,510	-	52,757
Total depreciable capital assets	4,111,856	158,218	(5,539)	4,264,535
Total capital assets	4,817,997	290,590	(166,457)	4,942,130
<b>Accumulated depreciation:</b>				
Land improvements	(58,257)	(2,152)	57	(60,352)
Buildings	(95,827)	(6,693)	129	(102,391)
Equipment	(143,727)	(13,984)	4,638	(153,073)
Street network	(2,685,110)	(48,997)	49	(2,734,058)
Bridge network	(14,156)	(1,944)	-	(16,100)
Total accumulated depreciation	(2,997,077)	(73,770)	4,873	(3,065,974)
Total depreciable capital assets, net	1,114,779	84,448	(666)	1,198,561
<b>Governmental activities capital assets, net</b>	<b>\$ 1,820,920</b>	<b>\$ 216,820</b>	<b>\$ (161,584)</b>	<b>\$ 1,876,156</b>

The reductions to construction in progress includes \$21,102 in contributions to outside entities for capital improvements paid by the City.

*Note 7. Capital Assets, continued*

	Beginning Balance	Additions	Reductions	Ending Balance
<b>BUSINESS-TYPE ACTIVITIES:</b>				
<b>Nondepreciable capital assets:</b>				
Land	\$ 98,688	\$ 1,970	\$ -	\$ 100,658
Works of Art	653	-	-	653
Construction in progress	26,411	38,587	(54,714)	10,284
Total nondepreciable assets	<u>125,752</u>	<u>40,557</u>	<u>(54,714)</u>	<u>111,595</u>
<b>Depreciable capital assets:</b>				
Land improvements	409,334	9,053	-	418,387
Buildings	294,396	53,142	-	347,538
Equipment	63,867	3,963	(454)	67,376
Total depreciable capital assets	<u>767,597</u>	<u>66,158</u>	<u>(454)</u>	<u>833,301</u>
Total capital assets	<u>893,349</u>	<u>106,715</u>	<u>(55,168)</u>	<u>944,896</u>
<b>Accumulated depreciation:</b>				
Land improvements	(151,184)	(11,628)	-	(162,812)
Buildings	(117,447)	(9,871)	-	(127,318)
Equipment	(47,842)	(2,465)	451	(49,856)
Total accumulated depreciation	<u>(316,473)</u>	<u>(23,964)</u>	<u>451</u>	<u>(339,986)</u>
Total depreciable capital assets, net	<u>451,124</u>	<u>42,194</u>	<u>(3)</u>	<u>493,315</u>
<b>Business-type activities capital assets, net</b>	<u>\$ 576,876</u>	<u>\$ 82,751</u>	<u>\$ (54,717)</u>	<u>\$ 604,910</u>
<b>DISCRETELY PRESENTED COMPONENT UNITS:</b>				
<b>Nondepreciable capital assets:</b>				
Land, easements and other	\$ 193,467	\$ 126	\$ (1,394)	\$ 192,199
Water rights	9,594	-	-	9,594
Artwork	376	-	(15)	361
Construction in progress	61,085	98,010	(99,127)	59,968
Total nondepreciable capital assets	<u>264,522</u>	<u>98,136</u>	<u>(100,536)</u>	<u>262,122</u>
<b>Depreciable capital assets:</b>				
Land improvements and water and sewer lines	2,187,177	113,076	(3,178)	2,297,075
Buildings	401,767	4,496	-	406,263
Equipment	165,985	14,412	(6,775)	173,622
Total depreciable capital assets	<u>2,754,929</u>	<u>131,984</u>	<u>(9,953)</u>	<u>2,876,960</u>
Total capital assets	<u>3,019,451</u>	<u>230,120</u>	<u>(110,489)</u>	<u>3,139,082</u>
<b>Accumulated depreciation:</b>				
Land improvements and water and sewer lines	(887,986)	(46,911)	3,178	(931,719)
Buildings	(227,837)	(9,708)	-	(237,545)
Equipment	(102,603)	(12,385)	6,280	(108,708)
Total accumulated depreciation	<u>(1,218,426)</u>	<u>(69,004)</u>	<u>9,458</u>	<u>(1,277,972)</u>
Total depreciable capital assets, net	<u>1,536,503</u>	<u>62,980</u>	<u>(495)</u>	<u>1,598,988</u>
<b>Component unit capital assets, net</b>	<u>\$1,801,025</u>	<u>\$ 161,116</u>	<u>\$ (101,031)</u>	<u>\$1,861,110</u>

*Note 7. Capital Assets, continued*

Depreciation expense is charged to functional activities as follows:

<b>Governmental Activities</b>		<b>Business-type Activities</b>		<b>Component Units</b>	
General government	\$ 2,616	Stormwater Management	\$ 10,681	TMUA	\$ 42,259
Public safety and protection	9,437	One Technology Center	1,249	TARE	1,890
Public works and transportation	56,030	Arena & Convention Center	9,627	Tulsa Airports	17,225
Social and economic development	1,030	Tulsa Stadium Trust	2,066	Other	7,630
Culture and recreation	4,657	Golf Courses	341		<u>\$ 69,004</u>
	<u>\$ 73,770</u>		<u>\$ 23,964</u>		

*Note 8. Risk Management*

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

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

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

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

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

<b>Workers' Compensation Liability</b>	<b>2020</b>	<b>2019</b>
Claims liability at beginning of year	\$ 19,556	\$ 18,893
Current year claims and changes in estimates	7,629	4,512
Claims payments	(3,565)	(3,849)
Claims liability at end of year	23,620	19,556
<b>Tort Claims Liability</b>		
Claims liability at beginning of year	2,243	4,273
Current year claims and changes in estimates	610	1,298
Claims payments	(772)	(3,328)
Claims liability at end of year	2,081	2,243
 <b>Total claims liability</b>	 <b>\$ 25,701</b>	 <b>\$ 21,799</b>

*Note 9. Pension and Deferred Compensation Plans*

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

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

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

Below is a summary of amounts reported by the City:

	<b>MERP</b>	<b>Firefighters</b>	<b>OPPRS</b>	<b>Total</b>
Net Pension Asset	\$ -	\$ -	\$ 1,166	\$ 1,166
Net Pension Liability	120,231	173,894	-	294,125
Deferred Outflows of Resources	15,942	44,521	22,268	82,731
Deferred Inflows of Resources	4,258	28,512	6,213	38,983
Pension Expense	18,265	26,949	13,552	58,766

**A. MUNICIPAL EMPLOYEES’ RETIREMENT PLAN**

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

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

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

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

**2. Summary of Significant Accounting Policies**

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

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

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

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

*Note 9. Pension and Deferred Compensation Plans, continued*

**4. Membership data (for MERP):**

Active members	2,458
Retirees and beneficiaries	
currently receiving benefits	2,098
Inactive members entitled to but	
not yet receiving a benefit	1,062
	<u>5,618</u>

**5. Contributions** - The contribution requirements of active members and the participating employers are established by City ordinance. Plan members are required to contribute 6.5% of covered compensation to the Plan. The City is required to contribute the remaining amounts necessary to fund the system, which was 15.5% of covered compensation for 2020. During the year the City contributed \$9,547 in employer contributions.

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Fixed income	24%	1.16%
Domestic equity	36%	6.19%
International equity	24%	6.59%
Real estate	8%	4.24%
Commodities	3%	0.50%
Timber	4%	3.80%
Cash	1%	0.11%

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

For the year ended, the annual money-weighted rate of return on MERP investments, net of investment expense, was 3.4%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**8. Net Pension Liability (for MERP):**

Total pension liability	\$ 730,256
Plan fiduciary net position	(476,293)
Net pension liability	<u>\$ 253,963</u>
Plan fiduciary net position as a percentage of the total pension liability	<u>65.2%</u>

The total pension liability was determined using an actuarial valuation date of January 1, 2020 rolled forward from the valuation date to the fiscal year ending June 30, 2020 using generally accepted actuarial principles and methods.

*Note 9. Pension and Deferred Compensation Plans, continued*

Proportionate share and net pension liability reported in:

Governmental activities	41.1013%	\$ 104,382
Business type activities	6.2406%	15,849
Component units	38.1253%	96,824
Organizations not in reporting entity	14.5328%	36,908
	<u>100.0000%</u>	<u>\$ 253,963</u>

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

Valuation date	January 1, 2020
Investment rate of return*	7.00%
Projected salary increases*	3.50% - 11.25%
* Includes inflation at	2.50%
Mortality rates	RP-2014 Combined Healthy Mortality Tables with Blue Collar adjustments. Generational mortality improvements with Scale MP-2015 from the table's base year of 2014.

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

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

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

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

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

	1% Decrease 6.00%	Discount Rate 7.00%	1% Increase 8.00%
Plan	\$341,119	\$253,963	\$181,280
Primary Government	\$161,492	\$120,231	\$ 85,821



*Note 9. Pension and Deferred Compensation Plans, continued*

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

The primary government's pension expense for the year was \$18,265. At June 30, 2020, the primary government's deferred outflows of resources and deferred inflows of resources were as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual plan experience	\$ 207	\$ 2,089
Assumption Change	6,742	-
Net difference between projected and actual earnings on pension plan investments	8,095	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	898	2,169
	<u>\$ 15,942</u>	<u>\$ 4,258</u>

The deferred outflows related to the difference between projected and actual investment earnings are being amortized over a closed 5-year period beginning in the current year. The remaining amount of deferred outflows and inflows of resources are being amortized over a closed period equal to the average of the expected service lives of all participants as of the beginning of the associated measurement period, which ranges from 3.91 to 4.45 years. Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (gain) as follows:

	Year ended June 30 <sup>th</sup>
2021	\$ 2,409
2022	4,517
2024	3,155
2025	1,603
	<u>\$ 11,684</u>

**B. OKLAHOMA FIREFIGHTERS PENSION AND RETIREMENT SYSTEM**

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

Unless otherwise indicated, information in this note related to the Firefighters Pension and Retirement systems are provided as of July 1, 2019, the most recent actuarial valuation.

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

*Note 9. Pension and Deferred Compensation Plans, continued*

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

**3. Contributions** - The Oklahoma Legislature sets the required contribution rate based on payroll and is not determined by actuarial calculations. The City's contractually required contribution rate for the year ended June 30, 2020, was 14% of annual payroll, employee participants were required to contribute 9%. Contributions to the pension plan from the City were \$7,497 for the year ended June 30, 2020. The State of Oklahoma, a non-employer contributing agency, contributes 36% of taxes received from the tax on premiums collected by insurance companies operating in Oklahoma. The State of Oklahoma contributed \$17,405 to the Firefighters System on behalf of the City for the year ended June 30, 2020.

**4. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** - At June 30, 2020, the City reported a liability of \$173,894 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The City's proportion of the net pension liability was based on the City's share of contributions to the pension plan relative to the contributions of all participating governments. At June 30, 2019, the City's proportion was 16.4568%, a decrease of 0.5039% from the prior year.

For the year ended June 30, 2020, the City recognized pension expense of \$26,949. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual Plan experience	\$ 29,118	\$ 3,537
Assumption Change	-	4,467
Net difference between projected and actual earnings on pension plan investments	-	12,588
Changes in proportion and differences between employer contributions and proportionate share of contributions	7,906	7,920
City contributions subsequent to the measurement date	7,497	-
	<u>\$ 44,521</u>	<u>\$ 28,512</u>

\$7,497 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021.

*Note 9. Pension and Deferred Compensation Plans, continued*

The deferred outflow of resources related to the difference between projected and actual investment earnings is being amortized over a closed 5-year period beginning in the current year. The remaining amount of deferred outflows and inflows of resources are being amortized over a closed period equal to the average of the expected service lives of all participants as of the beginning of the associated measurement period, which ranges from 5.33 to 6.37 years. Amounts reported as deferred outflows of resources (other than contributions) and deferred inflows of resources related to pensions will be recognized in pension expense (gain) as follows:

Year	Amortization of Deferred Outflows (Inflows)
2021	\$ 4,505
2022	323
2023	3,723
2024	878
2025	(917)
	<u>\$ 8,512</u>

**5. Actuarial assumptions** - The total pension liability was determined by an actuarial valuation as of June 30, 2019, using the following actuarial assumptions, applied to all periods included in the measurement:

Investment rate of return*	7.5% compounded annually, net of investment expense
Projected salary increases*	2.75% - 10.5%
* Includes inflation at	2.75%

Mortality rates for active members were based on the Pub-2010 Public Safety Table with generational mortality improvements using MP-2018. Mortality rates for retired members were based on the Public Safety Below Median Table with generational mortality improvements using Scale MP-2018. Disabled member mortality rates were based on the Pub-2010 Public Safety Disabled Table set forward 2 years.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the five-year period ending June 30, 2018.

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

Asset Class	Target Allocation	Asset Class	Long-Term Expected Real Rate of Return
Equities	62%	Domestic equity	4.83%
Fixed income	20%	International equity	6.93%
Real estate and other	18%	Fixed income	2.64%
	<u>100%</u>	Real estate	5.73%
		Other investments	3.31%

*Note 9. Pension and Deferred Compensation Plans, continued*

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

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

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
City's proportionate share of the net pension liability	\$ 224,546	\$ 173,894	\$ 118,273

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

**C. OKLAHOMA POLICE PENSION AND RETIREMENT SYSTEM**

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

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

**3. Contributions** - The Oklahoma Legislature sets the required contribution rate based on payroll and is not determined by actuarial calculations. The City's contractually required contribution rate for the year ended June 30, 2020, was 13% of annual payroll, employee participants were required to contribute 8%. The State of Oklahoma, a non-employer contributing agency, contributes 14% of taxes received from the tax on premiums collected by insurance companies operating in Oklahoma. Contributions to the pension plan from the City were \$7,866 for the year ended June 30, 2020. The State of Oklahoma contributed \$6,659 to the Police System on behalf of the City for the year ended June 30, 2020.

**4. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions** - At June 30, 2020, the City reported an asset of \$1,166 for its proportionate share of the net pension asset. The net pension asset was measured as of June 30, 2019, and the total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of that date. The City's proportion of the net pension asset was based on the City's share of contributions to the pension plan relative to the contributions of all participating governments. At June 30, 2019, the City's proportion was 18.2631%, an increase of 1.145% from the prior year.

*Note 9. Pension and Deferred Compensation Plans, continued*

For the year ended June 30, 2020, the City recognized pension expense of \$13,552. At June 30, 2020, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual Plan experience	\$ 700	\$ 5,505
Assumption Change	2,977	-
Net difference between projected and actual earnings on pension plan investments	10,654	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	71	708
City contributions subsequent to the measurement date	7,866	-
	<u>\$ 22,268</u>	<u>\$ 6,213</u>

\$7,866 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2021.

The deferred outflows related to the difference between projected and actual investment earnings are being amortized over a closed 5-year period beginning in the current year. The remaining amount of deferred outflows and inflows of resources are being amortized over a closed period equal to the average of the expected service lives of all participants as of the beginning of the associated measurement period, which ranges from 5.62 to 5.84 years. Amounts reported as deferred outflows of resources (other than contributions) and deferred inflows of resources related to pensions will be recognized in pension expense (gain) as follows:

Year	Amortization of Deferred Outflows (Inflows)
2021	\$ 4,802
2022	(1,649)
2023	1,588
2024	3,413
2025	35
	<u>\$ 8,189</u>

*Note 9. Pension and Deferred Compensation Plans, continued*

**5. Actuarial assumptions** - The total pension liability was determined by an actuarial valuation as of June 30, 2019, using the following actuarial assumptions:

- Investment rate of return\* 7.5% compounded annually,  
net of investment expense
- Projected salary increases\* 3.5% - 12.0%
- \* Includes inflation at 2.75%

Mortality rates were based on the RP-2000 Blue Collar Healthy Combined Table with age set back 4 years with fully generational improvements based on Scale AA for active employees (pre-retirement). Active employees (post-retirement and nondisabled pensioners) use the same table with no age set backs. Disability pensioners use the same table with age set forward 4 years.

The actuarial assumptions used in the June 30, 2019 valuation were based on the results of an actuarial experience study for the five-year period ending June 30, 2017.

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

Asset Class	Target Allocation	Asset Class	Long-Term Expected Real Rate of Return
Equities	60%	Domestic Equity	3.48%
Fixed Income	25%	International equity	6.93%
Real Estate and other investments	15%	Private equity/debt	7.94%
	100%	Fixed Income	2.53%
		Real Estate	5.73%
		Commodities	1.24%

**6. Discount rate** - The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from cities will be made at contractually required rates, determined by the Oklahoma Statutes. Projected cash flows also assume the State of Oklahoma will continue contributing 14% of the insurance premium, established by Oklahoma statutes. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Note 9. Pension and Deferred Compensation Plans, continued*

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

	1% Decrease (6.5%)	Current Discount Rate (7.5%)	1% Increase (8.5%)
City’s proportionate share of the net pension liability (asset)	\$ 49,668	\$ (1,166)	\$ (44,146)

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

**D. DEFERRED COMPENSATION PLAN**

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

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

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

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

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

*Note 10. Other Post-Employment Benefits*

**A. OPEB**

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

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

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

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

Retired participants	83
Active employees	2,070
	<u>2,153</u>

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

**5. Total OPEB Liability** - The total OPEB liability of \$8,279 was measured as of June 30, 2020 and was determined by an actuarial valuation as of June 30, 2020.

Proportionate share and OPEB liability reported in:

Governmental activities	47.67%	\$ 3,946
Business type activities	8.48%	702
Component units	39.52%	3,273
Organizations not in reporting entity	4.33%	358
		<u>\$ 8,279</u>



*Note 10. Other Post-Employment Benefits, continued*

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

**Actuarial Methods and Assumptions**

Valuation date	June 30, 2020
Inflation rate	3.0%
Current year healthcare cost trend rate	8.0%
Annual reduction of healthcare cost trend	0.5%
Ultimate annual healthcare cost trend rate	4.5%

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

Mortality rates for retirees were based on SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2019. Surviving spouses mortality were based on SOA Pub-2010 Contingent Survivor Headcount Weighted Mortality Table fully generational using Scale MP-2019

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

**7. Discount Rate** - The OPEB plan is financed on a pay-as-you-go basis, thus a long-term rate of return was not used. The discount rate used to measure the total OPEB liability was 2.66 percent as of June 30, 2020, based on a yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The source of the discount rate used is the S&P Municipal Bond 20-Year High Grade Rate Index.

**8. Discount Rate Sensitivity** - The following presents the total OPEB liability as a whole and for the primary government, calculated using the 2.66% discount rate and if the discount rate was decreased 1% to 1.66% and if the discount rate was increased 1% to 3.66%:

	1% Decrease 1.66%	Discount Rate 2.66%	1% Increase 3.66%
Plan	\$ 8,952	\$ 8,279	\$ 7,661
Primary Government	\$ 5,026	\$ 4,648	\$ 4,301

**9. Healthcare Rate Sensitivity** - The following presents the total OPEB liability as a whole and for the primary government, calculated using the current healthcare cost rate trend of 8.0% decreasing .5% to an ultimate trend of 4.5%. It also presents the total OPEB liability if the healthcare cost rate trend was decreased to 7.0% decreasing .5% to an ultimate trend rate of 3.5% as well as if the trend rate was increased to 9.0% decreasing .5% to an ultimate trend rate of 5.5%:

*Note 10. Other Post-Employment Benefits, continued*

	Healthcare Cost		
	1%	Trend Rates	1%
	Decrease	Assumption	Increase
Plan	\$ 7,457	\$ 8,279	\$ 9,241
Primary Government	\$ 4,187	\$ 4,648	\$ 5,188

**10. OPEB Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB** - The primary government's OPEB expense for the year was \$599. At June 30, 2020, the primary government's deferred outflows of resources and deferred inflows of resources related to OPEB were as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual plan experience	\$ 1,056	\$ 142
Assumption Change	260	53
Changes in proportion and differences and differences between employer contributions and proportionate share of contributions	73	27
	<u>\$ 1,389</u>	<u>\$ 222</u>

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

Year ended June 30 <sup>th</sup>	
2021	\$ 332
2022	251
2023	214
2024	174
2025	196
	<u>\$ 1,167</u>

**B. DEFINED CONTRIBUTION OPEB PLANS**

**1. Tulsa Firefighters Health and Welfare Trust** – The Tulsa Firefighters Health and Welfare Trust is a single employer defined contribution OPEB Plan that provides health, dental, and vision insurance for full time, sworn Tulsa firefighters and retirees. Assets accumulated in the trust meet the criteria in paragraph 4 of GASB Statement No. 75. Rates are established by the Trust. The City contributed \$8,261 to the Trust during the year as required by the annual collective bargaining contract and recognized the same amount as expense. No additional amounts were due to the Trust by the City at year-end.

**2. Tulsa FOP #93 Health and Welfare Trust** – The Tulsa FOP #93 Health and Welfare Trust is a single employer defined contribution OPEB Plan that provides health, dental and vision insurance for full time, sworn Tulsa police officers and retirees. Assets accumulated in the trust meet the criteria in paragraph 4 of GASB Statement No. 75. Rates are established by the Trust. The City contributed \$8,467 to the Trust during the year as required by the annual collective bargaining contract and recognized the same amount as expense. No additional amounts were due to the Trust by the City at year-end.

*Note 11. Long-Term Liabilities*

**A. LONG-TERM LIABILITIES**

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
<b>PRIMARY GOVERNMENT</b>					
<b>Governmental activities:</b>					
General obligation bonds	\$ 385,615	\$ 90,000	\$ (76,371)	\$ 399,244	\$ 54,457
Revenue bonds	227,830	113,895	(15,355)	326,370	13,535
Other long-term liabilities	347,857	36,014	(33,290)	350,581	26,309
Premium on debt issuance - GO bonds	8,157	14,479	(3,614)	19,022	-
Discount on debt issuance - Revenue bonds	(231)	-	16	(215)	-
Premium on debt issuance - Revenue bonds	9,277	16,433	(4,595)	21,115	-
Total governmental activities	<u>978,505</u>	<u>270,821</u>	<u>(133,209)</u>	<u>1,116,117</u>	<u>94,301</u>
<b>Business-type activities:</b>					
Revenue bonds	86,795	24,150	(3,730)	107,215	5,295
Unamortized discount--revenue bonds	(418)	-	20	(398)	-
Unamortized premium--revenue bonds	1,422	1,390	(220)	2,592	-
Compensated absences	907	1,035	(917)	1,025	588
Total other post-employment benefits liability	483	219	-	702	-
Net pension liability	14,505	1,344	-	15,849	-
Total business-type activities	<u>103,694</u>	<u>28,138</u>	<u>(4,847)</u>	<u>126,985</u>	<u>5,883</u>
Total primary government	<u>\$ 1,082,199</u>	<u>\$ 298,959</u>	<u>\$ (138,056)</u>	<u>\$ 1,243,102</u>	<u>\$ 100,184</u>
<b>DISCRETELY PRESENTED COMPONENT UNITS</b>					
Revenue bonds:					
TAIT	\$ 170,605	\$ 15,965	\$ (26,486)	\$ 160,084	\$ 8,690
TMUA	174,600	-	(15,500)	159,100	15,690
TPA	7,165	-	(970)	6,195	535
Premium on debt issuance - TMUA	9,272	-	(1,972)	7,300	-
Unamortized bond discount - TMUA	(96)	5	-	(91)	-
Premium on debt issuance - TAIT	7,204	2,302	(2,051)	7,455	-
Unamortized bond discount - TAIT	(482)	-	22	(460)	-
Premium on debt issuance - TPA	261	-	(49)	212	-
	<u>368,529</u>	<u>18,272</u>	<u>(47,006)</u>	<u>339,795</u>	<u>24,915</u>
General obligation bonds - TMUA	9,985	-	(2,339)	7,646	2,338
Premium on debt issuance - TMUA	274	-	(116)	158	-
	<u>10,259</u>	<u>-</u>	<u>(2,455)</u>	<u>7,804</u>	<u>2,338</u>
Promissory notes - TMUA	173,055	31,313	(17,039)	187,329	14,171
Premium on debt issuance - TMUA	6,488	-	(480)	6,008	-
	<u>179,543</u>	<u>31,313</u>	<u>(17,519)</u>	<u>193,337</u>	<u>14,171</u>
Capital lease	3,167	-	(220)	2,947	227
Watermain extension contracts	84	-	(84)	-	-
Claims and judgments - Airport	201	-	(172)	29	29
Compensated absences	6,393	4,361	(4,000)	6,754	3,098
Total other post-employment benefits liability	2,497	776	-	3,273	-
Net pension liability	95,764	8,938	-	104,702	-
Total discretely presented component units	<u>\$ 666,437</u>	<u>\$ 63,660</u>	<u>\$ (71,456)</u>	<u>\$ 658,641</u>	<u>\$ 44,778</u>

*Note 11. Long-Term Liabilities, continued*

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

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

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

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

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

**B. PRIMARY GOVERNMENT**

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

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

**Note 11. Long-Term Liabilities, continued**

Primary government long-term liability activity is as follows:

	Amount	Date	Rate	Balance	Additions	Reductions	Balance	One Year
<b>Governmental activities</b>								
<b>General obligation bonds:</b>								
Series 2009B	\$ 70,000	2019	5.00%	\$ 7,600	\$ -	\$ (7,600)	\$ -	\$ -
Series 2009B, Refunding	14,405	2021	5.00%	2,461	-	(1,205)	1,256	1,256
Series 2010	70,000	2020	5.00%	15,400	-	(7,800)	7,600	7,600
Series 2011A, Refunding	21,105	2022	4.0-4.25%	5,100	-	(1,745)	3,355	1,690
Series 2013A, Refunding	23,746	2025	2.50%	10,662	-	(1,938)	8,724	1,880
Series 2013	45,000	2023	4.0%	20,000	-	(5,000)	15,000	5,000
Series 2014	50,000	2034	3.0-4.0%	39,450	-	(2,630)	36,820	2,630
Series 2014A, Refunding	15,875	2025	3.00%	9,460	-	(1,495)	7,965	1,446
Series 2015	70,000	2040	2.0-3.25%	61,215	-	(2,915)	58,300	2,915
Series 2015A, Refunding	41,198	2027	2.0-2.5%	25,942	-	(3,533)	22,409	3,442
Series 2016	57,000	2036	3.0%	51,000	-	(3,000)	48,000	3,000
Series 2017	78,000	2037	3.0-4.0%	73,895	-	(4,105)	69,790	4,105
Series 2017A, Refunding	31,200	2021	5.0%	31,200	-	(10,275)	20,925	10,393
Series 2019A, Refunding	32,230	2021	2.6%	32,230	-	(23,130)	9,100	9,100
Series 2020	90,000	2026	5.0%	-	90,000	-	90,000	-
				385,615	90,000	(76,371)	399,244	54,457
Premium on debt issuance				8,157	14,479	(3,614)	19,022	-
				393,772	104,479	(79,985)	418,266	54,457
<b>Revenue bonds:</b>								
Capital Improvements - 2012	\$ 10,900	2020	4.00%	1,460	-	(1,460)	-	-
Capital Improvements - 2017	115,300	2032	3.00%	108,270	-	(7,150)	101,120	7,280
Capital Improvements - 2018	118,100	2031	4.00%	118,100	-	(6,745)	111,355	6,255
Capital Improvements - 2019	113,895	2025	5.00%	-	113,895	-	113,895	-
				227,830	113,895	(15,355)	326,370	13,535
Discount on debt issuance				(231)	-	16	(215)	-
Premium on debt issuance				9,277	16,433	(4,595)	21,115	-
				236,876	130,328	(19,934)	347,270	13,535
<b>Other long-term liabilities:</b>								
Compensated absences				33,326	21,047	(18,157)	36,216	20,773
Total other post-employment benefits liability				2,901	1,045	-	3,946	-
Net pension liability				288,523	-	(10,247)	278,276	-
Parking Meter Capital Lease				968	-	(209)	759	217
Radio Equipment Lease				-	5,678	-	5,678	1,133
Arbitrage rebate liability				-	5	-	5	-
Claims and judgments				21,799	8,239	(4,337)	25,701	4,186
Due to other governments				340	-	(340)	-	-
				347,857	36,014	(33,290)	350,581	26,309
Total governmental activities				\$ 978,505	\$ 270,821	\$ (133,209)	\$ 1,116,117	\$ 94,301
<b>Business-type activities</b>								
<b>Revenue bonds:</b>								
Capital Improvements - 2008	16,000	2027	6.069%	\$ 6,800	\$ -	\$ (835)	\$ 5,965	\$ 900
Capital Improvements - 2020	24,150	2035	3.00%	-	24,150	-	24,150	1,425
TPFA Lease Reve Bonds 2017A Refunding	34,185	2037	3.125-4.00%	34,185	-	-	34,185	-
TPFA Lease Reve Bonds 2017B Refunding	25,465	2028	3.00-3.10%	25,465	-	(2,235)	23,230	2,285
Improvement District - 2013, Tax-exempt	19,355	2039	4.26%	16,875	-	(560)	16,315	580
Improvement District - 2013, Taxable	3,950	2039	5.24%	3,470	-	(100)	3,370	105
				86,795	24,150	(3,730)	107,215	5,295
Unamortized discount				(418)	-	20	(398)	-
Unamortized premium				1,422	1,390	(220)	2,592	-
				87,799	25,540	(3,930)	109,409	5,295
<b>Other long-term liabilities:</b>								
Compensated absences				907	1,035	(917)	1,025	588
Total other post-employment benefits liability				483	219	-	702	-
Net pension liability				14,505	1,344	-	15,849	-
Total business-type activities				\$ 103,694	\$ 28,138	\$ (4,847)	\$ 126,985	\$ 5,883

*Note 11. Long-Term Liabilities, continued*

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

General Obligation Series	Ending Balance	Primary Government	Discretely Presented Component Units
Series 2009B, Refunding (30.5625% Sewer)	\$ 1,810	\$ 1,256	\$ 554
Series 2010	7,600	7,600	-
Series 2011A, Refunding	3,355	3,355	-
Series 2013A Refunding (26.438% Sewer)	11,860	8,724	3,136
Series 2013	15,000	15,000	-
Series 2014	36,820	36,820	-
Series 2014A, Refunding (2.6354839% Sewer)	8,180	7,965	215
Series 2015	58,300	58,300	-
Series 2015A, Refunding (9.2949512% Sewer)	24,705	22,409	2,296
Series 2016	48,000	48,000	-
Series 2017	69,790	69,790	-
Series 2017A, Refunding (6.4604247% Sewer)	22,370	20,925	1,445
Series 2019A, Refunding	9,100	9,100	-
Series 2020	90,000	90,000	-
	\$ 406,890	\$ 399,244	\$ 7,646

*Note 11. Long-Term Liabilities, continued*

**C. DISCRETELY PRESENTED COMPONENT UNITS**

**1. Revenue Bonds**

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

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

**Revenue Bond Refunding** - On March 4th, 2020, TAIT issued the Series 2020A Revenue Bonds in the amount of \$15,965. The proceeds of this issue were used to advance refund the Airport Trustees General Airport Revenue Bonds Series 2015D, and to pay the costs of issuance of the 2020A Bonds. This transaction will reduce debt service payments by approximately \$2,763 over the next 8 years and result in an economic gain (difference between the present values of the debt service payments on the old and new debt) of approximately \$2,123. The refunding resulted in a deferred gain of \$1,254, which will be amortized over the life of the new bonds.

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

**2. Promissory Notes**

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

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

**3. Conduit Debt – Tulsa Industrial Authority**

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

TIA loans the proceeds from the notes and bonds to organizations or enters into lease-purchase agreements for the facilities. The notes and bonds issued by TIA are special and limited obligations payable solely from and collateralized by a pledge of revenues from the loan agreements. The bonds do not constitute a debt or pledge of faith and credit of TIA or the City, and accordingly, they have not been reported in the accompanying financial statements. At June 30, 2020, the aggregate outstanding principal balances due on these notes and bonds are approximately \$112,844.

*Note 11. Long-Term Liabilities, continued*

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

	<b>Authorized Amount</b>	<b>Maturity Date</b>	<b>Interest Rate</b>	<b>Beginning Balance</b>	<b>Additions</b>	<b>Reductions</b>	<b>Ending Balance</b>	<b>Due Within One Year</b>
<b>REVENUE BONDS:</b>								
<b><u>Tulsa Airports Improvement Trust</u></b>								
Series 2010-A	\$ 5,770	2021	4.57-5.0%	\$ 1,395	\$ -	\$ (680)	\$ 715	\$ 715
Series 2010-B	8,215	2021	6.0-6.50%	1,885	-	(915)	970	970
Series 2010-C	13,520	2026	4.0-5.25%	3,525	-	(580)	2,945	610
Series 2013-A	33,665	2043	5.0-5.25%	31,775	-	(695)	31,080	730
Series 2013-B	3,275	2024	1.389-5.087%	2,070	-	(255)	1,815	265
Series 2015-A	44,045	2045	2.0-5.0%	35,130	-	(3,210)	31,920	3,155
Series 2015-C	895	2045	2.0-4.25%	815	-	(20)	795	20
Series 2015-D	24,395	2028	2.0-5.0%	19,985	-	(19,985)	-	-
Series 2016-A	1,500	2027	3.82%	830	-	(96)	734	100
Series 2017-A	54,180	2037	1.888-3.977%	53,370	-	(50)	53,320	160
Series 2018-A	19,825	2048	4.0-5.25%	19,825	-	-	19,825	-
Series 2020-A	15,965	2028	5.00%	-	15,965	-	15,965	1,965
				<u>170,605</u>	<u>15,965</u>	<u>(26,486)</u>	<u>160,084</u>	<u>8,690</u>
Premium on debt issuance				7,204	2,302	(2,051)	7,455	-
Unamortized discount				(482)	-	22	(460)	-
				<u>177,327</u>	<u>18,267</u>	<u>(28,515)</u>	<u>167,079</u>	<u>8,690</u>
<b><u>Tulsa Metropolitan Utility Authority</u></b>								
Series 2013 Refunding	61,280	2025	2.5-3.0%	\$ 34,760	\$ -	\$ (4,600)	\$ 30,160	\$ 4,620
Series 2014	17,825	2034	3.0-3.50%	15,150	-	(690)	14,460	700
Series 2015 Refunding	9,940	2027	2.0-3.0%	6,395	-	(745)	5,650	770
Series 2016A	16,565	2031	3.0-3.25%	13,835	-	(935)	12,900	950
Series 2016B	10,885	2036	2.0-3.50%	9,610	-	(435)	9,175	440
Series 2016C Refunding	34,810	2025	5%	28,230	-	(3,355)	24,875	3,400
Series 2017A Refunding	27,765	2030	3.00 - 3.125%	24,060	-	(1,880)	22,180	1,895
Series 2018A	11,850	2038	3.125-3.250%	11,425	-	(430)	10,995	440
Series 2019A Refunding	18,705	2027	5%	18,705	-	(1,965)	16,740	2,000
Series 2019B	12,430	2039	3%	12,430	-	(465)	11,965	475
				<u>174,600</u>	<u>-</u>	<u>(15,500)</u>	<u>159,100</u>	<u>15,690</u>
Unamortized discount				(96)	5	-	(91)	-
Premium on debt issuance				9,272	-	(1,972)	7,300	-
				<u>183,776</u>	<u>5</u>	<u>(17,472)</u>	<u>166,309</u>	<u>15,690</u>
<b><u>Tulsa Parking Authority</u></b>								
Series 2012 - Refunding	\$ 17,860	2028	3.0-4%	7,165	-	(970)	6,195	535
Premium on debt issuance				261	-	(49)	212	-
				<u>7,426</u>	<u>-</u>	<u>(1,019)</u>	<u>6,407</u>	<u>535</u>
				<u>\$ 368,529</u>	<u>\$ 18,272</u>	<u>\$ (47,006)</u>	<u>\$ 339,795</u>	<u>\$ 24,915</u>

Continued



*Note 11. Long-Term Liabilities, continued*

Discretely Presented Component Units long-term liability activity, continued

Description	Issue Amount	Maturity Date	Interest Rate	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<b>PROMISSORY NOTES:</b>								
<b><u>Tulsa Metropolitan Utility Authority</u></b>								
Series 2001-B, Sanitary Sewer (SRF)	\$ 4,996	2020	0.50%	\$ 263	\$ -	\$ (263)	\$ -	\$ -
Series 2002-D, Sanitary Sewer (SRF)	6,813	2021	0.50%	874	-	(349)	525	349
Series 2004-B, Sanitary Sewer (SRF)	1,560	2023	0.50%	360	-	(80)	280	80
Series 2005-B, Sanitary Sewer (SRF)	7,900	2027	3.10%	3,788	-	(395)	3,393	408
Series 2005-C, Sanitary Sewer (SRF)	1,203	2025	0.50%	391	-	(60)	331	60
Series 2006-A, Sanitary Sewer (SRF)	3,130	2027	3.10%	1,463	-	(153)	1,310	158
Series 2006-C, Sanitary Sewer (SRF)	17,825	2029	3.10%	10,110	-	(826)	9,284	853
Series 2007-A, Sanitary Sewer (SRF)	5,131	2026	0.50%	1,974	-	(263)	1,711	263
Series 2009-A, Sanitary Sewer (SRF)	11,320	2032	3.22%	6,559	-	(566)	5,993	566
Series 2009-B, Sanitary Sewer (SRF)	7,350	2032	2.91%	3,749	-	(3,749)	-	-
Series 2010-A, Sanitary Sewer (SRF)	27,757	2032	2.89%	18,082	478	(1,388)	17,172	1,388
Series 2010-B, Sanitary Sewer (FAP)	29,380	2030	3.145-5.145%	20,195	-	(1,330)	18,865	1,370
Series 2011 A, Sanitary Sewer (SRF)	23,480	2033	3.11%	16,104	-	(1,174)	14,930	1,174
Series 2011-B, Sanitary Sewer (FAP)	14,275	2031	3.145-5.145%	10,485	-	(615)	9,870	640
Series 2011-C, Sanitary Sewer (SRF)	16,700	2034	2.55%	12,364	161	(835)	11,690	703
Series 2012-A, Sanitary Sewer (SRF)	4,347	2034	2.43%	2,959	-	(217)	2,742	217
Series 2012-B, Sanitary Sewer (FAP)	11,355	2032	3.145-3.395%	8,415	-	(495)	7,920	505
Series 2013-A, Sanitary Sewer (SRF)	9,850	2035	2.24%	5,469	467	(518)	5,418	518
Series 2013-B, Sanitary Sewer (FAP)	27,605	2033	3.145-5.145%	22,260	-	(1,065)	21,195	1,100
Series 2014-A, Sanitary Sewer (SRF)	2,910	2035	2.58%	2,250	125	(146)	2,229	146
Series 2014-B, Sanitary Sewer (FAP)	10,180	2033	2.145-4.06%	8,250	-	(445)	7,805	455
Series 2014-C, Sanitary Sewer (FAP)	17,735	2034	2.6624-5.145%	15,250	-	(690)	14,560	715
Series 2015-A, Sanitary Sewer (SRF)	28,330	2038	2.46%	1,438	15,393	(1,417)	15,414	1,417
Series 2017-A Sanitary Sewer(SRF)	21,725	2040	2.26%	-	14,689	-	14,689	1,086
Series 2018-A, Sanitary Sewer (SRF)	14,350	2041	2.53%	3	-	-	3	-
Series 2019-A, Sanitary Sewer (SRF)	10,626	2041	2.32%	-	-	-	-	-
				173,055	31,313	(17,039)	187,329	14,171
Premium on debt issuance-TMUA				6,488	-	(480)	6,008	-
				<u>\$ 179,543</u>	<u>\$ 31,313</u>	<u>\$ (17,519)</u>	<u>\$ 193,337</u>	<u>\$ 14,171</u>
<b>GENERAL OBLIGATION BONDS:</b>								
<b><u>Tulsa Metropolitan Utility Authority</u></b>								
Series 2009B Refunding, Sanitary Sewer	6,340	2021	5.00%	\$ 1,084	\$ -	\$ (530)	\$ 554	\$ 554
Series 2013A Refunding, Sanitary Sewer	8,534	2025	2.50%	3,833	-	(697)	3,136	675
Series 2014A Refunding, Sanitary Sewer	430	2025	3.00%	255	-	(40)	215	39
Series 2015A Refunding, Sanitary Sewer	4,222	2027	2.0-2.5%	2,658	-	(362)	2,296	353
Series 2017A Refunding, Sanitary Sewer	2,155	2021	5.00%	2,155	-	(710)	1,445	717
				9,985	-	(2,339)	7,646	2,338
Premium on debt issuance-TMUA				274	-	(116)	158	-
				<u>\$ 10,259</u>	<u>\$ -</u>	<u>\$ (2,455)</u>	<u>\$ 7,804</u>	<u>\$ 2,338</u>

*Note 11. Long-Term Liabilities, continued*

Principal and interest scheduled maturities in subsequent years:

Year	Primary Government					
	General Obligation		Revenue Bonds		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 54,457	\$ 14,058	\$ 18,830	\$ 16,855	\$ 73,287	\$ 30,913
2022	54,418	12,273	48,150	16,224	102,568	28,497
2023	42,058	10,335	49,650	14,058	91,708	24,393
2024	36,895	8,734	49,085	11,831	85,980	20,565
2025	36,614	7,337	52,590	9,655	89,204	16,992
2026-2030	88,392	21,709	128,950	27,837	217,342	49,546
2031-2035	60,620	10,431	67,970	7,797	128,590	18,228
2036-2040	25,790	1,988	18,360	1,227	44,150	3,215
	<u>\$ 399,244</u>	<u>\$ 86,865</u>	<u>\$ 433,585</u>	<u>\$ 105,484</u>	<u>\$ 832,829</u>	<u>\$ 192,349</u>

Year	Discretely Presented Component Units							
	General Obligation		Revenue Bonds		Promissory Notes		Total	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2021	\$ 2,338	\$ 215	\$ 24,915	\$ 12,989	\$ 14,171	\$ 6,336	\$ 41,424	\$ 19,540
2022	1,762	126	24,649	11,981	14,207	5,909	40,618	18,016
2023	1,007	84	25,153	11,024	14,305	5,444	40,465	16,552
2024	980	60	24,672	10,045	14,555	4,968	40,207	15,073
2025	911	37	25,591	9,101	14,811	4,482	41,313	13,620
2026-2030	648	24	89,504	32,707	75,517	14,612	165,669	47,343
2031-2035	-	-	53,060	20,088	39,715	2,899	92,775	22,987
2036-2040	-	-	35,565	9,934	48	1	35,613	9,935
2041-2045	-	-	18,635	3,598	-	-	18,635	3,598
2046-2050	-	-	3,635	388	-	-	3,635	388
	<u>\$ 7,646</u>	<u>\$ 546</u>	<u>\$ 325,379</u>	<u>\$ 121,855</u>	<u>\$ 187,329</u>	<u>\$ 44,651</u>	<u>\$ 520,354</u>	<u>\$ 167,052</u>

**D. APPLICABILITY OF FEDERAL ARBITRAGE REGULATIONS**

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

**Note 12. Fund Balances of Governmental Funds**

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

	General	Debt Service	Bond	Sales Tax	Limited-Purpose Sales Tax Fund	Other Governmental Funds	Total Governmental Funds
<b>Fund balances:</b>							
<b>Nonspendable:</b>							
<b>Not in spendable form:</b>							
Advances to other funds	\$ 472	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 472
Inventory	33	-	-	-	-	-	33
Land held for sale	38	-	-	-	-	-	38
	<u>543</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>543</u>
<b>Restricted for:</b>							
Economic stabilization reserve	3,000	-	-	-	-	-	3,000
Debt service	-	73,599	-	-	7,139	-	80,738
Capital projects	-	-	172,740	280,276	289,003	4,862	746,881
E-911 operations	-	-	-	-	-	2,171	2,171
Economic development	-	-	-	-	-	3,930	3,930
Transportation	-	-	-	-	-	13,312	13,312
Tulsa Stadium district improvements	-	-	-	-	-	648	648
Public safety	-	-	-	-	-	13,838	13,838
Other governmental purposes	-	-	-	-	-	1,515	1,515
	<u>3,000</u>	<u>73,599</u>	<u>172,740</u>	<u>280,276</u>	<u>296,142</u>	<u>40,276</u>	<u>866,033</u>
<b>Committed:</b>							
Medical services program	-	-	-	-	-	5,542	5,542
Operation of Air Force Plant 3 facility	-	-	-	-	-	1,953	1,953
Whittier Square district improvements	-	-	-	-	-	81	81
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,576</u>	<u>7,576</u>
<b>Assigned to:</b>							
Budgetary resources - subsequent year	14,052	-	-	-	-	-	14,052
<b>Unassigned (deficit)</b>	<u>54,358</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,198)</u>	<u>53,160</u>
	<u>\$ 71,953</u>	<u>\$ 73,599</u>	<u>\$ 172,740</u>	<u>\$ 280,276</u>	<u>\$ 296,142</u>	<u>\$ 46,654</u>	<u>\$ 941,364</u>

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

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

### *Note 13. Pledged Revenues*

#### **1. Sales and Use Tax Revenues Pledged**

**Advance Funding Sales Tax Projects** – TPFA has entered into a projects agreement with the City to provide financing for certain capital projects and subsequently issued its Capital Improvement Revenue Bonds, Series 2017, 2018 and 2019. The City has pledged certain sales and use tax revenues to repay the advance from the Authority. The total principal and interest remaining on the debt is \$394,961 with annual debt service requirements ranging from \$12,770 to \$55,274 through 2032. Principal and interest paid during the year amounted to \$25,054. Sales and use tax revenue recorded by the City was \$30,233.

#### **2. Revenues Pledged in Connection with Proprietary Fund Debt**

**One Technology Center Lease Revenue** – TPFA has pledged future gross lease revenues derived from the operation of the OTC facility, including money received from the City pursuant to the lease and other funds, to repay approximately \$59,650 in revenue bonds. Proceeds from the bonds provided financing for the acquisition and improvement of the facilities. The bonds are payable from new and existing leases and other revenues and are payable through 2038. Annual principal and interest payments on the bonds required 49% of gross revenues. The total principal and interest remaining to be paid on the bonds is \$76,065. Principal and interest paid on the bonds amounted to \$4,107. Total gross revenues were \$8,321.

**Capital Improvements 2008** - TPFA has pledged future sponsorship and naming rights revenues derived from the operation of the BOK Arena to repay approximately \$16,000 in capital improvement bonds. Proceeds from the bonds provided financing for the acquisition, construction, furnishing and equipping of capital improvements and additions to the BOK Arena. The bonds are payable from new and existing sponsorship and naming rights revenues and are payable through 2027. Annual principal and interest payments on the bonds required 90% of sponsorship and naming right revenues. The total principal and interest remaining to be paid on the bonds is \$7,480. Principal and interest paid for the year was \$1,248. Total gross sponsorship and naming rights revenues were \$1,386.

**Stormwater Revenue Bonds Project** - TPFA has entered into a Projects Agreement with the City to provide funding for the purpose of acquiring, constructing, equipping, furnishing, operating and maintaining stormwater management projects and subsequently issued its Capital Improvements Revenue Bonds, Series 2020. The City has pledged available monies for the payment of any indebtedness incurred by or on behalf of the City for the Projects Agreement. Total principal and interest remaining on the debt is \$30,173 with annual requirements ranging from \$1,885 to \$2,143 through 2035. During 2020 the City provided \$340 related to the Projects Agreement. During the year TPFA paid \$613 for bond issuance costs; no principal or interest payments were made in 2020.

**Improvement District Series 2013** – TST has pledged future gross revenues derived from operations of the baseball stadium and related facilities to repay approximately \$23,305 in revenue bonds. Proceeds from the bonds provided financing for construction of the baseball stadium and related facilities. The bonds are payable from gross revenues along with property tax assessments of the Tulsa Stadium Improvement District received from the City and are payable through 2039. Annual principal and interest payments on the bonds required 63% of total gross revenues. The total principal and interest remaining to be paid on the bonds is \$30,388. Principal and interest required to be paid for the year was \$1,599 exclusive of any additional amounts paid. Total gross revenues were \$285 and property tax assessments received from the City were \$2,159.

#### **3. Revenues Pledged in Connection with Component Unit Debt**

**TMUA** - TMUA has pledged future water and wastewater customer revenues, net of specified operating expenses and net of amounts pledged for promissory note debt service to repay \$159,100 in water and wastewater system revenue bonds and future wastewater customer revenues, net of specified operating expenses, to repay \$187,329 in wastewater promissory notes. Proceeds from the bonds and promissory notes provided financing for the construction of various water and wastewater capital projects. The bonds and promissory notes are payable solely from water and wastewater net revenues and are payable through 2041. Annual principal and interest payments on the bonds and promissory notes required 20% and 34% of water and wastewater net revenues, respectively. The total principal and interest remaining to be paid on the bonds and promissory notes is \$93,609 and \$330,170 for water and wastewater, respectively. Combined principal and interest paid for the year were \$14,368 and \$30,163, for water and wastewater, respectively. Total net revenues as described above were \$106,375 and \$67,799, respectively.

*Note 13. Pledged Revenue, continued*

**Airports** - TAIT has pledged future revenues derived from the operation of the Airports to repay approximately \$160,084 in revenue bonds. Proceeds from the bonds provided financing for various airport capital projects and debt refundings. The bonds are payable solely from gross revenues and are payable through 2048. Annual principal and interest payments on the bonds required 29% of gross revenues. The total principal and interest remaining to be paid on the bonds is \$248,172. Principal and interest paid for the year was \$16,125, excluding the debt refunding. Total gross revenues were \$56,475.

**TPA** - TPA has pledged future gross revenues derived from the operation of the parking facilities to repay approximately \$17,860 in revenue bonds. Proceeds from the bonds provided financing for various parking facilities and debt refundings. The bonds are payable solely from gross revenues and are payable through 2028. Annual principal and interest payments on the bonds required 16% of gross revenues. The total principal and interest remaining to be paid on the bonds is \$7,263. Principal and interest paid for the year were \$970 and \$238, respectively. Total gross revenues were \$7,579.

*Note 14. Lease Commitments*

**Operating Leases**

The City has entered into several operating leases. These leases contain cancellation provisions and are subject to annual appropriation clauses. Lease expenditures for these leases were \$469 for the primary government and \$238 for its component units.

**Capital Leases**

On December 20, 2019, The City entered into a lease agreement with Motorola Solutions, Inc. to acquire radio equipment for Police and Fire with total cost of \$5,678. The lease agreement provides for 5 annual payments of \$1,208, beginning on July 15, 2020 through July 15, 2024. Payments include interest at 2.47%. There are 4 annual renewal options after the initial term. The City accounts for the lease agreement as a capital lease.

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 1,133	\$ 75	\$ 1,208
2022	1,095	113	1,208
2023	1,122	86	1,208
2024	1,150	58	1,208
2025	1,178	30	1,208
	<u>\$ 5,678</u>	<u>\$ 362</u>	<u>\$ 6,040</u>

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

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 217	\$ 26	\$ 243
2022	226	17	243
2023	235	8	243
2024	81	1	82
	<u>\$ 759</u>	<u>\$ 52</u>	<u>\$ 811</u>

*Note 14. Lease Commitments*

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

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

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

	<b>Principal</b>	<b>Interest</b>	<b>Operating Expense</b>	<b>Total</b>
2021	\$ 227	\$ 95	\$ 282	\$ 604
2022	235	88	282	605
2023	242	80	282	604
2024	250	72	282	604
2025	258	64	282	604
2026-2030	1,423	191	1,412	3,026
2031	312	10	282	604
	<u>\$ 2,947</u>	<u>\$ 600</u>	<u>\$ 3,104</u>	<u>\$ 6,651</u>

### *Note 15. Contingent Liabilities*

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

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

**Pandemic:** The spread of COVID-19, a novel strain of coronavirus, is altering the behavior of businesses, state and local governments and people throughout the United States. Further, financial markets have experienced significant volatility attributed to coronavirus concerns. The continued spread of COVID-19 may adversely impact the local, regional and national economies. The extent to which the coronavirus impacts the City's results will depend on future developments, which are highly uncertain and cannot be predicted. The impact is highly dependent on the breadth and duration of the outbreak and could be affected by other factors that cannot currently be predicted. Accordingly, management cannot presently estimate the overall operational and financial impact to the City, but such an impact could have a material adverse effect on the financial condition of the City.



*Note 16. Commitments*

Primary Government Encumbrances:

**Governmental Funds:**

Major Funds:

General Fund	\$ 6,145
Sales Tax	68,677
Bond	82,790
Limited-Purpose Sales Tax	35,616
Nonmajor Funds	13,015
	<u>206,243</u>

**Internal Service Funds**

2,840

**Enterprise Funds:**

Stormwater Management	7,930
One Technology Center	382
Arena & Convention Center	711
	<u>9,023</u>

**Total**

\$ 218,106

*Note 17. Subsequent Events*

The City has evaluated events or transactions for potential recognition or disclosure in these financial statements that occurred subsequent to June 30, 2020 through December 18, 2020, the date these financial statements were available to be issued.

**TMUA Utility Revenue Bonds Refunding, 2020A**– On July 6, 2020, TMUA closed on a \$26,695 Utility Revenue Bond Refunding issuance. The proceeds of the bonds were used to pay off OWRB Loan 2010B, pay off OWRB Loan 2011B, establish a bond reserve fund and to provide construction funds for the construction, reconstruction, improving and repairing of the water and wastewater systems.

**TMUA Utility Revenue Bonds, 2020B**– On October 5, 2020, TMUA closed on a \$24,770 Utility Revenue Bond issuance. The proceeds of the bonds were used to establish a bond reserve fund and to provide construction funds for the construction, reconstruction, improving and repairing of the water and wastewater systems.

**General Obligation Bonds Refunding, 2021A**– On December 16, 2020, the City authorized a General Obligation Bond Refunding issuance not to exceed \$34,290. The proceeds of the bonds will be used to pay off the General Obligation Bonds Series 2014 and for the establishment of a bond reserve fund. The issuance is expected in February 2021.

**CARES Grant Funding**- On September 3, 2020, the City received \$30,924 from the State of Oklahoma related to the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

### *Note 18. Future Changes in Accounting Pronouncements*

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

**GASB Statement No. 84 – Fiduciary Activities-** Issued in January 2017, this Statement will be effective for the City beginning with its fiscal year ending June 30, 2021. This statement will improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The statement establishes criteria for identifying fiduciary activities. The statement also provides for recognition of a liability to the beneficiary in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources.

**GASB Statement No. 87 – Leases** – Issued in June 2017, this Statement will be effective for the City beginning with its fiscal year ending June 30, 2022. This Statement increases the usefulness of the City's financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, the City, as a lessee, is required to recognize a lease liability and an intangible right-to-use lease asset, and as a lessor, is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about the City's leasing activities. GASB Statement 87 has the potential to have a significant impact on the City's financial statements.

**GASB Statement No. 90 – Majority Equity Interests – An Amendment to GASB Statement No. 14 and No. 61** – Issued August 2018, this Statement will be effective for the City beginning with its fiscal year ending June 30, 2021. The primary objectives of this Statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. It defines a majority equity interest and specifies that a majority equity interest in a legally separate organization should be reported as an investment if a government's holding of the equity interest meets the definition of an investment. A majority equity interest that meets the definition of an investment should be measured using the equity method, unless it is held by a special-purpose government engaged only in fiduciary activities, a fiduciary fund, or an endowment (including permanent and term endowments) or permanent fund. Those governments and funds should measure the majority equity interest at fair value.

**GASB Statement No. 91 – Conduit Debt Obligations** – Issued in May 2019, this Statement will be effective for the City beginning with its fiscal year ending June 30, 2023. The primary objectives of this Statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. This Statement also addresses arrangements—often characterized as leases—that are associated with conduit debt obligations. In those arrangements, capital assets are constructed or acquired with the proceeds of a conduit debt obligation and used by third-party obligors in the course of their activities. Payments from third-party obligors are intended to cover and coincide with debt service payments. During those arrangements, issuers retain the titles to the capital assets. Those titles may or may not pass to the obligors at the end of the arrangements.

**GASB Statement No. 92 – Omnibus 2020** – Issued in January 2020, this Statement will be effective for the City beginning with its fiscal year ending June 30, 2022. The objectives of this statement are to enhance compatibility in accounting and financial reporting and to improve the consistency of authoritative literature by addressing practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics.

**GASB Statement No. 93 – Replacement of Interbank Offered Rates** – Issued in March 2020, this Statement will be effective for the City beginning with its fiscal year ending June 30, 2022. The primary objectives of this Statement are to provide guidance for accounting and financial implications of replacing an inter-bank offered rate.

*Note 18. Future Changes in Accounting Pronouncements*

**GASB Statement No. 94 – Public-Private and Public-Public Partnerships and Availability Payment Arrangements –**

Issued in March 2020, this Statement will be effective for the City beginning with its fiscal year ending June 30, 2022. The primary objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements.

**GASB Statement No. 96 – Subscription-Based Information Technology Arrangements–**

Issued in May 2020, this Statement will be effective for the City beginning with its fiscal year ending June 30, 2022. The primary objective of this Statement is to provide guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, Leases, as amended.

**GASB Statement No. 97 – Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32–**

Issued in June 2020, this Statement will be effective for the City beginning with its fiscal year ending June 30, 2022, except those portions which are effective immediately. The primary objectives of this Statement are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans.

*Municipal Employees' Retirement Plan Defined Benefits Pension Plan*  
*Schedule of changes in Net Pension Liability*  
*For the current and prior six years*

	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>
<b>Total pension liability:</b>							
Service cost	\$ 14,578	\$ 14,554	\$ 14,049	\$ 13,853	\$ 12,203	\$ 12,561	\$ 15,518
Interest	48,711	49,088	47,429	46,331	41,536	40,928	38,247
Changes of benefit terms	-	(72)	-	(191)	-	(788)	-
Differences between expected and actual experience	(55)	(7,790)	1,547	(6,652)	2,979	(8,598)	(1,581)
Changes of assumptions	-	27,868	-	-	61,038	-	(71,058)
Benefit payments, including refunds of member contributions	(42,648)	(41,909)	(40,431)	(37,222)	(36,326)	(35,842)	(33,472)
Net change in total pension liability	20,586	41,739	22,594	16,119	81,430	8,261	(52,346)
Total pension liability—beginning	709,670	667,931	645,337	629,218	547,788	539,527	591,873
Total pension liability—ending (a)	<u>\$ 730,256</u>	<u>\$ 709,670</u>	<u>\$ 667,931</u>	<u>\$ 645,337</u>	<u>\$ 629,218</u>	<u>\$ 547,788</u>	<u>\$ 539,527</u>
<b>Plan fiduciary net position:</b>							
Contributions—employer	\$ 20,305	\$ 19,251	\$ 18,512	\$ 13,562	\$ 14,016	\$ 12,886	\$ 12,003
Contributions—member	8,515	8,065	7,794	7,653	7,533	7,182	6,677
Net investment income	15,809	18,283	38,461	51,278	5,523	10,797	61,164
Benefit payments, including refunds of member contributions	(42,648)	(41,909)	(40,431)	(37,222)	(36,326)	(35,842)	(33,472)
Administrative expense	(522)	(466)	(493)	(409)	(375)	(295)	(313)
Net change in plan fiduciary net position	1,459	3,224	23,843	34,862	(9,629)	(5,272)	46,059
Plan fiduciary net position—beginning	474,834	471,610	447,767	412,905	422,534	427,806	381,747
Plan fiduciary net position—ending (b)	<u>\$ 476,293</u>	<u>\$ 474,834</u>	<u>\$ 471,610</u>	<u>\$ 447,767</u>	<u>\$ 412,905</u>	<u>\$ 422,534</u>	<u>\$ 427,806</u>
Plan's net pension liability—ending (a) – (b)	<u>\$ 253,963</u>	<u>\$ 234,836</u>	<u>\$ 196,321</u>	<u>\$ 197,570</u>	<u>\$ 216,313</u>	<u>\$ 125,254</u>	<u>\$ 111,721</u>

**Notes:**

Information for years prior to 2014 is not available.

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

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

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

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

Year	Primary Government Proportion of Net Pension Liability	Primary Government Proportionate Share of Net Pension Liability	Primary Government Covered Payroll	Primary Government Proportionate Share of Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary net Position as a Percentage of Total Pension Liability
2020	47.3419%	\$ 120,231	\$ 61,594	195%	65.2%
2019	47.7399%	112,110	59,252	189%	66.9%
2018	48.3256%	94,873	57,400	165%	70.6%
2017	48.5084%	95,838	58,643	163%	69.4%
2016	48.6849%	105,312	55,991	188%	65.6%
2015	47.7731%	59,838	54,059	111%	77.1%
2014	48.8840%	54,614	52,162	105%	79.3%

**Note:**

Information for years prior to 2014 is not available.

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

Fiscal Year Ended June 30	Primary Government Contractually Required Contribution	Primary Government Actual Contributions	Contribution Deficiency (Excess)	Primary Government Covered Payroll	Contributions as a Percentage of Covered Payroll
2020	\$ 9,547	\$ 9,547	\$ -	\$ 61,594	15.5%
2019	9,184	9,184	-	59,252	15.5%
2018	8,897	8,897	-	57,400	15.5%
2017	6,744	6,744	-	58,643	11.5%
2016	6,439	6,439	-	55,991	11.5%
2015	6,217	6,217	-	54,059	11.5%
2014	5,216	5,520	(304)	52,162	10.6%
2013	5,707	7,061	(1,354)	57,070	12.4%
2012	4,988	6,886	(1,898)	53,638	12.8%
2011	3,289	3,289	-	52,204	6.3%

**Actuarial Valuation, Methods and Assumptions**

Valuation date	January 1, 2020
Actuarial cost method	Entry Age Normal
Amortization method	Level percent, 30 year closed period beginning January 1, 2016
Remaining amortization periods	26 years
Asset valuation method	5 year smoothed FMV
Investment rate of return	7.00%
Projected salary increases	3.50%-11.25%
Inflation	2.50%
Cost-of-living adjustments	None
Mortality	RP-2014 Combined Healthy Mortality Tables with Blue Collar adjustments Generational mortality improvements with Scale MP-2015 from the table's base year of 2014

**Note:**

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

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

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

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2020	2019	2018	2017	2016	2015	2014	2013
3.4%	4.2%	8.7%	13.0%	1.7%	2.7%	16.9%	11.8%



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

Year	Measurement Date	City's Proportion of Net Pension Liability	City's Proportionate Share of Net Pension Liability	City's Covered Payroll	City's Proportionate Share of Net Pension Liability as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of Total Pension Liability
2020	6/30/2019	16.4568%	\$ 173,894	\$ 51,007	340.92%	72.9%
2019	6/30/2018	16.9607%	190,918	48,800	391.23%	70.7%
2018	6/30/2017	16.3726%	205,921	48,299	426.35%	64.9%
2017	6/30/2016	16.6406%	203,300	46,505	437.16%	64.9%
2016	6/30/2015	15.7228%	166,883	42,958	388.48%	68.3%
2015	6/30/2014	16.6964%	171,697	45,889	374.16%	68.1%

**Note:**

Information for years prior to 2015 is not available.

Changes of assumptions- In 2020 (6/30/2019 measurement date), the mortality rate assumption was changed from RP-2000 Combined Healthy with blue collar adjustments as appropriate, with adjustments for generational mortality improvements using Scale AA for healthy lives and no mortality improvement for disable lives to Pub-2010 Public Safety Tables with generational mortality improvements using MP-2018 for active members, Pub-2010 Public Safety Below Median Table with generational mortality improvement using Scale MP-2018 and Pub-2010 Public Safety Disabled Table set forward 2 years.

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

Fiscal Year Ended June 30	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
2020	\$ 7,497	\$ 7,497	\$ -	\$ 53,550	14%
2019	7,141	7,141	-	51,007	14%
2018	6,862	6,862	-	48,800	14%
2017	6,762	6,762	-	48,299	14%
2016	6,511	6,511	-	46,505	14%
2015	6,014	6,014	-	42,958	14%
2014	5,995	5,995	-	45,889	13%
2013	5,661	5,661	-	43,543	13%
2012	5,456	5,456	-	41,968	13%
2011	5,092	5,092	-	39,170	13%

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

Year	Measurement Date	City's Proportion of Net Pension Liability (Asset)	City's Proportionate Share of Net Pension Liability (Asset)	City's Covered Payroll	City's Proportionate Share of Net Pension Liability (Asset) as a Percentage of its Covered Payroll	Plan Fiduciary Net Position as a Percentage of Total Pension Liability (Asset)
2020	6/30/2019	18.2631%	\$ (1,166)	\$ 56,785	-2.05%	100.2%
2019	6/30/2018	17.1181%	(8,154)	53,592	-15.21%	101.9%
2018	6/30/2017	17.6817%	1,360	54,316	2.50%	99.7%
2017	6/30/2016	18.3388%	28,084	53,854	52.15%	93.5%
2016	6/30/2015	17.8728%	728	50,332	1.45%	99.8%
2015	6/30/2014	19.1732%	(6,455)	50,720	-12.73%	101.5%

**Note:**

Information for years prior to 2015 is not available.

Changes of assumptions- In 2019 (6/30/2018 measurement date) various assumptions were changed including the inflation rate was decreased from 3% to 2.75%; the COLA was increased from 3% to 3.5% and the severity of disability award was increased from 50% to 75%.

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

Fiscal Year Ended June 30	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contribution	Contribution Deficiency (Excess)	City's Covered Payroll	Contributions as a Percentage of Covered Payroll
2020	\$ 7,866	\$ 7,866	\$ -	\$ 60,508	13%
2019	7,382	7,382	-	56,785	13%
2018	6,967	6,967	-	53,592	13%
2017	7,061	7,061	-	54,316	13%
2016	7,001	7,001	-	53,854	13%
2015	6,543	6,543	-	50,332	13%
2014	6,594	6,594	-	50,720	13%
2013	6,595	6,595	-	50,727	13%
2012	6,135	6,135	-	47,189	13%
2011	5,961	5,961	-	45,855	13%

CITY OF TULSA  
 REQUIRED SUPPLEMENTARY INFORMATION  
 June 30, 2020  
 (dollar amounts expressed in thousands)

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

*For the current and prior four years*

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<b>Total OPEB liability:</b>					
Service cost	\$ 274	\$ 262	\$ 271	\$ 297	\$ 241
Interest	219	245	207	167	210
Changes of benefit terms	(18)	-	-	-	-
Differences between expected and actual experience	1,653	(378)	427	637	459
Changes of assumptions	351	154	(23)	(250)	409
Benefit payments, including refunds of member contributions	(333)	(464)	(202)	(1,234)	(796)
Net change in total OPEB liability	<u>2,146</u>	<u>(181)</u>	<u>680</u>	<u>(383)</u>	<u>523</u>
Total OPEB liability—beginning	6,133	6,314	5,634	6,017	5,494
Total OPEB liability—ending	<u>\$ 8,279</u>	<u>\$ 6,133</u>	<u>\$ 6,314</u>	<u>\$ 5,634</u>	<u>\$ 6,017</u>
Covered payroll	\$ 110,600	\$ 106,985	\$ 103,869	\$ 104,090	\$ 101,059
Total OPEB liability as a percent of covered payroll	7.5%	5.7%	6.1%	5.4%	6.0%

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

2020	2.66%
2019	3.51%
2018	3.87%
2017	3.56%
2016	4.00%

**Note:**

Information for years prior to 2016 is unavailable

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

Year	Primary Government Proportion of Total OPEB Liability	Primary Government Proportionate Share of Total OPEB Liability	Primary Government Covered Payroll	Primary Government Proportionate Share of Total OPEB Liability as a Percentage of its Covered Payroll	Plan Fiduciary net Position as a Percentage of Total OPEB Liability
2020	56.1429%	\$ 4,648	\$ 62,094	7.5%	0.0%
2019	55.1724%	3,384	59,026	5.7%	0.0%
2018	55.4002%	3,497	57,544	6.1%	0.0%
2017	55.1098%	3,104	57,364	5.4%	0.0%
2016	54.9639%	3,307	55,546	6.0%	0.0%

**Note:**  
 Information for years prior to 2016 is unavailable

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

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts Budgetary Basis	
<b>Revenues</b>				
Taxes	\$ 215,779	\$ 215,779	\$ 212,988	\$ (2,791)
Licenses and permits	10,310	10,310	9,429	(881)
Intergovernmental	8,141	8,141	9,893	1,752
Charges for service	18,732	18,732	17,103	(1,629)
Fines and forfeitures	8,364	8,364	6,715	(1,649)
Investment income	5,475	5,475	4,337	(1,138)
Payments from component unit	17,024	17,024	16,998	(26)
Miscellaneous	3,134	3,134	3,259	125
Total revenues	286,959	286,959	280,722	(6,237)
<b>Expenditures</b>				
Current				
General government	49,058	48,846	45,465	3,381
Public works and transportation	20,325	20,544	19,368	1,176
Social and economic development	12,642	12,933	12,389	544
Public safety and protection	182,042	186,080	184,021	2,059
Culture and recreation	20,684	20,646	19,687	959
Payments to component units	7,610	7,610	7,610	-
Total expenditures	292,361	296,659	288,540	8,119
Excess (deficiency) of revenues over expenditures	(5,402)	(9,700)	(7,818)	1,882
<b>Other financing sources (uses)</b>				
Transfers in	2,808	2,808	2,822	14
Transfers out	(4,838)	(4,856)	(4,853)	3
Total other financing uses	(2,030)	(2,048)	(2,031)	17
Net change in fund balances	(7,432)	(11,748)	(9,849)	1,899
Fund balances, beginning of year	42,987	42,987	42,987	-
Fund balances, end of year	\$ 35,555	\$ 31,239	33,138	\$ 1,899

**Reconciliation to GAAP basis - basis differences:**

Reserve for encumbrances	6,145
Reserve for advances	472
Reserve for land inventory	38
Other current assets	433
Receivables	33,683
Non-budgetary payables	(1,835)
Unearned revenue	(1,351)
Increase in fair value of investments	1,230
Fund balance - GAAP basis	\$ 71,953

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

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

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

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

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

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

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

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

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

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

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



# NONMAJOR GOVERNMENTAL FUNDS

## BROOKSIDE



### ABOUT THE DISTRICT

Tulsa's Brookside District is one of the city's premier shopping and entertainment destinations, with many local and national retailers located within its boundaries. The area features more than 35 restaurants and nightspots ranging from fast food to fine dining and just about any cuisine you desire. Additionally, it is the closest entertainment district to the The Gathering Place and Philbrook Museum of Art.



## Nonmajor Governmental Funds

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

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

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

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

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

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

**CITY OF TULSA**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**June 30, 2020**  
**(amounts expressed in thousands)**

	<b>Special Revenue</b>								<b>Capital Projects</b>					Total	
	Federal	Medical	Vision	Vision	E-911	Economic	Tulsa Stadium	Special	Grahams	Long Range	Vision 2025		Enhanced 911	Total	
	and State	Services	Public Safety	Transportation	Operating	Development	Improvement	Development	Park Trust	Capital	Capital	Sidewalks	Construction	Nonmajor	
Grants	Program	Sales Tax	Sales Tax			District		Capital Projects	Projects	Projects			Governmental	Funds	
<b>Assets</b>															
Cash and cash equivalents	\$ -	\$ 4,940	\$ 12,067	\$ 11,098	\$ 2,132	\$ 1,493	\$ 896	\$ 8,141	\$ 47	\$ 4,735	\$ -	\$ 17	\$ 21	\$ 45,587	
Receivables, net	4,006	613	1,729	941	360	373	115	21	-	51	-	-	-	8,209	
Total assets	<u>\$ 4,006</u>	<u>\$ 5,553</u>	<u>\$ 13,796</u>	<u>\$ 12,039</u>	<u>\$ 2,492</u>	<u>\$ 1,866</u>	<u>\$ 1,011</u>	<u>\$ 8,162</u>	<u>\$ 47</u>	<u>\$ 4,786</u>	<u>\$ -</u>	<u>\$ 17</u>	<u>\$ 21</u>	<u>\$ 53,796</u>	
<b>Liabilities</b>															
Accounts payable and accrued liabilities	1,083	11	283	728	304	157	269	73	9	-	74	-	-	2,991	
Due to other funds	740	-	-	-	-	-	-	-	-	-	465	-	-	1,205	
Unearned revenue	156	-	-	-	-	-	-	126	-	-	-	-	-	282	
Total liabilities	<u>1,979</u>	<u>11</u>	<u>283</u>	<u>728</u>	<u>304</u>	<u>157</u>	<u>269</u>	<u>199</u>	<u>9</u>	<u>-</u>	<u>539</u>	<u>-</u>	<u>-</u>	<u>4,478</u>	
<b>Deferred inflows of resources</b>															
Unavailable revenue - special assessments	-	-	-	-	-	-	94	-	-	-	-	-	-	94	
Unavailable revenue - intergovernmental	2,541	-	-	-	17	-	-	-	-	-	-	-	-	2,558	
Unavailable revenue- long-term receivables	-	-	-	-	-	-	-	12	-	-	-	-	-	12	
Total unavailable revenue	<u>2,541</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17</u>	<u>-</u>	<u>94</u>	<u>12</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,664</u>	
<b>Fund balances (deficit):</b>															
Restricted	-	-	13,513	11,311	2,171	1,709	648	6,062	38	4,786	-	17	21	40,276	
Committed	-	5,542	-	-	-	-	-	2,034	-	-	-	-	-	7,576	
Unassigned (deficit)	(514)	-	-	-	-	-	-	(145)	-	-	(539)	-	-	(1,198)	
Total fund balances (deficit)	<u>(514)</u>	<u>5,542</u>	<u>13,513</u>	<u>11,311</u>	<u>2,171</u>	<u>1,709</u>	<u>648</u>	<u>7,951</u>	<u>38</u>	<u>4,786</u>	<u>(539)</u>	<u>17</u>	<u>21</u>	<u>46,654</u>	
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 4,006</u>	<u>\$ 5,553</u>	<u>\$ 13,796</u>	<u>\$ 12,039</u>	<u>\$ 2,492</u>	<u>\$ 1,866</u>	<u>\$ 1,011</u>	<u>\$ 8,162</u>	<u>\$ 47</u>	<u>\$ 4,786</u>	<u>\$ -</u>	<u>\$ 17</u>	<u>\$ 21</u>	<u>\$ 53,796</u>	

**CITY OF TULSA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**Year ended June 30, 2020**  
**(amount expressed in thousands)**

	Special Revenue								Capital Projects					Total Nonmajor Governmental Funds
	Federal and State Grants	Medical Services Program	Vision Public Safety Sales Tax	Vision Transportation Sales Tax	E-911 Operating	Economic Development	Tulsa Stadium Improvement District	Special Development	Grahams Park Trust Capital Projects	Long Range Capital Projects	Vision 2025 Capital Projects	Sidewalks	Enhanced 911 Construction	
<b>Revenues:</b>														
Sales tax	\$ -	\$ -	\$ 12,303	\$ 6,536	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,839
Franchise tax	-	-	-	-	-	-	-	-	-	467	-	-	-	467
Hotel/Motel tax	-	-	-	-	-	6,047	-	-	-	-	-	-	-	6,047
Special assessment	-	-	-	-	-	-	3,438	4	-	-	-	-	-	3,442
Charges for services	-	6,686	-	-	3,941	-	-	1,598	-	-	-	-	-	12,225
Intergovernmental revenues	10,774	-	-	-	17	-	-	790	-	-	612	-	-	12,193
Fines and forfeitures	-	-	-	-	-	-	18	74	-	-	-	-	-	92
Investment income	11	103	363	296	53	43	35	49	2	76	-	16	-	1,047
Program income from grants	1,764	-	-	-	-	-	-	-	-	-	-	-	-	1,764
Payments from component units	-	-	-	-	-	-	-	2,000	-	-	-	-	-	2,000
Miscellaneous	-	-	-	-	-	-	-	141	-	-	-	-	-	141
<b>Total revenue</b>	<b>12,549</b>	<b>6,789</b>	<b>12,666</b>	<b>6,832</b>	<b>4,011</b>	<b>6,090</b>	<b>3,491</b>	<b>4,656</b>	<b>2</b>	<b>543</b>	<b>612</b>	<b>16</b>	<b>-</b>	<b>58,257</b>
<b>Expenditures:</b>														
Current:														
General government	-	-	-	-	-	-	76	-	-	-	-	-	-	76
Public safety and protection	5,990	4,540	9,511	-	3,582	-	-	818	-	-	-	-	-	24,441
Public works and transportation	-	-	-	5,504	-	-	-	1	-	-	-	-	-	5,505
Social and economic development	6,866	-	-	-	-	3,336	1,277	824	-	-	-	-	-	12,303
Payments to component units	-	-	-	-	-	1,500	-	-	-	-	-	-	-	1,500
Capital outlay	2,861	50	1,411	727	122	-	-	79	28	10	403	-	-	5,691
<b>Total expenditures</b>	<b>15,717</b>	<b>4,590</b>	<b>10,922</b>	<b>6,231</b>	<b>3,704</b>	<b>4,836</b>	<b>1,353</b>	<b>1,722</b>	<b>28</b>	<b>10</b>	<b>403</b>	<b>-</b>	<b>-</b>	<b>49,516</b>
Excess (deficiency) of revenues over expenditures	(3,168)	2,199	1,744	601	307	1,254	2,138	2,934	(26)	533	209	16	-	8,741
<b>Other financing sources (uses):</b>														
Transfers in	2,018	-	-	-	-	-	-	10	-	-	-	-	-	2,028
Transfers out	(334)	(650)	(2,000)	-	-	(1,793)	(2,150)	-	-	-	-	-	-	(6,927)
<b>Total other financing sources (uses)</b>	<b>1,684</b>	<b>(650)</b>	<b>(2,000)</b>	<b>-</b>	<b>-</b>	<b>(1,793)</b>	<b>(2,150)</b>	<b>10</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4,899)</b>
Net change in fund balances	(1,484)	1,549	(256)	601	307	(539)	(12)	2,944	(26)	533	209	16	-	3,842
Fund balance (deficit), beginning of year	970	3,993	13,769	10,710	1,864	2,248	660	5,007	64	4,253	(748)	1	21	42,812
<b>Fund balance (deficit), end of year</b>	<b>\$ (514)</b>	<b>\$ 5,542</b>	<b>\$ 13,513</b>	<b>\$ 11,311</b>	<b>\$ 2,171</b>	<b>\$ 1,709</b>	<b>\$ 648</b>	<b>\$ 7,951</b>	<b>\$ 38</b>	<b>\$ 4,786</b>	<b>\$ (539)</b>	<b>\$ 17</b>	<b>\$ 21</b>	<b>\$ 46,654</b>

**CITY OF TULSA  
GENERAL FUND  
SCHEDULE OF REVENUES - BUDGET AND ACTUAL (BUDGETARY BASIS)  
Budgetary Level of Control  
Year ended June 30, 2020  
(amounts expressed in thousands)**

	Final Budget	Actual	Variance with Final Budget
<b>Taxes</b>			
Sales tax	\$ 156,915	\$ 154,051	\$ (2,864)
Use tax	34,459	36,661	2,202
Franchise tax:			
Gas	4,030	3,334	(696)
Power and light	9,885	9,025	(860)
Cable television	5,017	4,383	(634)
Right of way fee	5,320	5,402	82
Hotel/Motel tax	153	132	(21)
	<u>215,779</u>	<u>212,988</u>	<u>(2,791)</u>
<b>Licenses and Permits</b>			
Charges for Services	1,630	1,315	(315)
Non-business licenses and permits:			
Building inspections- residential	832	909	77
Building inspections- commercial	2,701	2,286	(415)
Electrical inspections	642	645	3
Mechanical inspections	693	671	(22)
Other non-business	3,812	3,603	(209)
	<u>10,310</u>	<u>9,429</u>	<u>(881)</u>
<b>Intergovernmental Revenue</b>			
Grants and reimbursements	957	2,563	1,606
Shared revenue:			
State liquor tax	841	1,154	313
State gasoline tax	732	706	(26)
State tobacco tax	2,768	2,670	(98)
State vehicle license	2,843	2,800	(43)
	<u>\$ 8,141</u>	<u>\$ 9,893</u>	<u>\$ 1,752</u>

Continued

**CITY OF TULSA  
GENERAL FUND  
SCHEDULE OF REVENUES - BUDGET AND ACTUAL (BUDGETARY BASIS)  
Budgetary Level of Control  
Year ended June 30, 2020  
(amounts expressed in thousands)**

Continued

	Final Budget	Actual	Variance with Final Budget
<b>Charges for Services</b>			
<b>Indirect costs:</b>			
Airport	\$ 52	\$ 52	\$ -
TARE	530	530	-
Stormwater	1,183	1,183	-
Water	3,161	3,161	-
Sewer	2,841	2,840	(1)
Other general government	817	874	57
<b>Public safety:</b>			
Code enforcement	1,342	862	(480)
Airport fire reimbursement	1,857	1,892	35
Other service fees	692	799	107
<b>Cultural and recreational:</b>			
Performing Arts Center	-	111	111
Parks	705	418	(287)
<b>Highways and streets:</b>			
Paving cut repair charges	4,575	3,804	(771)
Parking meters and other	977	577	(400)
	<u>18,732</u>	<u>17,103</u>	<u>(1,629)</u>
<b>Fines and Forfeitures</b>			
Parking and traffic fines	8,364	6,715	(1,649)
<b>Interest on Investments</b>	5,475	4,337	(1,138)
<b>Payments from component units</b>			
TMUA	15,373	15,353	(20)
TARE	1,651	1,645	(6)
	<u>17,024</u>	<u>16,998</u>	<u>(26)</u>
<b>Miscellaneous</b>			
Total revenues	<u>\$ 286,959</u>	<u>\$ 280,722</u>	<u>\$ (6,237)</u>

**CITY OF TULSA  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)  
Budgetary Level of Control  
Year ended June 30, 2020  
(amounts expressed in thousands)**

	Appropriations			Actual			Variance with Final Budget
	Original Budget	Revisions	Final Budget	Expenditures	Encumbrances	Total	
<b>General government</b>							
Departments:							
Mayor:							
Personnel services	\$ 1,317	\$ 151	\$ 1,468	\$ 1,467	\$ -	\$ 1,467	\$ 1
Materials & supplies	18	-	18	3	-	3	15
Other services & charges	127	(26)	101	79	12	91	10
City Auditor:							
Personnel services	1,141	(184)	957	777	12	789	168
Materials & supplies	7	3	10	4	-	4	6
Other services & charges	400	180	580	324	-	324	256
City Council:							
Personnel services	1,185	-	1,185	1,080	5	1,085	100
Materials & supplies	40	(1)	39	21	-	21	18
Other services & charges	99	-	99	59	-	59	40
Finance:							
Personnel services	7,127	(30)	7,097	6,932	-	6,932	165
Materials & supplies	72	(3)	69	30	2	32	37
Other services & charges	5,493	(20)	5,473	3,149	1,918	5,067	406
Legal:							
Personnel services	3,636	7	3,643	3,591	1	3,592	51
Materials & supplies	101	2	103	86	16	102	1
Other services & charges	553	(15)	538	252	232	484	54
Human Resources:							
Personnel services	2,938	110	3,048	2,990	3	2,993	55
Materials & supplies	111	(4)	107	91	-	91	16
Other services & charges	1,285	(304)	981	658	59	717	264

Continued

**CITY OF TULSA  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)  
Budgetary Level of Control  
Year ended June 30, 2020  
(amounts expressed in thousands)**

Continued

	Appropriations			Actual			Variance with Final Budget
	Original Budget	Revisions	Final Budget	Expenditures	Encumbrances	Total	
<b>General government, continued</b>							
Departments:							
Information Technology:							
Personnel services	7,194	-	7,194	6,962	88	7,050	144
Materials & supplies	315	-	315	263	9	272	43
Other services & charges	2,832	-	2,832	2,477	310	2,787	45
Communications:							
Personnel services	561	12	573	551	-	551	22
Materials & supplies	9	-	9	5	-	5	4
Other services & charges	19	-	19	13	-	13	6
Customer Care:							
Personnel services	498	35	533	499	-	499	34
Materials & supplies	7	-	7	5	-	5	2
Other services & charges	20	-	20	13	-	13	7
Mayor's Office of Human Rights:							
Other services & charges	246	-	246	-	-	-	246
Asset Management:							
Personnel services	1,898	-	1,898	1,875	12	1,887	11
Materials & supplies	465	(3)	462	404	32	436	26
Other services & charges	2,806	(22)	2,784	2,333	243	2,576	208
General Government:							
Other services & charges	3,957	(100)	3,857	2,341	596	2,937	920
Indian Nations Council of Government:							
Other services & charges	2,581	-	2,581	2,581	-	2,581	-
	<u>\$ 49,058</u>	<u>\$ (212)</u>	<u>\$ 48,846</u>	<u>\$ 41,915</u>	<u>\$ 3,550</u>	<u>\$ 45,465</u>	<u>\$ 3,381</u>

Continued



**CITY OF TULSA  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)  
Budgetary Level of Control  
Year ended June 30, 2020  
(amounts expressed in thousands)**

Continued

	Appropriations			Actual			Variance with Final Budget
	Original Budget	Revisions	Final Budget	Expenditures	Encumbrances	Total	
<b>Public Works and Transportation</b>							
Departments:							
Streets and Stormwater:							
Personnel services	\$ 5,388	\$ (245)	\$ 5,143	\$ 4,949	\$ 42	\$ 4,991	\$ 152
Materials & supplies	1,107	(103)	1,004	772	21	793	211
Other services & charges	9,741	573	10,314	9,543	180	9,723	591
Engineering:							
Personnel services	3,630	-	3,630	3,462	-	3,462	168
Materials & supplies	89	(3)	86	74	3	77	9
Other services & charges	370	(3)	367	308	14	322	45
	<u>20,325</u>	<u>219</u>	<u>20,544</u>	<u>19,108</u>	<u>260</u>	<u>19,368</u>	<u>1,176</u>
<b>Social and Economic Development</b>							
Mayor's Office of Economic Development:							
Personnel services	832	25	857	842	-	842	15
Materials & supplies	9	(1)	8	8	-	8	-
Other services & charges	238	1	239	118	98	216	23
Working in Neighborhoods:							
Personnel services	4,114	86	4,200	4,035	7	4,042	158
Materials & supplies	419	53	472	397	3	400	72
Other services & charges	1,390	107	1,497	1,382	47	1,429	68
Development Services:							
Personnel services	5,248	110	5,358	5,237	6	5,243	115
Materials & supplies	55	-	55	29	6	35	20
Other services & charges	337	(90)	247	172	2	174	73
	<u>\$ 12,642</u>	<u>\$ 291</u>	<u>\$ 12,933</u>	<u>\$ 12,220</u>	<u>\$ 169</u>	<u>\$ 12,389</u>	<u>\$ 544</u>

Continued

**CITY OF TULSA  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)  
Budgetary Level of Control  
Year ended June 30, 2020  
(amounts expressed in thousands)**

Continued

	Appropriations			Actual			Variance with Final Budget
	Original Budget	Revisions	Final Budget	Expenditures	Encumbrances	Total	
<b>Public Safety and Protection</b>							
Departments:							
Municipal Court:							
Personnel services	\$ 2,330	\$ (35)	\$ 2,295	\$ 2,238	\$ -	\$ 2,238	\$ 57
Materials & supplies	44	(5)	39	31	-	31	8
Other services & charges	176	(18)	158	121	-	121	37
Police:							
Personnel services	89,340	2,750	92,090	91,090	6	91,096	994
Materials & supplies	2,505	(32)	2,473	1,768	375	2,143	330
Other services & charges	10,811	(18)	10,793	9,439	976	10,415	378
Fire:							
Personnel services	70,351	903	71,254	71,229	-	71,229	25
Materials & supplies	1,663	409	2,072	1,446	405	1,851	221
Other services & charges	4,673	84	4,757	4,614	134	4,748	9
Agencies:							
Tulsa Area Emergency Management Authority:							
Other services & charges	149	-	149	149	-	149	-
	<u>\$ 182,042</u>	<u>\$ 4,038</u>	<u>\$ 186,080</u>	<u>\$ 182,125</u>	<u>\$ 1,896</u>	<u>\$ 184,021</u>	<u>\$ 2,059</u>

Continued

**CITY OF TULSA  
GENERAL FUND  
SCHEDULE OF EXPENDITURES AND ENCUMBRANCES - BUDGET AND ACTUAL (BUDGETARY BASIS)  
Budgetary Level of Control  
Year ended June 30, 2020  
(amounts expressed in thousands)**

Continued

	Appropriations			Actual			Variance with Final Budget
	Original Budget	Revisions	Final Budget	Expenditures	Encumbrances	Total	
<b>Culture and Recreation</b>							
Departments:							
Gilcrease Museum:							
Other services & charges	\$ 3,290	\$ -	\$ 3,290	\$ 3,290	\$ -	\$ 3,290	\$ -
Parks:							
Personnel services	6,348	(6)	6,342	5,679	62	5,741	601
Materials & supplies	847	(2)	845	684	81	765	80
Other services & charges	9,536	(30)	9,506	9,109	127	9,236	270
Convention & Performing Arts Centers:							
Other services & charges	9	-	9	1	-	1	8
Agencies:							
River Parks:							
Other services & charges	654	-	654	654	-	654	-
	<u>20,684</u>	<u>(38)</u>	<u>20,646</u>	<u>19,417</u>	<u>270</u>	<u>19,687</u>	<u>959</u>
Total expenditures and encumbrances	<u>284,751</u>	<u>4,298</u>	<u>289,049</u>	<u>274,785</u>	<u>6,145</u>	<u>280,930</u>	<u>8,119</u>
Operating transfers:							
Transfers to TPFA - OTC	4,410	-	4,410	4,410	-	4,410	-
Transfers to Golf Course Fund	75	-	75	75	-	75	-
Transfers to Whittier Square Improvement District	10	-	10	10	-	10	-
Transfers to Federal and State Grants Fund	343	18	361	358	-	358	3
Total transfers	<u>4,838</u>	<u>18</u>	<u>4,856</u>	<u>4,853</u>	<u>-</u>	<u>4,853</u>	<u>3</u>
Payments to component units:							
Transfers to MTTA	7,610	-	7,610	7,610	-	7,610	-
Total expenditures, encumbrances, and transfers	<u>\$ 297,199</u>	<u>\$ 4,316</u>	<u>\$ 301,515</u>	<u>\$ 287,248</u>	<u>\$ 6,145</u>	<u>\$ 293,393</u>	<u>\$ 8,122</u>

**CITY OF TULSA**  
**E-911 OPERATING FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**(Budgetary Basis)**  
**Year ended June 30, 2020**  
**(amounts expressed in thousands)**

	Final Budget	Actual	Variance
<b>Revenues</b>			
Intergovernmental Revenue	\$ 66	\$ 17	\$ (49)
E-911 fees	3,958	3,935	(23)
Investment income	39	31	(8)
Total revenues	<u>4,063</u>	<u>3,983</u>	<u>(80)</u>
<b>Expenditures</b>			
Public Safety and Protection:			
Current:			
Personnel services	2,001	1,869	132
Materials and supplies	74	33	41
Other services and charges	2,069	1,728	341
Capital outlay	238	224	14
Total expenditures	<u>4,382</u>	<u>3,854</u>	<u>528</u>
Excess (deficiency) of revenues over expenditures and encumbrances	<u>(319)</u>	<u>129</u>	<u>448</u>
Net change in fund balances	(319)	129	448
Fund balances, beginning of year (budgetary basis)	1,712	1,712	-
Fund balances, end of year (budgetary basis)	<u>\$ 1,393</u>	<u>\$ 1,841</u>	<u>\$ 448</u>

**CITY OF TULSA**  
**ECONOMIC DEVELOPMENT FUND**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**(Budgetary Basis)**  
**Year ended June 30, 2020**  
**(amounts expressed in thousands)**

	Final Budget	Actual	Variance
<b>Revenues</b>			
Hotel/Motel taxes	\$ 7,492	\$ 6,466	\$ (1,026)
Charge for services	10	10	-
Investment income	38	25	(13)
Total revenues	<u>7,540</u>	<u>6,501</u>	<u>(1,039)</u>
<b>Expenditures</b>			
Current:			
Cultural Development and Recreation:			
Personnel services	119	-	119
Other services and charges	1,391	-	1,391
Social and Economic Development:			
Personnel services	56	46	10
Materials and supplies	5	3	2
Other services and charges	4,135	4,009	126
Payments to component units:	-	1,490	(1,490)
Total expenditures and encumbrances	<u>5,706</u>	<u>5,548</u>	<u>158</u>
Excess of revenues over expenditures and encumbrances	<u>1,834</u>	<u>953</u>	<u>(881)</u>
<b>Other financing sources (uses):</b>			
Transfers out	(2,390)	(1,793)	597
Net change in fund balances	<u>(556)</u>	<u>(840)</u>	<u>(284)</u>
Fund balances, beginning of year (budgetary basis)	<u>1,462</u>	<u>1,462</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ 906</u>	<u>\$ 622</u>	<u>\$ (284)</u>

**CITY OF TULSA**  
**TULSA STADIUM IMPROVEMENT DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**(Budgetary Basis)**  
**Year ended June 30, 2020**  
**(amounts expressed in thousands)**

	Final Budget	Actual	Variance
<b>Revenues</b>			
Special assessment tax	\$ 3,600	\$ 3,432	\$ (168)
Fines and forfeitures	-	16	16
Investment income	32	24	(8)
Miscellaneous	38	-	(38)
Total revenues	<u>3,670</u>	<u>3,472</u>	<u>(198)</u>
<b>Expenditures</b>			
Current:			
General government:			
Materials and supplies	2	1	1
Other services and charges	8	7	1
Social and economic development:			
Personnel services	349	320	29
Materials and supplies	27	18	9
Other services and charges	1,157	819	338
Capital outlay	20	20	-
Total expenditures	<u>1,631</u>	<u>1,253</u>	<u>378</u>
Excess of revenues over expenditures and encumbrances	<u>2,039</u>	<u>2,219</u>	<u>180</u>
<b>Other financing uses:</b>			
Transfers out	<u>(2,253)</u>	<u>(2,154)</u>	<u>99</u>
Net change in fund balances	(214)	65	279
Fund balances, beginning of year (budgetary basis)	<u>676</u>	<u>676</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ 462</u>	<u>\$ 741</u>	<u>\$ 279</u>

**CITY OF TULSA**  
**MEDICAL SERVICES PROGRAM**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**(Budgetary Basis)**  
**Year ended June 30, 2020**  
**(amounts expressed in thousands)**

	Final Budget	Actual	Variance
<b>Revenues</b>			
Medical services fee	\$ 6,824	\$ 6,694	\$ (130)
Investment income	51	57	6
Total revenues	<u>6,875</u>	<u>6,751</u>	<u>(124)</u>
<b>Expenditures</b>			
Public Safety and Protection:			
Current:			
Personnel services	197	168	29
Materials and supplies	178	177	1
Other services and charges	7,911	4,181	3,730
Capital outlay	50	50	-
Total expenditures and encumbrances	<u>8,336</u>	<u>4,576</u>	<u>3,760</u>
Excess (deficiency) of revenues over expenditures and encumbrances	<u>(1,461)</u>	<u>2,175</u>	<u>3,636</u>
<b>Other financing (uses):</b>			
Transfers out	<u>(650)</u>	<u>(650)</u>	<u>-</u>
Net change in fund balances	(2,111)	1,525	3,636
Fund balances, beginning of year (budgetary basis)	<u>3,380</u>	<u>3,380</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ 1,269</u>	<u>\$ 4,905</u>	<u>\$ 3,636</u>

**CITY OF TULSA**  
**VISION PUBLIC SAFETY SALES TAX**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**(Budgetary Basis)**  
**Year ended June 30, 2020**  
**(amounts expressed in thousands)**

	Final Budget	Actual	Variance
<b>Revenues</b>			
Sales tax	\$ 12,561	\$ 12,344	\$ (217)
Investment income	216	224	8
Total revenues	<u>12,777</u>	<u>12,568</u>	<u>(209)</u>
<b>Expenditures</b>			
Public Safety and Protection:			
Current:			
Personnel services	11,044	8,798	2,246
Materials and supplies	448	387	61
Other services and charges	606	425	181
Capital outlay	<u>3,100</u>	<u>2,883</u>	<u>217</u>
Total expenditures and encumbrances	<u>15,198</u>	<u>12,493</u>	<u>2,705</u>
Excess (deficiency) of revenues over expenditures and encumbrances	<u>(2,421)</u>	<u>75</u>	<u>2,496</u>
<b>Other financing (uses):</b>			
Transfers out	<u>(2,000)</u>	<u>(2,000)</u>	<u>-</u>
Net change in fund balances	(4,421)	(1,925)	2,496
Fund balances, beginning of year (budgetary basis)	<u>12,356</u>	<u>12,356</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ 7,935</u>	<u>\$ 10,431</u>	<u>\$ 2,496</u>



**CITY OF TULSA**  
**VISION TRANSPORTATION SALES TAX**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**(Budgetary Basis)**  
**Year ended June 30, 2020**  
**(amounts expressed in thousands)**

	Final Budget	Actual	Variance
<b>Revenues</b>			
Sales tax	\$ 6,673	\$ 6,557	\$ (116)
Investment income	140	173	33
Total revenues	<u>6,813</u>	<u>6,730</u>	<u>(83)</u>
<b>Expenditures</b>			
Public Works and Transportation:			
Current:			
Personnel services	1,863	1,766	97
Materials and supplies	1,412	1,306	106
Other services and charges	4,034	2,642	1,392
Capital outlay	<u>727</u>	<u>727</u>	<u>-</u>
Total expenditures and encumbrances	<u>8,036</u>	<u>6,441</u>	<u>1,595</u>
Excess (deficiency) of revenues over expenditures and encumbrances	<u>(1,223)</u>	<u>289</u>	<u>1,512</u>
Net change in fund balances	(1,223)	289	1,512
Fund balances, beginning of year (budgetary basis)	<u>9,844</u>	<u>9,844</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ 8,621</u>	<u>\$ 10,133</u>	<u>\$ 1,512</u>

**CITY OF TULSA**  
**AIRFORCE PLANT 3 (A SUBFUND OF SPECIAL DEVELOPMENT)**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**(Budgetary Basis)**  
**Year ended June 30, 2020**  
**(amounts expressed in thousands)**

	Final Budget	Actual	Variance
<b>Revenues</b>			
Property rentals and leases	\$ 75	\$ 325	\$ 250
Investment income	29	27	(2)
Total revenues	<u>104</u>	<u>352</u>	<u>248</u>
<b>Expenditures</b>			
Social and Economic Development:			
Current:			
Other services and charges	20	1	19
Capital outlay	<u>1,652</u>	<u>169</u>	<u>1,483</u>
Total expenditures and encumbrances	<u>1,672</u>	<u>170</u>	<u>1,502</u>
Excess (deficiency) of revenues over expenditures and encumbrances	<u>(1,568)</u>	<u>182</u>	<u>1,750</u>
Net change in fund balances	(1,568)	182	1,750
Fund balances, beginning of year (budgetary basis)	<u>1,665</u>	<u>1,665</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ 97</u>	<u>\$ 1,847</u>	<u>\$ 1,750</u>

**CITY OF TULSA**  
**PERMITS AND LICENSING SYSTEM (A SUBFUND OF SPECIAL DEVELOPMENT)**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**(Budgetary Basis)**  
**Year ended June 30, 2020**  
**(amounts expressed in thousands)**

	Final Budget	Actual	Variance
<b>Revenues</b>			
System development fees	\$ 480	\$ 581	\$ 101
Total revenues	<u>480</u>	<u>581</u>	<u>101</u>
<b>Expenditures</b>			
Social and Economic Development:			
Current:			
Other services and charges	621	503	118
Capital outlay	<u>28</u>	<u>28</u>	<u>-</u>
Total expenditures and encumbrances	<u>649</u>	<u>531</u>	<u>118</u>
Excess (deficiency) of revenues over expenditures and encumbrances	<u>(169)</u>	<u>50</u>	<u>219</u>
Net change in fund balances	(169)	50	219
Fund balances, beginning of year (budgetary basis)	<u>2,018</u>	<u>2,018</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ 1,849</u>	<u>\$ 2,068</u>	<u>\$ 219</u>

**CITY OF TULSA**  
**PA LAW ENFORCEMENT TRAINING (A SUBFUND OF SPECIAL DEVELOPMENT)**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**(Budgetary Basis)**  
**Year ended June 30, 2020**  
**(amounts expressed in thousands)**

	Final Budget	Actual	Variance
<b>Revenues</b>			
Fines and forfeitures	\$ 85	\$ 70	\$ (15)
Total revenues	<u>85</u>	<u>70</u>	<u>(15)</u>
<b>Expenditures</b>			
Public Safety and Protection:			
Current:			
Other services and charges	<u>85</u>	<u>78</u>	<u>7</u>
Total expenditures and encumbrances	<u>85</u>	<u>78</u>	<u>7</u>
Excess (deficiency) of revenues over expenditures and encumbrances	<u>-</u>	<u>(8)</u>	<u>(8)</u>
Net change in fund balances	-	(8)	(8)
Fund balances, beginning of year (budgetary basis)	<u>55</u>	<u>55</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ 55</u>	<u>\$ 47</u>	<u>\$ (8)</u>

**CITY OF TULSA**  
**JUVENILE CURFEW FINES (A SUBFUND OF SPECIAL DEVELOPMENT)**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**(Budgetary Basis)**  
**Year ended June 30, 2020**  
**(amounts expressed in thousands)**

	Final Budget	Actual	Variance
<b>Revenues</b>			
Fines and forfeitures	\$ 6	\$ 5	\$ (1)
Total revenues	<u>6</u>	<u>5</u>	<u>(1)</u>
<b>Expenditures</b>			
Public Safety and Protection:			
Current:			
Other services and charges	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures and encumbrances	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures and encumbrances	<u>6</u>	<u>5</u>	<u>(1)</u>
Net change in fund balances	6	5	(1)
Fund balances, beginning of year (budgetary basis)	<u>1</u>	<u>1</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ 7</u>	<u>\$ 6</u>	<u>\$ (1)</u>

**CITY OF TULSA**  
**TECHNOLOGY FEE ASSESSMENT (A SUBFUND OF SPECIAL DEVELOPMENT)**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**(Budgetary Basis)**  
**Year ended June 30, 2020**  
**(amounts expressed in thousands)**

	Final Budget	Actual	Variance
<b>Revenues</b>			
Technology fee	\$ 732	\$ 692	\$ (40)
Total revenues	<u>732</u>	<u>692</u>	<u>(40)</u>
<b>Expenditures</b>			
Public safety and protection:			
Current:			
Personnel services	<u>290</u>	<u>262</u>	<u>28</u>
Total expenditures and encumbrances	<u>290</u>	<u>262</u>	<u>28</u>
Excess of revenues over expenditures and encumbrances	<u>442</u>	<u>430</u>	<u>(12)</u>
Net change in fund balances	442	430	(12)
Fund balances, beginning of year (budgetary basis)	<u>821</u>	<u>821</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ 1,263</u>	<u>\$ 1,251</u>	<u>\$ (12)</u>

**CITY OF TULSA**  
**WHITTIER SQUARE IMPROVEMENT DISTRICT (A SUBFUND OF SPECIAL DEVELOPMENT)**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**(Budgetary Basis)**  
**Year ended June 30, 2020**  
**(amounts expressed in thousands)**

	Final Budget	Actual	Variance
<b>Revenues</b>			
Special assessment	\$ 9	\$ 2	\$ (7)
Investment income	1	-	(1)
Total revenues	<u>10</u>	<u>2</u>	<u>(8)</u>
<b>Expenditures</b>			
Social and Economic Development:			
Current:			
Other services and charges	<u>20</u>	<u>2</u>	<u>18</u>
Total expenditures and encumbrances	<u>20</u>	<u>2</u>	<u>18</u>
Excess (deficiency) of revenues over expenditures and encumbrances	<u>(10)</u>	<u>-</u>	<u>10</u>
<b>Other financing (uses):</b>			
Transfers in	<u>10</u>	<u>-</u>	<u>10</u>
Net change in fund balances	-	-	-
Fund balances, beginning of year (budgetary basis)	<u>74</u>	<u>74</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ 74</u>	<u>\$ 74</u>	<u>\$ -</u>

**CITY OF TULSA**  
**TOURISM IMPROVEMENT DISTRICT (A SUBFUND OF SPECIAL DEVELOPMENT)**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**(Budgetary Basis)**  
**Year ended June 30, 2020**  
**(amounts expressed in thousands)**

	Final Budget	Actual	Variance
<b>Revenues</b>			
Special assessment	\$ 2,274	\$ 41	\$ (2,233)
Total revenues	<u>2,274</u>	<u>41</u>	<u>(2,233)</u>
<b>Expenditures</b>			
Total expenditures and encumbrances	<u>-</u>	<u>-</u>	<u>-</u>
Excess of revenues over expenditures and encumbrances	<u>2,274</u>	<u>41</u>	<u>(2,233)</u>
Net change in fund balances	2,274	41	(2,233)
Fund balances, beginning of year (budgetary basis)	<u>(41)</u>	<u>(41)</u>	<u>-</u>
Fund balances, end of year (budgetary basis)	<u>\$ 2,233</u>	<u>\$ -</u>	<u>\$ (2,233)</u>




# INTERNAL SERVICE FUNDS

## CHERRY STREET

### ABOUT THE DISTRICT

Whether it's sampling one of over 20 restaurants in the area or shopping the bustling farmer's market, Cherry Street offers entertainment for all walks of life. Home to the highest number of locally owned businesses in town, the district is set near downtown in the northern midtown area and is surrounded by historic homes in the neighboring residential areas.





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

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

**CITY OF TULSA**  
**COMBINING STATEMENT OF NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**June 30, 2020**  
**(amounts expressed in thousands)**

	Employee Insurance	Workers' Compensation	Tulsa Public Facilities Authority	Office Services	Equipment Management	Total
<b>ASSETS</b>						
<b>Current assets:</b>						
Cash and cash equivalents	\$ 510	\$ 18,286	\$ 7	\$ 80	\$ 1,184	\$ 20,067
Receivables, net	313	278	-	-	12	603
Inventories, net	-	-	-	-	959	959
	823	18,564	7	80	2,155	21,629
<b>Noncurrent assets:</b>						
Nondepreciable capital assets	-	-	4,500	-	25	4,525
Capital assets, net	-	-	-	-	7,200	7,200
	-	-	4,500	-	7,225	11,725
<b>Total assets</b>	823	18,564	4,507	80	9,380	33,354
<b>DEFERRED OUTFLOW OF RESOURCES</b>						
Pension related items	50	65	-	-	1,238	1,353
OPEB related items	2	3	-	-	94	99
<b>Total deferred outflow of resources</b>	52	68	-	-	1,332	1,452
<b>LIABILITIES</b>						
<b>Current liabilities:</b>						
Accounts payable and accrued liabilities	73	117	-	5	781	976
Current portion of long-term liabilities	4	7	-	-	362	373
Workers compensation claims	-	3,319	-	-	-	3,319
	77	3,443	-	5	1,143	4,668
<b>Noncurrent liabilities:</b>						
Long-term liabilities	164	97	-	-	7,660	7,921
Workers compensation claims	-	10,759	-	-	-	10,759
Advances from other funds	-	-	-	146	-	146
	164	10,856	-	146	7,660	18,826
<b>Total liabilities</b>	241	14,299	-	151	8,803	23,494
<b>DEFERRED INFLOW OF RESOURCES</b>						
Pension related items	6	2	-	-	290	298
OPEB related items	-	-	-	-	18	18
<b>Total deferred inflow of resources</b>	6	2	-	-	308	316
<b>NET POSITION (DEFICIT)</b>						
Investment in capital assets	-	-	4,500	-	7,225	11,725
Unrestricted	628	4,331	7	(71)	(5,624)	(729)
<b>Total net position (deficit)</b>	\$ 628	\$ 4,331	\$ 4,507	\$ (71)	\$ 1,601	\$ 10,996

**CITY OF TULSA**  
**COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**INTERNAL SERVICE FUNDS**  
**Year ended June 30, 2020**  
**(amounts expressed in thousands)**

	Employee Insurance	Workers' Compensation	Tulsa Public Facilities Authority	Office Services	Equipment Management	Total
<b>Operating revenues</b>						
Charges for services	\$ -	\$ -	\$ -	\$ 3,554	\$ 15,510	\$ 19,064
Insurance premiums	23,070	-	-	-	-	23,070
Workers compensation premiums	-	4,369	-	-	-	4,369
Other	88	4	1	-	23	116
	<u>23,158</u>	<u>4,373</u>	<u>1</u>	<u>3,554</u>	<u>15,533</u>	<u>46,619</u>
<b>Operating expenses</b>						
Salaries and wages	157	101	-	-	6,319	6,577
Materials and supplies	-	-	-	-	7,931	7,931
Services and charges	428	-	21	3,617	2,292	6,358
Workers compensation claims	-	5,710	-	-	-	5,710
Insurance claims and premiums	23,240	-	-	-	-	23,240
Depreciation and amortization	-	19	-	-	408	427
	<u>23,825</u>	<u>5,830</u>	<u>21</u>	<u>3,617</u>	<u>16,950</u>	<u>50,243</u>
				-		
<b>Operating income (loss)</b>	(667)	(1,457)	(20)	(63)	(1,417)	(3,624)
<b>Nonoperating revenues (expenses)</b>						
Investment income (loss)	3	464	20	(5)	1	483
Gain on sale of equipment	-	-	-	-	5	5
Intergovernmental revenue	-	193	-	-	-	193
	<u>3</u>	<u>657</u>	<u>20</u>	<u>(5)</u>	<u>6</u>	<u>681</u>
<b>Income (loss) before transfers</b>	(664)	(800)	-	(68)	(1,411)	(2,943)
Transfers in	-	-	-	-	646	646
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>646</u>	<u>646</u>
<b>Change in net position</b>	(664)	(800)	-	(68)	(765)	(2,297)
Net position (deficit) - beginning of year	1,292	5,131	4,507	(3)	2,366	13,293
Net position (deficit) - end of year	<u>\$ 628</u>	<u>\$ 4,331</u>	<u>\$ 4,507</u>	<u>\$ (71)</u>	<u>\$ 1,601</u>	<u>\$ 10,996</u>

**CITY OF TULSA**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
**Year ended June 30, 2020**  
**(amounts expressed in thousands)**

	Employee Insurance	Workers' Compensation	Tulsa Public Facilities Authority	Office Services	Equipment Management	Total
<b>Cash flows from operating activities:</b>						
Receipts from customers	\$ 14,560	\$ 445	\$ -	\$ 905	\$ 5,252	\$ 21,162
Receipts from interfund charges for services	8,611	3,928	-	2,650	10,290	25,479
Payments to suppliers and service providers	(23,864)	(3,695)	-	(3,622)	(9,832)	(41,013)
Payments to employees for salaries and benefits	(108)	(57)	-	-	(5,490)	(5,655)
Payments from related entity	-	-	51	-	-	51
Payments to related entity	-	-	(38)	-	-	(38)
Net cash provided (used) by operating activities	(801)	621	13	(67)	220	(14)
<b>Cash flows from noncapital financing activities:</b>						
Principal paid on revenue bonds	-	-	(1,460)	-	-	(1,460)
Interest paid on revenue bonds	-	-	(58)	-	-	(58)
Operating grant received	-	-	-	-	1	1
Proceeds from insurance reimbursements	-	356	-	-	-	356
Net cash provided by noncapital financing activities	-	356	(1,518)	-	1	(1,161)
<b>Cash flows from capital and related financing activities:</b>						
Acquisition and construction of capital assets	-	-	-	-	(437)	(437)
Proceeds from disposition of capital assets	-	-	-	-	5	5
Transfers from other funds for capital additions	-	-	-	-	646	646
Net cash provided by capital and related financing activities	-	-	-	-	214	214
<b>Cash flows from investing activities:</b>						
Interest received	5	415	22	(4)	(3)	435
Net cash provided (used) by investing activities	5	415	22	(4)	(3)	435
Net increase (decrease) in cash and cash equivalents	(796)	1,392	(1,483)	(71)	432	(526)
<b>Cash and cash equivalents, beginning of year</b>	<b>1,306</b>	<b>16,894</b>	<b>1,490</b>	<b>151</b>	<b>752</b>	<b>20,593</b>
<b>Cash and cash equivalents, end of year</b>	<b>\$ 510</b>	<b>\$ 18,286</b>	<b>\$ 7</b>	<b>\$ 80</b>	<b>\$ 1,184</b>	<b>\$ 20,067</b>
<b>Reconciliation of operating income (loss) to cash provided (used) by operating activities:</b>						
<b>Operating income (loss)</b>	(667)	(1,457)	(20)	(63)	(1,417)	(3,624)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities						
Depreciation and amortization	-	19	-	-	408	427
(Increase) decrease in accounts receivable and other assets	13	-	-	-	96	109
(Increase) decrease in advance	-	-	33	-	-	33
(Increase) decrease in deferred outflows of resources	29	(68)	-	-	(310)	(349)
Increase (decrease) in accounts payable and other liabilities	(187)	2,038	-	(4)	478	2,325
Increase (decrease) in net pension liability	15	88	-	-	1,042	1,145
Increase (decrease) in other post employment benefits	1	-	-	-	86	87
Increase (decrease) in deferred inflows of resources	(5)	1	-	-	(163)	(167)
Net cash provided (used) by operating activities	\$ (801)	\$ 621	\$ 13	\$ (67)	\$ 220	\$ (14)

# FIDUCIARY FUNDS


## PEARL DISTRICT



### ABOUT THE DISTRICT

Located just outside the eastern edge of downtown, the Pearl District is one of Tulsa's oldest and most diverse areas. Here you will find a healthy mix of restaurants, bars, breweries, retail shops and art galleries situated amongst some of Tulsa's oldest industry. Locals and visitors can spend time cruising a healthy stretch of Historic Route 66 or enjoy a picnic with a view of Tulsa's skyline at Centennial Park.





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

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

**CITY OF TULSA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**AGENCY FUNDS**  
**Year ended June 30, 2020**  
**(amounts expressed in thousands)**

	Balance June 30, 2019	Additions	Deletions	Balance June 30, 2020
<b>Municipal Court Bonds</b>				
Assets:				
Cash and cash equivalents	\$ 259	\$ 509	\$ 585	\$ 183
Total assets	<u>\$ 259</u>	<u>\$ 509</u>	<u>\$ 585</u>	<u>\$ 183</u>
Liabilities:				
Deposits payable	259	509	585	183
Total liabilities	<u>\$ 259</u>	<u>\$ 509</u>	<u>\$ 585</u>	<u>\$ 183</u>
<b>Escrow Fund</b>				
Assets:				
Cash and cash equivalents	1,436	1,786	1,752	1,470
Total assets	<u>\$ 1,436</u>	<u>\$ 1,786</u>	<u>\$ 1,752</u>	<u>\$ 1,470</u>
Liabilities:				
Deposits payable	1,436	1,786	1,752	1,470
Total liabilities	<u>\$ 1,436</u>	<u>\$ 1,786</u>	<u>\$ 1,752</u>	<u>\$ 1,470</u>
<b>Police Property Room</b>				
Assets:				
Cash and cash equivalents	2,682	912	1,023	2,571
Total assets	<u>\$ 2,682</u>	<u>\$ 912</u>	<u>\$ 1,023</u>	<u>\$ 2,571</u>
Liabilities:				
Accrued liabilities	2,682	912	1,023	2,571
Total liabilities	<u>\$ 2,682</u>	<u>\$ 912</u>	<u>\$ 1,023</u>	<u>\$ 2,571</u>
<b>Payroll Withholding</b>				
Assets:				
Cash and cash equivalents	325	373,734	373,664	395
Total assets	<u>\$ 325</u>	<u>\$ 373,734</u>	<u>\$ 373,664</u>	<u>\$ 395</u>
Liabilities:				
Accrued liabilities	325	373,796	373,726	395
Total liabilities	<u>\$ 325</u>	<u>\$ 373,796</u>	<u>\$ 373,726</u>	<u>\$ 395</u>
<b>Unclaimed Property</b>				
Assets:				
Cash and cash equivalents	1,039	43	268	814
Total assets	<u>\$ 1,039</u>	<u>\$ 43</u>	<u>\$ 268</u>	<u>\$ 814</u>
Liabilities:				
Accrued liabilities	1,039	43	268	814
Total liabilities	<u>\$ 1,039</u>	<u>\$ 43</u>	<u>\$ 268</u>	<u>\$ 814</u>
<b>PAC Ticket Office Escrow</b>				
Assets:				
Cash and cash equivalents	774	461	1,235	-
Total assets	<u>\$ 774</u>	<u>\$ 461</u>	<u>\$ 1,235</u>	<u>\$ -</u>
Liabilities:				
Deposits payable	774	461	1,235	-
Total liabilities	<u>\$ 774</u>	<u>\$ 461</u>	<u>\$ 1,235</u>	<u>\$ -</u>
<b>Total Agency Funds</b>				
Assets:				
Cash and cash equivalents	6,515	377,445	378,527	5,433
Total assets	<u>\$ 6,515</u>	<u>\$ 377,445</u>	<u>\$ 378,527</u>	<u>\$ 5,433</u>
Liabilities:				
Accrued liabilities	4,046	374,751	375,017	3,780
Deposits payable	2,469	2,756	3,572	1,653
Total liabilities	<u>\$ 6,515</u>	<u>\$ 377,507</u>	<u>\$ 378,589</u>	<u>\$ 5,433</u>







## DISCRETELY PRESENTED NONMAJOR COMPONENT UNITS

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

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

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

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

**CITY OF TULSA**  
**STATEMENT OF NET POSITION**  
**DISCRETELY PRESENTED NONMAJOR COMPONENT UNITS**  
**June 30, 2020**  
**(amounts expressed in thousands)**

	Tulsa Development Authority	Metropolitan Tulsa Transit Authority	Tulsa Industrial Authority	Tulsa Parking Authority	Tulsa Performing Arts Center Trust	Tulsa International Airport Development	Total Nonmajor Component Units
<b>ASSETS</b>							
<b>Current assets:</b>							
Cash and cash equivalents	\$ 1,590	\$ 382	\$ 709	\$ 4,500	\$ 2,816	\$ -	\$ 9,997
Cash and cash equivalents - restricted	11,854	187	2,035	1,000	-	450	15,526
Investments	-	-	-	4,038	2,520	-	6,558
Receivables, net	120	4,204	2,074	568	161	17	7,144
Inventories, net	-	866	-	-	-	-	866
Current portion of notes receivable	3,051	-	-	-	-	-	3,051
Other current assets	4	355	31	508	5	-	903
	<u>16,619</u>	<u>5,994</u>	<u>4,849</u>	<u>10,614</u>	<u>5,502</u>	<u>467</u>	<u>44,045</u>
<b>Noncurrent assets:</b>							
Cash and cash equivalents - restricted	-	815	-	1,100	-	-	1,915
Receivables, net	-	-	137	-	-	-	137
Notes receivable	11,172	-	-	-	-	-	11,172
Land held for resale, net	260	-	-	-	1,442	-	1,702
Nondepreciable capital assets	35	5,178	-	9,348	100	-	14,661
Depreciable capital assets, net	233	21,441	8,073	16,434	67	-	46,248
	<u>11,700</u>	<u>27,434</u>	<u>8,210</u>	<u>26,882</u>	<u>1,609</u>	<u>-</u>	<u>75,835</u>
<b>Total assets</b>	<u>28,319</u>	<u>33,428</u>	<u>13,059</u>	<u>37,496</u>	<u>7,111</u>	<u>467</u>	<u>119,880</u>
<b>DEFERRED OUTFLOW OF RESOURCES</b>							
Deferred charge on refunding	-	-	-	216	-	-	216
Pension related items	-	1,775	-	-	-	-	1,775
<b>Total deferred outflow of resources</b>	<u>-</u>	<u>1,775</u>	<u>-</u>	<u>216</u>	<u>-</u>	<u>-</u>	<u>1,991</u>
<b>LIABILITIES</b>							
<b>Current liabilities:</b>							
Accounts payable and accrued liabilities	297	4,286	127	369	615	149	5,843
Unearned revenue	-	-	30	110	1,067	-	1,207
Current portion of long-term liabilities	10	89	-	535	-	-	634
	<u>307</u>	<u>4,375</u>	<u>157</u>	<u>1,014</u>	<u>1,682</u>	<u>149</u>	<u>7,684</u>
<b>Noncurrent liabilities:</b>							
Advances from primary government	-	326	-	-	-	-	326
Deposits subject to refund	411	-	-	4	-	-	415
Long-term liabilities, net	19	13,501	-	5,872	-	-	19,392
	<u>430</u>	<u>13,827</u>	<u>-</u>	<u>5,876</u>	<u>-</u>	<u>-</u>	<u>20,133</u>
<b>Total liabilities</b>	<u>737</u>	<u>18,202</u>	<u>157</u>	<u>6,890</u>	<u>1,682</u>	<u>149</u>	<u>27,817</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>							
Pension related items	-	1,460	-	-	-	-	1,460
Property tax revenue	-	-	1,746	-	-	14	1,760
<b>Total deferred inflow of resources</b>	<u>-</u>	<u>1,460</u>	<u>1,746</u>	<u>-</u>	<u>-</u>	<u>14</u>	<u>3,220</u>
<b>NET POSITION</b>							
<b>Net investment in capital assets</b>	268	26,619	8,073	20,687	167	-	55,814
<b>Restricted for:</b>							
Debt service	-	-	-	1,155	-	-	1,155
Capital projects	7,257	815	-	-	150	-	8,222
Other purposes	16,090	187	2,170	-	139	304	18,890
<b>Unrestricted</b>	<u>3,967</u>	<u>(12,080)</u>	<u>913</u>	<u>8,980</u>	<u>4,973</u>	<u>-</u>	<u>6,753</u>
<b>Total net position</b>	<u>\$ 27,582</u>	<u>\$ 15,541</u>	<u>\$ 11,156</u>	<u>\$ 30,822</u>	<u>\$ 5,429</u>	<u>\$ 304</u>	<u>\$ 90,834</u>

**CITY OF TULSA**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**DISCRETELY PRESENTED NONMAJOR COMPONENT UNITS**  
**Year ended June 30, 2020**  
**(amounts expressed in thousands)**

	Tulsa Development Authority	Metropolitan Tulsa Transit Authority	Tulsa Industrial Authority	Tulsa Parking Authority	Tulsa Performing Arts Center Trust	Tulsa International Airport Development	Total Nonmajor Component Units
<b>Operating revenues</b>							
Property rentals	\$ 51	\$ -	\$ 321	\$ 394	\$ -	\$ -	\$ 766
Parking revenues	-	-	-	6,969	140	-	7,109
Transit services	-	2,441	-	-	-	-	2,441
Event revenues	-	-	-	-	2,416	-	2,416
Other income	436	24	25	-	29	-	514
	<u>487</u>	<u>2,465</u>	<u>346</u>	<u>7,363</u>	<u>2,585</u>	<u>-</u>	<u>13,246</u>
<b>Operating expenses</b>							
Salaries and wages	402	12,963	-	-	2,136	-	15,501
Materials and supplies	5	3,444	-	-	140	-	3,589
Other services and charges	813	5,951	313	3,958	2,160	39	13,234
Depreciation	16	3,671	2,958	967	18	-	7,630
	<u>1,236</u>	<u>26,029</u>	<u>3,271</u>	<u>4,925</u>	<u>4,454</u>	<u>39</u>	<u>39,954</u>
<b>Operating income (loss)</b>	<u>(749)</u>	<u>(23,564)</u>	<u>(2,925)</u>	<u>2,438</u>	<u>(1,869)</u>	<u>(39)</u>	<u>(26,708)</u>
<b>Nonoperating revenues (expenses)</b>							
Investment income	410	8	46	216	45	10	735
Interest and amortization expense	-	-	-	(224)	-	-	(224)
Sales taxes	-	-	208	-	-	-	208
Property taxes	-	-	1,460	-	-	6	1,466
Federal and state operating grant revenues	-	9,145	-	-	14	-	9,159
Contributions	-	-	-	-	170	-	170
Program support from primary government	137	9,615	-	-	1,500	-	11,252
Payments to primary government	(5,963)	-	-	(2,000)	-	-	(7,963)
Other, net	-	421	-	-	(27)	-	394
	<u>(5,416)</u>	<u>19,189</u>	<u>1,714</u>	<u>(2,008)</u>	<u>1,702</u>	<u>16</u>	<u>15,197</u>
<b>Income (loss) before capital contributions and grants</b>	<u>(6,165)</u>	<u>(4,375)</u>	<u>(1,211)</u>	<u>430</u>	<u>(167)</u>	<u>(23)</u>	<u>(11,511)</u>
Federal and state capital grant revenues	-	4,252	-	-	-	-	4,252
Capital contributions to primary government	(1,213)	-	-	-	-	-	(1,213)
Capital contributions from primary government	-	3,729	-	-	-	-	3,729
<b>Change in net position</b>	<u>(7,378)</u>	<u>3,606</u>	<u>(1,211)</u>	<u>430</u>	<u>(167)</u>	<u>(23)</u>	<u>(4,743)</u>
Net position - beginning of year	34,960	11,935	12,367	30,392	5,596	327	95,577
Net position, end of year	<u>\$ 27,582</u>	<u>\$ 15,541</u>	<u>\$ 11,156</u>	<u>\$ 30,822</u>	<u>\$ 5,429</u>	<u>\$ 304</u>	<u>\$ 90,834</u>

**CITY OF TULSA**  
**STATEMENT OF NET POSITION**  
**TULSA METROPOLITAN UTILITY AUTHORITY - COMBINING FUND FINANCIAL STATEMENTS**  
**June 30, 2020**  
**(amounts expressed in thousands)**

	Sewer Fund	Water Fund	Total
<b>ASSETS</b>			
<b>Current Assets:</b>			
Cash and cash equivalents	\$ 94,428	\$ 146,173	\$ 240,601
Cash and cash equivalents - restricted	8,568	19,020	27,588
Receivables, net	17,741	18,310	36,051
Prepaid expenses	57	162	219
Inventories, net	178	1,964	2,142
	<u>120,972</u>	<u>185,629</u>	<u>306,601</u>
<b>Noncurrent assets:</b>			
Cash and cash equivalents - restricted	36,792	24,608	61,400
Investment in joint venture	32,886	-	32,886
Receivables, net	1	-	1
Nondepreciable capital assets	39,806	55,972	95,778
Depreciable capital assets, net	719,878	571,750	1,291,628
	<u>829,363</u>	<u>652,330</u>	<u>1,481,693</u>
<b>Total assets</b>	<u>950,335</u>	<u>837,959</u>	<u>1,788,294</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred charge on refunding	191	1,624	1,815
Pension related items	4,419	4,754	9,173
OPEB related items	445	476	921
	<u>5,055</u>	<u>6,854</u>	<u>11,909</u>
<b>LIABILITIES</b>			
<b>Current liabilities:</b>			
Accounts payable and accrued liabilities	17,634	16,766	34,400
Current portion of long-term liabilities	22,444	12,529	34,973
Deposits subject to refund - restricted	641	11,989	12,630
	<u>40,719</u>	<u>41,284</u>	<u>82,003</u>
<b>Noncurrent liabilities:</b>			
Long-term liabilities	275,533	138,224	413,757
	<u>275,533</u>	<u>138,224</u>	<u>413,757</u>
<b>Total liabilities</b>	<u>316,252</u>	<u>179,508</u>	<u>495,760</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred gain on refunding	27	-	27
Pension related items	718	1,023	1,741
OPEB related items	76	84	160
Property tax revenue	944	-	944
	<u>1,765</u>	<u>1,107</u>	<u>2,872</u>
<b>NET POSITION</b>			
<b>Net investment in capital assets</b>	552,366	532,673	1,085,039
<b>Restricted for:</b>			
Debt service	8,353	6,002	14,355
<b>Unrestricted</b>	<u>76,654</u>	<u>125,523</u>	<u>202,177</u>
<b>Total net position</b>	<u>\$ 637,373</u>	<u>\$ 664,198</u>	<u>\$ 1,301,571</u>

**CITY OF TULSA**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**TULSA METROPOLITAN UTILITY AUTHORITY - COMBINING FUND FINANCIAL STATEMENTS**  
Year ended June 30, 2020  
(amounts expressed in thousands)

	<b>Sewer Fund</b>	<b>Water Fund</b>	<b>Total</b>
<b>Operating revenues</b>			
Water and sewer services	\$ 123,974	\$ 122,182	\$ 246,156
<b>Operating expenses</b>			
Salaries and wages	30,146	33,680	63,826
Materials and supplies	4,434	8,168	12,602
Other services and charges	22,322	22,937	45,259
Depreciation	22,578	19,681	42,259
	<u>79,480</u>	<u>84,466</u>	<u>163,946</u>
<b>Operating income</b>	<u>44,494</u>	<u>37,716</u>	<u>82,210</u>
<b>Nonoperating revenues (expenses)</b>			
Investment income	2,004	4,324	6,328
Interest and amortization expense	(6,029)	(3,036)	(9,065)
Property taxes	1,279	-	1,279
Payments to primary government	(7,388)	(7,965)	(15,353)
Other, net	779	151	930
	<u>(9,355)</u>	<u>(6,526)</u>	<u>(15,881)</u>
<b>Income before capital contributions</b>	35,139	31,190	66,329
<b>Capital contributions</b>	13,703	2,625	16,328
<b>Capital contributions - primary government</b>	88	5	93
	<u>13,791</u>	<u>2,630</u>	<u>16,421</u>
<b>Change in net position</b>	48,930	33,820	82,750
Net position, beginning of year	588,443	630,378	1,218,821
Net position, end of year	<u>\$ 637,373</u>	<u>\$ 664,198</u>	<u>\$ 1,301,571</u>

**CITY OF TULSA**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**DISCRETELY PRESENTED COMPONENT UNITS**  
**Year ended June 30, 2020**  
**(amounts expressed in thousands)**

	Tulsa Metropolitan Utility Authority	Tulsa Authority for Recovery of Energy	Tulsa Airports	Other Component Units	Total Component Units
<b>Operating revenues</b>					
Water and sewer services	\$ 246,156	\$ -	\$ -	\$ -	\$ 246,156
Refuse services	-	27,171	-	-	27,171
Property rentals	-	-	27,263	766	28,029
Parking revenues	-	-	7,342	7,109	14,451
Transit services	-	-	-	2,441	2,441
Event revenues	-	-	-	2,416	2,416
Other income	-	-	-	514	514
	<u>246,156</u>	<u>27,171</u>	<u>34,605</u>	<u>13,246</u>	<u>321,178</u>
<b>Operating expenses</b>					
Salaries and wages	63,826	5,050	13,230	15,501	97,607
Materials and supplies	12,602	-	1,564	3,589	17,755
Other services and charges	45,259	18,465	9,600	13,234	86,558
Depreciation	42,259	1,890	17,225	7,630	69,004
	<u>163,946</u>	<u>25,405</u>	<u>41,619</u>	<u>39,954</u>	<u>270,924</u>
<b>Operating income (loss)</b>	<u>82,210</u>	<u>1,766</u>	<u>(7,014)</u>	<u>(26,708)</u>	<u>50,254</u>
<b>Nonoperating revenues (expenses)</b>					
Investment income	6,328	569	1,004	735	8,636
Interest and amortization expense	(9,065)	-	(8,174)	(224)	(17,463)
Sales taxes	-	-	-	208	208
Property taxes	1,279	-	-	1,466	2,745
Federal and state grant revenues	-	-	11,143	9,159	20,302
Contributions	-	-	-	170	170
Payments from primary government	-	-	-	11,252	11,252
Payments to primary government	(15,353)	(1,646)	-	(7,963)	(24,962)
Gain (loss) on disposition of capital assets	930	(23)	-	-	907
Other, net	-	(4)	(407)	394	(17)
	<u>(15,881)</u>	<u>(1,104)</u>	<u>3,566</u>	<u>15,197</u>	<u>1,778</u>
<b>Income (loss) before capital contributions and grants</b>	<u>66,329</u>	<u>662</u>	<u>(3,448)</u>	<u>(11,511)</u>	<u>52,032</u>
Federal and state capital grant revenues	-	-	13,244	4,252	17,496
Capital contributions	16,328	-	-	-	16,328
Capital contributions to primary government	-	-	-	(1,213)	(1,213)
Capital contributions from primary government	93	-	-	3,729	3,822
	<u>16,421</u>	<u>-</u>	<u>13,244</u>	<u>6,768</u>	<u>36,433</u>
<b>Change in net position</b>	<u>82,750</u>	<u>662</u>	<u>9,796</u>	<u>(4,743)</u>	<u>88,465</u>
Net position - beginning of year	<u>1,218,821</u>	<u>24,039</u>	<u>279,857</u>	<u>95,577</u>	<u>1,618,294</u>
Net position - end of year	<u>\$ 1,301,571</u>	<u>\$ 24,701</u>	<u>\$ 289,653</u>	<u>\$ 90,834</u>	<u>\$ 1,706,759</u>

# CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

## KENDALL WHITTIER

### ABOUT THE DISTRICT

With a mix of locally owned art studios, breweries, a historic theater, non-mainstream retail and restaurants, Kendall Whittier is a unique and funky experience capable of offering something for everyone. As a hub of Hispanic culture, Kendall Whittier also offers some of the best Mexican food in Tulsa with a Mexican grill, a food truck or a bakery in the heart of Whittier Square.





**CITY OF TULSA**  
**CAPITAL ASSETS USED IN OPERATION OF GOVERNMENTAL FUNDS**  
**COMPARATIVE SCHEDULE BY SOURCE**  
**June 30, 2020 and 2019**  
**(amounts expressed in thousands)**

	<u>2020</u>	<u>2019</u>
Governmental funds capital assets		
Land	\$ 561,800	\$ 560,200
Buildings	254,175	248,928
Improvements other than buildings	113,522	89,248
Machinery and equipment	238,752	218,681
Infrastructure	3,658,086	3,554,999
Construction in progress	115,795	145,941
Total governmental funds capital assets	<u>\$ 4,942,130</u>	<u>\$ 4,817,997</u>
Investments in governmental funds capital assets by source		
General fund	9,510	9,533
Special revenue funds	298,509	294,607
Capital projects funds	4,143,693	4,025,515
Donations	490,418	488,342
Total governmental funds capital assets	<u>\$ 4,942,130</u>	<u>\$ 4,817,997</u>

**CITY OF TULSA**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY**  
**Year ended June 30, 2020**  
**(amounts expressed in thousands)**

Function and Activity	Governmental Funds Capital Assets July 1, 2019	Additions	Deductions	Governmental Funds Capital Assets June 30, 2020
<b><i>General Government</i></b>				
Mayor	\$ 6	\$ -	\$ -	\$ 6
Finance	4,493	-	(30)	4,463
Legal	114	24	-	138
Human Resources	642	7	-	649
Communications	21	-	(7)	14
Equipment Management	3,557	189	(58)	3,688
City Council	1,110	-	-	1,110
General Government	22,619	-	-	22,619
Information Technology	52,782	7,666	(33)	60,415
	<u>85,344</u>	<u>7,886</u>	<u>(128)</u>	<u>93,102</u>
<b><i>Public Works &amp; Transportation</i></b>	4,334,231	261,770	(161,234)	4,434,767
<b><i>Public Safety &amp; Protection</i></b>				
Police	84,451	8,944	(3,630)	89,765
Fire	75,639	3,241	(664)	78,216
Municipal Court	66	-	-	66
	<u>160,156</u>	<u>12,185</u>	<u>(4,294)</u>	<u>168,047</u>
<b><i>Social &amp; Economic Development</i></b>				
Mayor's Office of Human Rights	28	-	(6)	22
Mayor's Office of Economic Development	23,096	-	-	23,096
WIN	3,192	393	(275)	3,310
Development Services	2,744	-	(24)	2,720
	<u>29,060</u>	<u>393</u>	<u>(305)</u>	<u>29,148</u>
<b><i>Cultural Development &amp; Recreation</i></b>				
Gilcrease	21,045	7	(349)	20,703
Parks	160,457	8,349	(122)	168,684
Public Events and PAC	27,704	-	(25)	27,679
	<u>209,206</u>	<u>8,356</u>	<u>(496)</u>	<u>217,066</u>
Total Governmental funds capital assets	<u>\$ 4,817,997</u>	<u>\$ 290,590</u>	<u>\$ (166,457)</u>	<u>\$ 4,942,130</u>

**CITY OF TULSA**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE BY FUNCTION AND ACTIVITY**  
**June 30, 2020**  
**(amounts expressed in thousands)**


Function and Activity	Land	Buildings	Improvements Other than Buildings	Machinery and Equipment	Infrastructure	Construction in Progress	Total
<b>General Government</b>							
Mayor	\$ -	\$ -	\$ -	\$ 6	\$ -	\$ -	\$ 6
Finance	150	-	-	4,313	-	-	4,463
Legal	-	-	-	138	-	-	138
Human Resources	-	-	-	649	-	-	649
Communications	-	-	-	14	-	-	14
Equipment Management	-	630	-	3,058	-	-	3,688
City Council	-	215	-	895	-	-	1,110
General Government	2,500	3,445	16,038	636	-	-	22,619
Information Technology	32	11,622	687	48,074	-	-	60,415
	<u>2,682</u>	<u>15,912</u>	<u>16,725</u>	<u>57,783</u>	<u>-</u>	<u>-</u>	<u>93,102</u>
<b>Public Works &amp; Transportation</b>							
	<u>516,996</u>	<u>65,714</u>	<u>36,114</u>	<u>42,554</u>	<u>3,657,594</u>	<u>115,795</u>	<u>4,434,767</u>
	<u>516,996</u>	<u>65,714</u>	<u>36,114</u>	<u>42,554</u>	<u>3,657,594</u>	<u>115,795</u>	<u>4,434,767</u>
<b>Public Safety &amp; Protection</b>							
Police	1,504	28,792	133	59,336	-	-	89,765
Fire	2,045	21,613	1,084	53,474	-	-	78,216
Municipal Court	-	-	-	66	-	-	66
	<u>3,549</u>	<u>50,405</u>	<u>1,217</u>	<u>112,876</u>	<u>-</u>	<u>-</u>	<u>168,047</u>
<b>Social &amp; Economic Development</b>							
Mayor's Office of Human Rights	-	-	-	22	-	-	22
Mayor's Office of Economic Development	17,632	5,432	-	32	-	-	23,096
WIN	-	1,747	-	1,563	-	-	3,310
Development Services	27	-	10	2,683	-	-	2,720
	<u>17,659</u>	<u>7,179</u>	<u>10</u>	<u>4,300</u>	<u>-</u>	<u>-</u>	<u>29,148</u>
<b>Cultural Development &amp; Recreation</b>							
Gilcrease	80	12,706	110	7,807	-	-	20,703
Parks	20,238	77,911	59,346	10,697	492	-	168,684
PAC	596	24,348	-	2,735	-	-	27,679
	<u>20,914</u>	<u>114,965</u>	<u>59,456</u>	<u>21,239</u>	<u>492</u>	<u>-</u>	<u>217,066</u>
Total Governmental Funds Capital Assets	<u>\$ 561,800</u>	<u>\$ 254,175</u>	<u>\$ 113,522</u>	<u>\$ 238,752</u>	<u>\$ 3,658,086</u>	<u>\$ 115,795</u>	<u>\$ 4,942,130</u>

# EAST TULSA MAIN STREET

## ABOUT THE DISTRICT

Located near the intersection of 21<sup>st</sup> and Garnett, the East Tulsa Main Street is arguably the most diverse area in all of Tulsa. Here you will find an assortment of cultural offerings from Hispanic, Vietnamese, Hmong and other Asian populations. The emerging district boasts a number of multicultural stores and restaurants, which provide Tulsans and visitors experiences and flavors unlike any others in the city.





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

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

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

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>Governmental activities:</b>										
Net investment in capital assets	\$ 1,526,232	\$ 1,486,358	\$ 1,485,779	\$ 1,386,778	\$ 1,288,414	\$ 1,235,482	\$ 1,167,495	\$ 1,111,600	\$ 1,104,679	\$ 989,918
Restricted	450,702	417,766	321,201	291,237	273,642	262,022	263,303	239,504	244,257	160,049
Unrestricted	(180,783)	(167,546)	(188,066)	(202,213)	(197,489)	(212,406)	53,045	47,933	59,643	65,532
	<u>\$ 1,796,151</u>	<u>\$ 1,736,578</u>	<u>\$ 1,618,914</u>	<u>\$ 1,475,802</u>	<u>\$ 1,364,567</u>	<u>\$ 1,285,098</u>	<u>\$ 1,483,843</u>	<u>\$ 1,399,037</u>	<u>\$ 1,408,579</u>	<u>\$ 1,215,499</u>
<b>Business-type activities:</b>										
Net investment in capital assets	533,341	503,307	490,067	498,427	504,926	514,764	531,789	528,912	535,424	541,280
Restricted	18,962	17,514	12,218	12,664	11,732	11,939	14,398	16,925	11,875	8,936
Unrestricted	22,385	24,808	34,025	30,089	27,332	22,202	19,289	18,077	16,086	15,183
	<u>\$ 574,688</u>	<u>\$ 545,629</u>	<u>\$ 536,310</u>	<u>\$ 541,180</u>	<u>\$ 543,990</u>	<u>\$ 548,905</u>	<u>\$ 565,476</u>	<u>\$ 563,914</u>	<u>\$ 563,385</u>	<u>\$ 565,399</u>
<b>Primary government:</b>										
Net investment in capital assets	2,059,573	1,989,665	1,975,846	1,885,205	1,793,340	1,750,246	1,699,284	1,640,512	1,640,103	1,531,198
Restricted	469,664	435,280	333,419	303,901	285,374	273,961	277,701	256,429	256,132	168,985
Unrestricted	(158,398)	(142,738)	(154,041)	(172,124)	(170,157)	(190,204)	72,334	66,010	75,729	80,715
	<u>\$ 2,370,839</u>	<u>\$ 2,282,207</u>	<u>\$ 2,155,224</u>	<u>\$ 2,016,982</u>	<u>\$ 1,908,557</u>	<u>\$ 1,834,003</u>	<u>\$ 2,049,319</u>	<u>\$ 1,962,951</u>	<u>\$ 1,971,964</u>	<u>\$ 1,780,898</u>

**Restatements of prior years**

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

Prior years were not restated.

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

Prior years were not restated.

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

Prior years were not restated.

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

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>Expenses:</b>										
Governmental activities:										
General government	\$ 80,629	\$ 75,017	\$ 65,886	\$ 69,279	\$ 64,141	\$ 46,755	\$ 42,853	\$ 50,697	\$ 46,345	\$ 39,654
Public safety and protection	250,740	202,244	217,296	205,938	200,726	186,385	199,749	221,872	204,822	182,971
Public works and transportation	82,368	86,997	80,941	79,746	75,400	69,523	64,381	54,848	56,650	54,029
Culture and recreation	35,153	29,510	27,833	24,949	24,124	22,638	24,629	25,372	20,858	20,419
Social and economic	47,845	82,661	23,993	37,612	38,629	31,409	27,845	32,071	24,089	21,894
Interest on long-term debt	17,426	16,735	14,863	12,583	11,864	12,285	12,250	13,097	12,724	12,624
Total governmental activities expenses	<u>514,161</u>	<u>493,164</u>	<u>430,812</u>	<u>430,107</u>	<u>414,884</u>	<u>368,995</u>	<u>371,707</u>	<u>397,957</u>	<u>365,488</u>	<u>331,591</u>
Business-type activities:										
Stormwater	37,247	35,642	31,680	31,429	30,084	25,877	25,721	26,004	27,729	26,050
One Technology Center	8,119	9,046	8,846	9,127	9,982	10,643	9,927	11,488	10,435	9,884
Arena & Convention	24,550	25,826	25,755	25,199	24,910	25,507	23,815	23,993	22,823	22,480
Tulsa Stadium Trust	4,388	3,539	4,083	3,219	3,330	3,500	4,028	3,733	3,603	3,768
Golf Courses	2,606	2,832	3,167	3,276	3,288	2,917	3,183	3,544	3,696	3,316
Total business-type activities	<u>76,910</u>	<u>76,885</u>	<u>73,531</u>	<u>72,250</u>	<u>71,594</u>	<u>68,444</u>	<u>66,674</u>	<u>68,762</u>	<u>68,286</u>	<u>65,498</u>
Total primary government	<u>591,071</u>	<u>570,049</u>	<u>504,343</u>	<u>502,357</u>	<u>486,478</u>	<u>437,439</u>	<u>438,381</u>	<u>466,719</u>	<u>433,774</u>	<u>397,089</u>
<b>Program Revenues:</b>										
Governmental activities:										
Charges for services										
General government	39,873	39,984	37,960	29,763	25,493	9,664	10,279	14,789	14,421	15,416
Public safety and protection	14,280	14,854	13,921	24,490	24,359	25,264	23,918	24,693	21,553	16,815
Public works and transportation	3,281	5,040	6,517	12,277	11,250	13,693	14,045	13,792	12,761	10,421
Culture and recreation	636	4,903	4,805	4,420	4,814	5,006	4,754	4,516	4,148	4,887
Social and economic	13,476	14,186	11,043	2,447	1,913	1,626	1,155	2,037	1,850	543
Operating grants and contributions	37,090	38,163	31,057	30,000	29,486	32,364	35,063	35,742	29,629	27,816
Capital grants and contributions	8,472	30,885	14,846	40,309	6,308	4,694	3,784	34,169	36,144	9,924
Total governmental activities program revenues	<u>117,108</u>	<u>148,015</u>	<u>120,149</u>	<u>143,706</u>	<u>103,623</u>	<u>92,311</u>	<u>92,998</u>	<u>129,738</u>	<u>120,506</u>	<u>85,822</u>
Business-type activities:										
Charges for services										
Stormwater	35,975	32,970	29,754	28,488	27,674	25,099	23,625	24,101	23,604	23,231
One Technology Center	8,321	7,045	9,360	9,154	8,986	9,183	9,176	10,253	9,401	8,560
Arena & Convention	15,183	18,413	18,046	16,754	15,633	16,514	13,953	12,634	12,012	12,300
Tulsa Stadium Trust	285	248	250	249	281	276	334	299	246	163
Golf Courses	2,248	2,392	2,588	2,785	2,828	2,420	2,700	2,558	2,574	2,024
Operating grants and contributions	84	-	-	-	-	-	-	3	308	-
Capital grants and contributions	6,181	2,938	2,199	5,602	4,689	1,291	2,360	1,277	1,072	3,319
Total business-type activities program revenues	<u>68,277</u>	<u>64,006</u>	<u>62,197</u>	<u>63,032</u>	<u>60,091</u>	<u>54,783</u>	<u>52,148</u>	<u>51,125</u>	<u>49,217</u>	<u>49,597</u>
Total primary government program revenues	<u>\$ 185,385</u>	<u>\$ 212,021</u>	<u>\$ 182,346</u>	<u>\$ 206,738</u>	<u>\$ 163,714</u>	<u>\$ 147,094</u>	<u>\$ 145,146</u>	<u>\$ 180,863</u>	<u>\$ 169,723</u>	<u>\$ 135,419</u>
<b>Net (expense) revenue:</b>										
Governmental activities	(397,053)	(345,149)	(310,663)	(286,401)	(311,261)	(276,684)	(278,709)	(268,219)	264,051	(245,769)
Business-type activities	(8,633)	(12,879)	(11,334)	(9,218)	(11,503)	(13,661)	(14,526)	(17,637)	(17,205)	(15,901)
Total primary government net expense	<u>\$ (405,686)</u>	<u>\$ (358,028)</u>	<u>\$ (321,997)</u>	<u>\$ (295,619)</u>	<u>\$ (290,345)</u>	<u>\$ (290,345)</u>	<u>\$ (293,235)</u>	<u>\$ (285,856)</u>	<u>\$ (262,343)</u>	<u>\$ (261,670)</u>
<b>General Revenues and Other Changes in Net Position:</b>										
Taxes										
Sales tax	280,738	284,687	278,317	250,271	234,912	231,997	231,108	227,905	219,240	199,384
Property tax	82,065	79,522	77,074	72,075	73,450	64,667	59,659	58,445	58,955	49,315
Franchise tax	22,701	23,122	24,420	23,235	22,620	24,039	24,053	22,588	22,427	27,225
Use tax	44,996	41,068	31,084	25,922	23,640	24,104	24,776	22,393	21,522	17,927
Hotel / motel tax	6,170	7,870	7,414	7,380	7,483	7,552	7,050	6,676	6,120	5,683
Unrestricted grants and contributions	7,333	7,747	7,587	7,131	6,814	6,037	7,894	22,154	23,305	22,698
Payments from component units	25,971	17,204	17,803	15,094	14,631	14,100	14,710	4,282	690	76
Investment earnings	20,573	20,667	7,629	(551)	7,910	6,469	7,072	(2,343)	2,888	7,513
Miscellaneous	2,170	1,437	1,505	2,862	4,749	2,734	2,253	9,812	4,586	2,490
Transfers	(36,091)	(20,511)	(4,639)	(5,783)	(5,479)	(5,644)	(15,060)	(18,092)	(16,814)	(11,950)
Total governmental activities	<u>456,626</u>	<u>462,813</u>	<u>448,194</u>	<u>397,636</u>	<u>390,730</u>	<u>376,055</u>	<u>363,515</u>	<u>353,820</u>	<u>342,919</u>	<u>320,361</u>
Business-type activities:										
Investment earnings and other	1,601	1,687	1,007	625	1,109	937	3,193	(1)	316	611
Transfers & capital contributions	36,091	20,511	4,639	5,783	5,479	5,644	15,060	18,092	16,814	11,950
Total business-type activities	<u>37,692</u>	<u>22,198</u>	<u>5,646</u>	<u>6,408</u>	<u>6,588</u>	<u>6,581</u>	<u>18,253</u>	<u>18,091</u>	<u>17,130</u>	<u>12,561</u>
Total primary government	<u>\$ 494,318</u>	<u>\$ 485,011</u>	<u>\$ 453,840</u>	<u>\$ 404,044</u>	<u>\$ 397,318</u>	<u>\$ 382,636</u>	<u>\$ 381,768</u>	<u>\$ 371,911</u>	<u>\$ 360,049</u>	<u>\$ 332,922</u>
<b>Changes in Net Position:</b>										
Governmental activities	59,573	117,664	137,531	111,235	79,469	99,371	84,806	85,601	97,937	74,592
Business-type activities	29,059	9,319	(5,688)	(2,810)	(4,915)	(7,080)	3,727	454	(1,939)	(3,340)
Total primary government	<u>\$ 88,632</u>	<u>\$ 126,983</u>	<u>\$ 131,843</u>	<u>\$ 108,425</u>	<u>\$ 74,554</u>	<u>\$ 92,291</u>	<u>\$ 88,533</u>	<u>\$ 86,055</u>	<u>\$ 95,998</u>	<u>\$ 71,252</u>

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

Year	Sales Tax	Property Tax	Franchise Tax	Use Tax	Hotel / Motel Tax	Total
2020	\$ 280,738	\$ 82,065	\$ 22,701	\$ 44,996	\$ 6,170	\$ 436,670
2019	284,687	79,522	23,122	41,068	7,870	436,269
2018	278,317	77,074	24,420	31,084	7,414	418,309
2017	250,271	72,075	23,235	25,922	7,380	378,883
2016	234,912	73,450	22,620	23,640	7,483	362,105
2015	231,997	64,667	24,039	24,104	7,552	352,359
2014	231,108	59,659	24,053	24,776	7,050	346,646
2013	227,905	58,445	22,588	22,393	6,676	338,007
2012	223,988	58,955	21,857	21,522	6,120	332,442
2011	199,384	49,315	27,225	17,927	5,683	299,534



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

<b>Function/Program:</b>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>
Governmental activities:										
General government	\$ 39,873	\$ 39,984	\$ 37,960	\$ 29,763	\$ 25,493	\$ 9,664	\$ 10,478	\$ 14,789	\$ 14,421	\$ 15,416
Public safety and protection	45,559	46,249	42,730	48,388	47,860	50,824	47,874	47,727	52,384	37,311
Public works and transportation	10,012	13,604	21,363	52,586	17,558	18,387	17,476	46,502	42,822	16,475
Culture and recreation	2,377	4,903	4,805	4,420	4,814	5,006	4,754	4,516	4,148	5,122
Social and economic	19,287	43,275	13,291	8,549	7,898	8,430	12,416	16,204	7,675	11,498
Total governmental activities	<u>117,108</u>	<u>148,015</u>	<u>120,149</u>	<u>143,706</u>	<u>103,623</u>	<u>92,311</u>	<u>92,998</u>	<u>129,738</u>	<u>121,450</u>	<u>85,822</u>
Business-type activities:										
Stormwater	42,240	35,908	31,953	34,090	32,363	26,390	25,806	25,353	24,676	24,824
One Technology Center	8,321	7,045	9,360	9,154	8,986	9,183	9,176	10,253	9,401	8,560
Arena & Convention	15,183	18,413	18,046	16,754	15,633	16,514	13,993	12,659	12,012	12,856
Tulsa Stadium Trust	285	248	250	249	281	276	334	302	554	918
Tulsa Golf Courses	2,248	2,392	2,588	2,785	2,828	2,420	2,839	2,558	2,574	2,439
Total business-type activities	<u>68,277</u>	<u>64,006</u>	<u>62,197</u>	<u>63,032</u>	<u>60,091</u>	<u>54,783</u>	<u>52,148</u>	<u>51,125</u>	<u>49,217</u>	<u>49,597</u>
Total primary government	<u>\$ 185,385</u>	<u>\$ 212,021</u>	<u>\$ 182,346</u>	<u>\$ 206,738</u>	<u>\$ 163,714</u>	<u>\$ 147,094</u>	<u>\$ 145,146</u>	<u>\$ 180,863</u>	<u>\$ 170,667</u>	<u>\$ 135,419</u>

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

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>General Fund:</b>										
Nonspendable	\$ 543	\$ 550	\$ 537	\$ 516	\$ 611	\$ 611	\$ 611	\$ 745	\$ 606	\$ 1,055
Restricted	3,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	-	-
Assigned	14,052	7,424	5,315	6,221	5,183	8,047	6,889	13,504	20,989	13,807
Unassigned	54,358	61,495	51,181	47,301	54,252	54,830	50,264	41,528	49,540	52,255
	<u>\$ 71,953</u>	<u>\$ 71,469</u>	<u>\$ 59,033</u>	<u>\$ 56,038</u>	<u>\$ 62,046</u>	<u>\$ 65,488</u>	<u>\$ 59,764</u>	<u>\$ 57,777</u>	<u>\$ 71,135</u>	<u>\$ 67,117</u>
<b>Other Governmental Funds:</b>										
Restricted	863,033	701,957	625,096	627,362	458,796	441,787	403,806	383,576	388,231	325,181
Committed	7,576	5,868	5,115	6,672	4,691	3,094	1,698	1,761	1,095	1,135
Assigned	-	-	-	-	-	-	-	718	718	3,977
Unassigned	(1,198)	(893)	(1,053)	(419)	(310)	(321)	(456)	(512)	(145)	(261)
	<u>\$ 869,411</u>	<u>\$ 706,932</u>	<u>\$ 629,158</u>	<u>\$ 633,615</u>	<u>\$ 463,177</u>	<u>\$ 444,560</u>	<u>\$ 405,048</u>	<u>\$ 385,543</u>	<u>\$ 389,899</u>	<u>\$ 330,032</u>

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

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>Revenues</b>										
Sales tax	\$ 280,738	\$ 284,687	\$ 278,317	\$ 250,271	\$ 234,912	\$ 231,997	\$ 231,108	\$ 227,905	\$ 223,988	\$ 199,384
Property tax	82,085	78,930	77,013	68,961	73,450	63,229	57,478	56,096	54,124	44,690
Franchise tax	22,701	23,122	24,420	23,235	22,620	24,039	24,053	22,588	21,857	27,225
Use tax	44,996	41,068	31,084	25,922	23,640	24,104	24,776	22,393	21,522	17,927
Hotel/motel tax	6,170	7,870	7,414	7,380	7,483	7,552	7,050	6,676	6,120	5,683
Special assessment tax	3,442	3,627	3,446	3,392	3,525	3,412	3,595	3,344	3,164	3,169
Charges for services	30,888	33,795	33,353	30,043	28,408	30,927	30,412	45,450	45,553	35,918
Intergovernmental revenues	45,089	47,944	48,197	42,349	39,759	43,425	47,794	53,891	39,598	42,261
Fines and forfeitures	6,808	7,974	7,386	8,226	8,077	8,923	9,565	10,567	11,718	10,875
Investment income	19,074	20,440	7,119	928	7,974	5,423	7,002	363	5,222	6,140
Licenses, permits and fees	9,429	11,021	7,940	8,111	8,397	8,421	7,801	7,137	6,832	5,922
Program income from grants	1,764	2,644	3,018	1,382	1,337	1,397	1,146	1,962	1,763	440
Payments from component units	24,758	15,737	15,678	14,846	14,383	13,506	13,566	701	668	57
Miscellaneous	1,646	1,235	1,361	2,447	4,413	2,659	2,253	9,778	3,033	2,492
Total revenues	<u>579,588</u>	<u>580,094</u>	<u>545,746</u>	<u>487,493</u>	<u>478,378</u>	<u>469,014</u>	<u>467,599</u>	<u>468,851</u>	<u>445,162</u>	<u>402,183</u>
<b>Expenditures</b>										
Current:										
General government	48,920	44,760	42,890	39,899	37,105	36,773	37,857	43,389	27,443	21,638
Public safety and protection	230,619	220,590	213,138	199,715	203,045	195,178	190,287	186,673	188,062	171,703
Public works and transportation	23,871	21,435	21,335	22,773	21,038	24,186	24,983	25,857	29,039	31,557
Culture and recreation	19,382	22,130	21,816	20,799	20,790	20,867	21,584	21,112	14,948	14,385
Social and economic development	24,541	25,401	21,716	23,917	30,595	28,673	28,319	32,986	31,066	20,215
Payments to component units	14,783	11,982	11,883	14,223	15,600	11,123	9,719	11,111	9,562	10,354
Capital outlay	142,885	159,728	132,145	120,653	122,370	104,128	111,597	114,238	96,057	79,680
Debt service:										
Principal	93,343	67,311	61,155	59,546	52,975	52,832	41,953	38,347	31,173	24,581
Interest	23,294	22,032	16,802	16,867	15,724	16,768	16,509	16,029	16,786	15,736
Total expenditures	<u>621,638</u>	<u>595,369</u>	<u>542,880</u>	<u>518,392</u>	<u>519,242</u>	<u>490,528</u>	<u>482,808</u>	<u>489,742</u>	<u>444,136</u>	<u>389,849</u>
Excess (deficiency) of revenues over expenditures	(42,050)	(15,275)	2,866	(30,899)	(40,864)	(21,514)	(15,649)	(20,891)	1,026	12,334
<b>Other financing sources (uses)</b>										
Transfers in	4,850	4,125	2,896	4,373	5,121	4,495	1,706	3,657	2,570	3,941
Transfers out	(41,587)	(26,151)	(7,999)	(12,134)	(11,162)	(11,454)	(17,349)	(22,047)	(17,887)	(16,565)
Sale of capital assets	1,265	459	775	608	1,222	905	1,468	1,173	664	1,691
Issuance of capital lease	5,678	1,103	-	-	-	-	-	-	-	-
Bond issuance	203,895	118,100	-	193,300	57,000	70,000	50,000	45,000	44,927	70,000
Refunding bond issuance	-	32,230	-	31,200	23,133	57,073	-	23,746	-	21,546
Premium on bond issuance	30,912	7,849	-	9,182	3,858	2,804	1,316	7,341	647	11,143
Payment to bond escrow agent	-	(32,230)	-	(31,200)	(23,133)	(57,073)	-	(23,746)	-	(21,546)
Total other financing sources (uses)	<u>205,013</u>	<u>105,485</u>	<u>(4,328)</u>	<u>195,329</u>	<u>56,039</u>	<u>66,750</u>	<u>37,141</u>	<u>35,124</u>	<u>30,921</u>	<u>70,210</u>
Net changes in fund balances	162,963	90,210	(1,462)	164,430	15,175	45,236	21,492	14,233	31,947	82,544
Fund balance, beginning	778,401	688,191	689,653	525,223	510,048	464,812	443,320	429,087	429,087	314,605
Fund balance, ending	<u>\$ 941,364</u>	<u>\$ 778,401</u>	<u>\$ 688,191</u>	<u>\$ 689,653</u>	<u>\$ 525,223</u>	<u>\$ 510,048</u>	<u>\$ 464,812</u>	<u>\$ 443,320</u>	<u>\$ 461,034</u>	<u>\$ 397,149</u>
Debt service as a percentage of noncapital expenditures	24.34%	20.43%	18.86%	18.57%	16.96%	17.85%	15.94%	14.42%	13.76%	12.81%

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

Year	Sales Tax	Property Tax	Franchise Tax	Use Tax	Hotel/Motel Tax	Total
2020	\$ 280,738	\$ 82,065	\$ 22,701	\$ 44,996	\$ 6,170	\$ 436,670
2019	284,687	79,522	23,122	41,068	7,870	436,269
2018	278,317	77,074	24,420	31,084	7,414	418,309
2017	250,271	72,075	23,235	25,922	7,380	378,883
2016	234,912	73,450	22,620	23,640	7,483	362,105
2015	231,997	64,667	24,039	24,104	7,552	350,921
2014	231,108	59,659	24,053	24,776	7,050	344,465
2013	227,905	58,445	22,588	22,393	6,676	335,658
2012	223,988	58,955	21,857	21,522	6,120	327,611
2011	199,384	49,315	27,225	17,927	5,683	294,909

**CITY OF TULSA**  
**PRINCIPAL SALES TAX REMITTERS**  
(amounts expressed in thousands)  
**June 30, 2020**

<b>2020</b>				<b>2011</b>			
SIC Code	Sales Tax Remitter	Amount Remitted	Percentage of Total Revenue Base	SIC Code	Sales Tax Remitter	Amount Remitted	Percentage of Total Revenue Base
53	General Merchandise Stores	\$ 42,058	14.98%	53	General Merchandise Stores	\$ 32,866	16.44%
58	Eating and Drinking Places	37,819	13.33%	58	Eating and Drinking Places	25,132	12.57%
50	Wholesale Trade-Durable Goods	26,622	9.51%	59	Miscellaneous Retail	20,966	10.49%
54	Food Stores	22,210	7.89%	49	Electric, Gas, & Sanitary Services	15,497	7.75%
59	Miscellaneous Retail	21,940	7.74%	57	Furniture & Home Furnishings Store	14,930	7.47%
52	Building Materials & Garden Supplies	20,851	7.39%	54	Food Stores	14,538	7.27%
49	Electric, Gas, and Sanitary Services	20,330	7.25%	52	Building Materials & Garden Supplies	11,617	5.81%
57	Furniture and Equipment	15,763	5.60%	50	Wholesale Trade-Durable Goods	10,447	5.23%
56	Apparel and Accessory Stores	8,994	3.16%	56	Apparel And Accessory Stores	9,888	4.95%
73	Business Services	8,820	3.11%	48	Communication	8,806	4.40%
		<u>\$ 225,407</u>	<u>79.97%</u>			<u>\$ 164,687</u>	<u>82.38%</u>
		<u>\$ 6,175,402</u>				<u>\$ 5,489,567</u>	

Source: Oklahoma Tax Commission

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

<u>Year</u>	<u>City of Tulsa</u>	<u>Tulsa County</u>	<u>State of Oklahoma</u>
2020	3.650%	0.367%	4.500%
2019	3.650%	0.367%	4.500%
2018	3.650%	0.367%	4.500%
2017	3.650%	0.367%	4.500%
2016	3.100%	0.917%	4.500%
2015	3.100%	0.917%	4.500%
2014	3.167%	0.850%	4.500%
2013	3.167%	0.850%	4.500%
2012	3.167%	0.850%	4.500%
2011	3.000%	1.017%	4.500%

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

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

Year	Real Property			Personal Property			Public Service Property			TOTAL			Assessed to Estimated Actual Value
	Estimated Actual Value	Net Assessed Value	Tax Rate Per \$1,000	Estimated Actual Value	Net Assessed Value	Tax Rate Per \$1,000	Estimated Actual Value	Net Assessed Value	Tax Rate Per \$1,000	Estimated Actual Value	Net Assessed Value	Tax Rate Per \$1,000	
2020	\$ 28,969,832	\$ 3,187,000	22.12	\$ 4,625,987	\$ 462,599	22.12	\$ 509,860	\$ 162,034	22.12	34,105,679	\$ 3,811,633	22.12	11.2%
2019	28,050,809	3,085,898	22.14	4,459,880	445,988	22.14	504,115	160,208	22.14	33,014,804	3,692,094	22.14	11.2%
2018	26,891,678	2,958,380	22.44	4,271,316	427,132	22.44	495,879	157,590	22.44	31,658,873	3,543,102	22.44	11.2%
2017	26,069,568	2,867,939	21.20	4,196,622	419,662	21.20	478,675	152,123	21.20	30,744,865	3,439,724	21.20	11.2%
2016	25,223,050	2,774,813	22.79	4,147,160	414,716	22.79	427,595	135,890	22.79	29,797,805	3,325,419	22.79	11.2%
2015	24,472,298	2,692,222	21.46	4,030,010	403,001	21.46	426,001	135,383	21.46	28,928,309	3,230,606	21.46	11.2%
2014	23,899,110	2,629,165	20.24	3,793,290	379,329	20.24	491,001	156,040	20.24	28,183,401	3,164,534	20.24	11.2%
2013	23,572,306	2,593,213	20.16	3,673,950	367,395	20.16	622,631	197,872	20.16	27,868,887	3,158,480	20.16	11.3%
2012	23,257,483	2,558,579	20.01	3,612,420	361,242	20.01	615,592	195,635	20.01	27,485,495	3,115,456	20.01	11.3%
2011	22,980,865	2,528,148	16.98	3,836,900	383,690	16.98	687,020	218,335	16.98	27,504,785	3,130,173	16.98	11.4%

Source: Tulsa County Assessor's Office

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

Year	Direct		Overlapping				Total	Direct & Overlapping Combined
	General Fund	Sinking Fund	Schools	County	County Library	County Health		
2020	\$ -	\$ 22.12	\$ 96.24	\$ 10.76	\$ 5.32	\$ 2.58	114.90	137.02
2019	-	22.14	96.46	10.84	5.32	2.58	115.20	137.34
2018	-	22.44	96.40	10.34	5.32	2.58	114.64	137.08
2017	-	21.50	94.81	10.34	5.32	2.58	113.05	134.55
2016	-	22.79	93.50	10.32	5.32	2.58	111.72	134.51
2015	-	21.46	93.53	10.33	5.32	2.58	111.76	133.22
2014	-	20.24	89.45	10.33	5.32	2.58	107.68	127.92
2013	-	20.16	89.19	10.34	5.32	2.58	107.43	127.59
2012	-	20.01	89.33	10.34	5.32	2.58	107.57	127.58
2011	-	16.98	88.44	10.31	5.32	2.58	106.65	123.63

**Source:** Tulsa County Assessor's Office



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

Taxpayer	2020			2011		
	Taxable Assessed Valuation	Rank	% of Total Assessed Valuation	Taxable Assessed Valuation	Rank	% of Total Assessed Valuation
Public Service Co of Okla	\$ 67,525	1	1.72%	\$ 41,061	2	1.32%
AHS/VTR Hillcrest/Tulsa Spine	41,928	2	1.07%	28,742	4	0.93%
Oklahoma Natural Gas Co	32,320	3	0.82%	30,536	3	0.98%
Quik Trip Corp	26,631	4	0.68%	8,950	10	0.29%
FC Tulsa OK Landlord LLC	20,240	5	0.52%	-	-	<i>n/a</i>
AT&T Companies/Services	20,195	6	0.52%	73,400	1	2.36%
Wal-Mart Stores	18,450	7	0.47%	16,069	5	0.52%
Warren Foundation	17,783	8	0.45%	13,072	8	0.42%
Williams Companies	15,294	9	0.39%	15,002	7	0.48%
Woodland Hills Mall	15,084	10	0.38%	15,608	6	0.50%
Cox Communications	-	-	<i>n/a</i>	12,523	9	0.40%
	<u>\$ 275,450</u>		<u>7.0%</u>	<u>\$ 254,963</u>		<u>8.20%</u>

**Sources:**

Tulsa County Assessor

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

Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Taxes Receivable	Delinquent Percent of Levy	Delinquent Tax Collections	Total Collections	Percent of Total Collections to Tax Levy
2020	\$ 84,302	\$ 81,511	96.7%	\$ 13,965	16.6%	\$ 1,341	\$ 82,852	98.3%
2019	81,738	79,388	97.1%	12,516	15.3%	1,518	80,906	99.0%
2018	79,507	78,011	98.1%	11,684	14.7%	1,524	79,535	100.0%
2017	72,915	71,528	98.1%	11,712	16.1%	-	71,528	98.1%
2016	75,781	74,030	97.7%	11,352	15.0%	84	74,114	97.8%
2015	69,329	66,943	96.6%	11,747	16.9%	341	67,284	97.1%
2014	64,050	62,019	96.8%	11,206	17.5%	1,384	63,403	99.0%
2013	63,687	61,641	96.8%	10,834	17.0%	1,129	62,770	98.6%
2012	62,334	60,219	96.6%	10,334	16.6%	1,647	61,866	99.3%
2011	53,163	50,945	95.8%	9,955	18.7%	1,947	52,892	99.5%

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

Year	Governmental Activities Debt					Business Type Activities Debt	Total Primary Government	Percentage of Personal Income	Per Capita
	Net General Bonded Debt	Revenue Bonds, Net	Notes Payable	Capital Lease	Total Governmental Activities	Revenue Bonds, Net			
2020	\$ 418,266	\$ 347,270	\$ -	\$ 6,437	\$ 771,973	\$ 109,409	\$ 881,382	3.82%	2,178
2019	393,772	236,876	-	968	631,616	87,799	719,415	2.69%	1,773
2018	452,062	121,142	-	-	573,204	91,788	664,992	2.86%	1,628
2017	508,323	123,380	-	-	631,703	92,493	724,196	2.96%	1,793
2016	480,703	5,908	-	-	486,611	95,747	582,358	2.79%	1,445
2015	468,293	7,381	-	-	475,674	98,807	574,481	2.77%	1,427
2014	447,465	8,856	-	-	456,321	103,316	559,637	2.81%	1,398
2013	439,032	10,335	-	-	449,367	107,390	556,757	2.92%	1,398
2012	426,659	11,821	407	-	438,887	104,324	543,211	2.85%	1,372
2011	407,858	14,255	796	-	422,909	106,402	529,311	3.03%	1,344

**Notes:**

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

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

Year	Population	Net Assessed Property Value <sup>1</sup>	General Bonded Debt <sup>2</sup>	Plus: Premiums	Less: Amounts Restricted for Debt Service <sup>3</sup>	Net General Bonded Debt	Ratio of Net Bonded Debt To Assessed Value	Net Bonded Debt Per Capita (In dollars)
2020	404,653	\$ 3,811,633	\$ 399,244	\$ 19,022	\$ 42,357	\$ 375,909	9.86%	\$ 929
2019	405,785	3,692,093	385,615	8,157	50,240	343,532	9.30%	847
2018	408,451	3,543,102	440,229	11,833	44,076	407,986	11.51%	999
2017	403,890	3,423,491	492,076	16,247	40,241	468,082	13.67%	1,159
2016	402,662	3,325,419	465,376	15,327	40,620	440,083	13.23%	1,093
2015	400,436	3,230,606	452,850	15,443	32,375	435,918	13.49%	1,089
2014	397,737	3,164,534	430,378	17,087	36,459	411,006	12.99%	1,033
2013	397,139	3,158,480	418,793	20,239	29,263	409,769	12.97%	1,032
2012	393,831	3,115,456	408,690	17,969	26,727	399,932	12.84%	1,015
2011	391,831	3,130,173	386,469	21,389	16,830	391,028	12.49%	998

**Notes:**

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

**CITY OF TULSA**  
**COMPUTATION OF DIRECT AND OVERLAPPING DEBT**  
**June 30, 2020**

(amounts expressed in thousands)

<u>Governmental Unit</u>	<u>Net General Bonded Debt</u>	<u>Estimated Percentage Applicable to City of Tulsa</u>	<u>Estimated Share Applicable to City of Tulsa</u>
<b>Debt repaid with property taxes:</b>			
Independent School Districts:			
No. 1 Tulsa	\$ 176,914	91.8%	\$ 162,397
No. 3 Broken Arrow	77,876	12.0%	9,360
No. 4 Bixby	33,370	9.3%	3,090
No. 5 Jenks	82,921	72.7%	60,311
No. 9 Union	78,200	75.8%	59,263
No. 10 Berryhill	1,243	0.9%	11
No. 11 Owasso	49,222	0.1%	50
			<u>294,483</u>
<b>City direct debt</b>	<b>\$ 771,973</b>	<b>100.0%</b>	<b>771,973</b>
<b>Total direct and overlapping debt</b>			<b><u><u>\$ 1,066,456</u></u></b>

**Notes:**

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

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

	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
Debt limit <sup>1-2</sup>	\$ 381,163	\$ 369,209	\$ 354,310	\$ 342,349	\$ 332,542	\$ 323,061	\$ 316,453	\$ 315,848	\$ 311,546	\$ 313,017
Total net debt subject to limit <sup>3</sup>	-	-	-	-	-	-	-	-	-	-
Legal debt margin	\$ 381,163	\$ 369,209	\$ 354,310	\$ 342,349	\$ 332,542	\$ 323,061	\$ 316,453	\$ 315,848	\$ 311,546	\$ 313,017
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**Source:**

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

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

Year	Gross Revenue	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
			Principal	Interest	Total	
2020	\$ 9,033	\$ 9,033	\$ 2,235	\$ 1,872	\$ 4,107	2.20
2019	8,071	8,071	2,400	1,921	4,321	1.87
2018	10,057	10,057	1,575	2,394	3,969	2.53
2017	9,878	9,878	1,485	3,321	4,806	2.06
2016	9,660	9,660	1,400	3,339	4,739	2.04
2015	9,853	9,853	1,340	3,356	4,696	2.10
2014	12,065	12,065	1,280	3,372	4,652	2.59
2013	10,930	10,930	-	3,645	3,645	3.00
2012	9,466	9,466	-	3,734	3,734	2.54
2011	9,820	9,820	-	3,734	3,734	2.63

**Notes:**

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

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

Year	Gross Revenue	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2020	\$ 1,386	\$ 835	\$ 413	\$ 1,248	1.11
2019	1,538	775	460	1,235	1.25
2018	2,080	895	514	1,409	1.48
2017	2,080	1,190	586	1,776	1.17
2016	2,080	1,095	653	1,748	1.19
2015	2,080	1,000	713	1,713	1.21
2014	2,080	915	769	1,684	1.24
2013	2,090	835	820	1,655	1.26
2012	2,090	725	852	1,577	1.33
2011	2,140	680	881	1,561	1.37

**Notes:**

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



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

Year	Gross Revenue	Direct Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2020	\$ 2,547	\$ 1,388	\$ 1,159	\$ 660	\$ 939	\$ 1,599	0.72
2019	2,568	566	2,002	635	966	1,601	1.25
2018	2,521	1,121	1,400	610	989	1,599	0.88
2017	2,450	251	2,199	585	1,014	1,599	1.38
2016	2,505	332	2,173	570	1,032	1,602	1.36
2015	2,491	516	1,975	560	1,028	1,588	1.24
2014	2,689	919	1,770	383	1,946	2,329	0.76
2013	2,439	404	2,035	360	1,253	1,613	1.26
2012	2,663	427	2,236	339	1,217	1,556	1.44
2011	3,042	678	2,364	5,319	1,174	6,493	0.36

**Notes:**

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

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

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Year	Gross Revenue	Debt Service Requirements			Coverage
		Principal	Interest	Total	
2020	\$ 33,191	\$ 13,895	\$ 11,159	\$ 25,054	1.32
2019	33,912	7,030	5,715	12,745	2.66
2018	28,783	-	3,459	3,459	8.32

**Notes:**

1. Bonds were issued in 2017, 2018 and 2019 repayment is the responsibility of TPFA's Financing fund and Limited Purpose Sales Tax Fund.
2. Gross revenue includes sales and use tax revenue from Limited Purpose Sales Tax Fund along with other revenues of the TPFA Capital Improvements fund including investment income .

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

Year	Population	MSA Current Personal Income (in millions)	MSA Per Capita Personal Income	Median Age	Percent of High School Graduates	Unemployment Rate
2020	404,653	\$ 57,775	\$ 57,091	35.7	87.1%	5.2%
2019	405,785	61,821	61,415	35.1	86.9%	3.8%
2018	408,451	57,172	56,867	34.9	86.8%	5.0%
2017	403,890	60,088	60,587	34.9	86.7%	5.0%
2016	403,085	50,881	51,786	34.9	86.8%	4.5%
2015	402,662	50,247	51,500	34.8	86.7%	4.2%
2014	400,436	48,199	49,807	34.8	86.7%	5.0%
2013	398,222	45,935	47,857	34.8	86.7%	5.4%
2012	396,021	45,787	48,095	34.8	86.7%	5.8%
2011	393,831	41,846	44,316	34.8	86.7%	6.7%

**Sources:**

Population: 2000 & 2010 Census

Forecast (2020): Extrapolation using 18 year Experian series, and 2019 Growth Projection

Personal Income: Bureau of Economic Analysis to 2015

Forecast (2019/2020): OSU Center for Applied Economic Research, Tulsa Regional Chamber

Per Capita Personal Income: Bureau of Economic Analysis to 2016

Forecast (2019/2020): OSU CAER, Tulsa Regional Chamber

Median Age: 2000 & 2010 Census

Forecast (2020): Extrapolation using 18 year Experian series, and 2019 Growth Projection

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

Forecast (2020): Extrapolation using 14 year Experian series, and 2019 Growth Projection

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

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

Employer	2020			2011		
	Employees	Rank	Percentage of Total MSA Employment	Employees	Rank	Percentage of Total MSA Employment
Saint Francis Healthcare System	10,000	1	2.20%	6,500	5	1.55%
Wal-Mart/Sam's Club	7,500	2	1.65%	7,500	1	1.78%
Tulsa Public Schools	6,500	3	1.43%	7,500	2	1.78%
American Airlines	5,500	4	1.21%	7,500	3	1.78%
Hillcrest Healthcare System	5,500	5	1.21%	5,500	7	1.31%
Ascension St. John	5,000	6	1.10%	6,500	4	1.55%
City of Tulsa	3,500	7	0.77%	5,500	6	1.31%
QuikTrip	3,000	8	0.66%	1,500	17	0.36%
Union Public Schools	2,500	9	0.55%	2,000	14	0.48%
Cherokee Hard Rock Hotel and Casino	2,500	10	0.55%	3,500	8	0.83%
	<u>51,500</u>		<u>11.31%</u>	<u>53,500</u>		<u>12.73%</u>

**Notes:**

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

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

<b>Departments</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
<b>Public Safety and Protection:</b>										
Police	1,127	1,108	1,048	1,008	977	971	997	881	879	874
911 Public Safety Communications	-	-	-	-	-	-	-	97	97	97
Municipal Courts	40	40	39	39	41	41	46	51	51	50
Fire	760	760	735	715	695	694	696	696	699	698
	<u>1,927</u>	<u>1,908</u>	<u>1,822</u>	<u>1,762</u>	<u>1,713</u>	<u>1,706</u>	<u>1,739</u>	<u>1,725</u>	<u>1,726</u>	<u>1,719</u>
<b>Cultural Development and Recreation:</b>										
Park & Recreation	168	168	168	170	173	176	195	196	110	180
Tulsa Performing Arts Center	1	31	31	31	31	30	30	30	29	30
	<u>169</u>	<u>199</u>	<u>199</u>	<u>201</u>	<u>204</u>	<u>206</u>	<u>225</u>	<u>226</u>	<u>139</u>	<u>210</u>
<b>Social and Economic Development:</b>										
Mayor's Office of Economic Development	14	11	10	9	11	9	-	-	-	-
Development Sertvices	69	79	79	79	87	88	115	112	121	118
Working in Neighborhoods	80	65	69	69	67	67	75	77	75	72
	<u>163</u>	<u>155</u>	<u>158</u>	<u>157</u>	<u>165</u>	<u>164</u>	<u>190</u>	<u>189</u>	<u>196</u>	<u>190</u>
<b>Public Works and Transportation:</b>										
Engineering Services	155	155	144	144	145	146	162	161	153	155
Streets and Stormwater	360	349	346	328	312	357	375	374	434	437
Water and Sewer	669	664	661	657	655	648	646	642	657	653
Public Works	-	-	-	-	-	-	-	-	-	-
Airports	-	-	-	-	-	-	157	157	157	157
	<u>1,184</u>	<u>1,168</u>	<u>1,151</u>	<u>1,129</u>	<u>1,112</u>	<u>1,151</u>	<u>1,340</u>	<u>1,334</u>	<u>1,401</u>	<u>1,402</u>
<b>General Government and Support:</b>										
Finance	158	166	156	158	163	157	170	171	158	153
Information Technology	121	118	116	116	119	119	143	146	149	249
Asset Management	130	130	136	136	137	111	79	79	79	79
All Other	170	180	181	175	177	177	157	181	177	73
	<u>579</u>	<u>594</u>	<u>589</u>	<u>585</u>	<u>596</u>	<u>564</u>	<u>581</u>	<u>577</u>	<u>563</u>	<u>554</u>
	<u>4,022</u>	<u>4,024</u>	<u>3,919</u>	<u>3,834</u>	<u>3,790</u>	<u>3,791</u>	<u>4,075</u>	<u>4,051</u>	<u>4,025</u>	<u>4,075</u>

**Notes:**

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

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

Function/Program	2020	2019	2018	2017	2016	2015	2014	2013
<b>Public Safety &amp; Protection</b>								
Municipal Court								
1 . Percent of expunges completed within 30 days of the order date signed by the judge.	75%	75%	65%	40%	75%	New Measure	New Measure	New Measure
2 . Percent of Minute clerk entries for daily court entered within 24 or 48 hours (depending upon the type as described in the objective).	85%	85%	75%	50%	80%	New Measure	New Measure	New Measure
3 . Percent of hand written citations entered within 24 hours of receipt from the prosecutor's office.	90%	90%	75%	55%	90%	New Measure	New Measure	New Measure
Police								
1 . Percent reduction in Part One crimes over previous year.	2.0% decrease	2.0% decrease	7.0% increase	2.4% increase	15.37% decrease	3.6% decrease	5% decrease	3% decrease
2 . Part I Property crime rate per 1,000 population.	54.66	54.66	60.32	56.18	57.55	50.25	New Measure	New Measure
3 . Part I Violent crime rate per 1,000 population.	11.24	11.24	10.59	11.51	10.1	8.69	New Measure	New Measure
4 . Percent reduction in fatality/high injury collisions over previous year.	2.0% decrease	2.0% decrease	30.3% decrease	5.1% increase	12.8% decrease	13.9% decrease	15.4% decrease	3% decrease
5 . Percent increase in Priority One calls responded to in three minutes or less.	0.9% increase	0.9% increase	0.7% increase	2.2% increase	5.5% decrease	0.3% increase	13.54% decrease	5% increase
Fire								
1 . Percent of arrival on scene from receipt of call within six minutes.	81%	81%	91%	91%	85%	86%	86%	90%
2 . Percent of reduction of firefighter injuries from previous year.	0%	0%	20%	16%	0%	33%	32%	5%
<b>Culture and Recreation</b>								
Parks								
1 . Average number of hours Recreation Centers were open on a weekly basis.	63.2*	63.2*	65	65	65	New Measure	New Measure	New Measure
2 . Number of exercise programs held per quarter at each recreation center.	48	48	44	42	25	New Measure	New Measure	New Measure
Gilcrease Museum								
1 . Number of school-aged children receiving services per year.	15,693	15,693	27,993	29,267	35,326	35,326	17,000	25,000
2 . Number of visitors attracted annually.	85,563	85,563	86,208	76,366	72,100	81,384	78,144	100,000
Performing Arts Center								
1 . Number of performances per year.	327	327	310	381	555	505	506	500
2 . Dollar amount of gross ticket sales.	\$12.8 million	\$12.8 million	\$9.5 million	\$9.2 million	\$7.5 million	\$7.9 million	\$10.6 million	\$7 million
BOK Arena and Convention Center								
1 . Number of paid attendance to event centers per year.	947,640	947,640	990,293	1,040,742	1,057,590	1,126,758	921,535	550,000
2 . Gross ticket sales per year.	\$29,519,049	\$29,519,049	\$29,418,993	\$25,841,977	\$16,902,142	\$25,212,936	\$19,132,173	\$15,000,000
3 . Number of attended events scheduled and serviced annually.	252	252	242	295	609	600	527	476

Continued

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

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

<b>Function/Program</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>
<b>Continued</b>								
<b>Social &amp; Economic Development</b>								
Mayor's Office of Economic Development								
1 . Number of Commerical Permits issued.	1076	1076	1335	1455	1397	New Measure	New Measure	New Measure
Working In Neighborhoods								
1 . Average number of housing rehabilitations per month.	3.75	3.75	24	27	23	23	20	23
2 . Average number of housing demolitions per month.	41	41	4	25	32	32	23	32
3 . Average number of voluntary compliance of code violations per month.	940	940	1064	1200	1100	1100	882	1100
4 . Percent reduction of animals euthanized at Tulsa Animal Welfare (TAW).	6% increase	6% increase	7% reduction	15% reduction	15% reduction	12% reduction	18.6% reduction	12% reduction
5 . Percent increase of live exits of animals from TAW.	4% increase	4% increase	5% increase	10% increase	10% increase	12% increase	1.6% increase	12% increase
Planning and Economic Development								
1 . Average number of working days for plans review.	11	11	9	10	10	9	8	10
2 . Average number of calendar days to issue permits for commercial projects under \$1 million.	34	34	45	33	30	41	37	30

Continued

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

Function/Program	2020	2019	2018	2017	2016	2015	2014	2013
<b>Continued</b>								
<b>Public Works &amp; Transportation</b>								
Engineering Services								
1 . Percent of capital projects designed, right-of-way easements acquired and utilities relocated within scheduled time frames.	52%	52%	83%	58%	51%	62%	62%	80%
2 . Percent of capital projects constructed within scheduled time frames.	93%	93%	100%	86%	97%	85%	93%	90%
3 . Percent of capital projects completed within appropriated budgets.	100%	100%	100%	100%	100%	100%	100%	95%
4 . Change order percent for capital projects (State statute: Projects valued at: a) \$1,000,000 or less: 15% maximum; b) Above \$1,000,000: 10% maximum.	1.2%	1.2%	2.4%	1.2%	8.0%	4.0%	0.5%	7.0%
5 . Percent of bid advertisements posted and updated in all locations.	100%	100%	100%	100%	100%	100%	95%	95%
Streets and Stormwater								
1 . Average number of minutes it takes to respond to emergency street repair requests.	55 minutes	55 minutes	37 minutes	56 minutes	41 minutes	34 minutes	25 minutes	60 minutes
2 . Average response time to traffic signal trouble call.	47 minutes	47 minutes	46 minutes	52 minutes	45 minutes	New Measure	New Measure	New Measure
3 . Average number of minutes it takes to respond to stormwater emergencies.	95 minutes	95 minutes	23 minutes	46 minutes	58 minutes	32 minutes	32 minutes	60 minutes
4 . Percent of verified missed collections of refuse and recycling services.	<5%	<5%	<5%	<5%	0.8%	<1%	0.1%	0.2%
Water and Sewer								
1 . Percent of customer service demand for treated water.	100%	100%	100%	100%	100%	100%	100%	98%
2 . Drinking water compliance rate (number of days in full compliance divided by 365 days).	100%	100%	100%	100%	100%	100%	100%	New Measure
3 . Average number hours for water off per customer during emergency repairs.	5.65	5.65	6.18	5.3	4.83	5.11	4.91	5
4 . Percent of on-site responses to sanitary sewer stoppage and overflow calls within two hours.	94.7%	94.7%	99.1%	99.9%	98.0%	98.0%	99.7%	95%
Metropolitan Tulsa Transit Authority								
1 . Number of fixed route accidents per 100k miles.	36	36	41	38	new measure	new measure	new measure	new measure
2 . Number of lift program accidents per 100k miles.	9	9	17	10	new measure	new measure	new measure	new measure
3 . Number of fixed route passengers per hour.	15	15	15	16	16	16	18.3	17
4 . Number of lift program passengers per hour.	2	2	2	2	2	2	2.1	2

Continued



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

Function/Program	2020	2019	2018	2017	2016	2015	2014	2013
<b>Continued</b>								
<b><u>Administrative and Support Services</u></b>								
Elected Officials								
1 . Percent of acceptance rate for recommendations.	91%	91%	94%	95%	90%	90%	90%	90%
2 . Direct Staff time	73%	73%	74%	67%	New Measure	New Measure	New Measure	New Measure
3 . Quality ranking on a 1-4 scale.	3.7	3.7	3.6	3.6	3.6	3.3	3.5	3.3
Legal Department								
1 . Percent of reviews for prosecutions completed within two working days.	100%	100%	100%	100%	100%	100%	100%	100%
2 . Percent of contracts completed within ten business days.	92%	92%	95%	94%	93%	93%	98%	90%
Human Resources Department								
1 . Percent of internal non-sworn vacancies filled within 45 days of closing date.	-	-	80%	84%	93%	95%	95%	80%
2 . Percent of external non-sworn vacancies filled within 45 days of closing date.	37%	37%	70%	78%	83%	79%	89%	80%
3 . Percent of reported injury claims closed within 90 days of submission.	79%	79%	61%	70%	77%	76%	76%	65%
Finance Department								
1 . Basis points over the treasury bill rate.	41	41	1	75	98	86	90	25
2 . City's Standard and Poor bond rating.	AA	AA	AA	AA	AA	AA	AA	AA
3 . City's Moody's Investor Service bond rating.	Aa <sup>+</sup>	Aa <sup>+</sup>	Aa <sup>+</sup>	Aa <sup>+</sup>	Aa <sup>+</sup>	Aa <sup>+</sup>	Aa <sup>+</sup>	Aa <sup>+</sup>
Information Technology								
1 . Annual and quarterly customer service rating (1-5).	4.4	4.4	4.5	4.5	4.0	4.9	4.9	4.0
2 . Percent of IT service tickets open past 30 days.	5%	5%	11%	8%	16%	2%	2%	1%
3 . First contact resolution rate.	52%	52%	42%	47%	31%	47%	47%	35%
Customer Care								
1 . Percent of calls answered within 45 seconds.	66%	66%	48%	47%	52%	56%	48%	85%
2 . Average call abandonment percentage.	8%	8%	16%	17%	16%	16%	18%	<8%
3 . Customer service quality score percent for recorded and monitored calls.	92%	92%	82%	92%	94%	94%	94%	90%
Asset Management Department								
1 . Percent of designated fleet availability.	94%	94%	93%	93%	93%	93%	94%	93%
2 . Percent of parking meters that are operational per year.	100%*	100%*	69%	77%	85%	85%	New Measure	New Measure
3 . Percent of direct labor hours dedicated to parking meter enforcement per year.	94%	94%	80%	77%	75%	100%	New Measure	New Measure

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

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

Source: [City of Tulsa](#)

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

Year	Water		Sewer	
	Monthly	Rate per	Monthly	Rate per
	Base	1,000	Base	1,000
	Rate	Gallons	Rate	Gallons
2020	\$ 6.38	\$ 4.31	\$ 8.27	\$ 8.80
2019	6.38	4.25	7.63	7.96
2018	6.19	4.13	7.00	7.30
2017	5.90	3.93	6.41	6.70
2016	5.51	3.64	5.88	6.15
2015	5.15	3.40	5.39	5.64
2014	4.81	3.18	4.91	5.14
2013	4.50	2.97	4.50	4.71
2012	4.50	2.75	4.50	4.27
2011	4.50	2.53	4.50	3.92

# APPENDIX OF ABBREVIATIONS

## ARENA DISTRICT



### ABOUT THE DISTRICT

The Arena District rests advantageously on the western edge of the central business district. It is regularly activated by events at the award winning BOK Center, Cox Business Center, City-County Library and numerous patrons of the civic institutions found within its borders. The district draws more than 1.8 million people annually to experience events, attend conferences and participate in daily civic life.



## APPENDIX OF ABBREVIATIONS

(Occasionally used throughout this report)

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



**CITY OF TULSA, OKLAHOMA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
YEAR ENDED: JUNE 30, 2020

 **TULSA DISTRICTS**



RSM US LLP

**Report on Internal Control Over  
Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed in  
Accordance with *Government Auditing Standards***

**Independent Auditor's Report**

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

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Tulsa, Oklahoma (the City), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the City's basic financial statements, and have issued our report thereon dated December 18, 2020. Our report includes a reference to other auditors who audited the financial statements of the Tulsa Performing Arts Center Trust, a discretely presented component unit of the City, and the Tulsa Stadium Trust, a blended component unit of the City, as described in our report on the City's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*RSM US LLP*

Kansas City, Missouri  
December 18, 2020